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Santa Maria Harvesting, LLC

[Additional Counsel on Following Page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA BARBARA**

STATE OF CALIFORNIA ex rel. LEOBARDO
GERALDO, as Private Attorney General,

Plaintiff,

vs.

SANTA MARIA HARVESTING, LLC, a limited
liability company; and DOES 1 through 25,
inclusive,

Defendants.

FILED
SUPERIOR COURT of CALIFORNIA
COUNTY of SANTA BARBARA

05/31/2023

Darrel E. Parker, Executive Officer

BY Willoughby, Norma

Deputy Clerk

Case No.: 20CV03218

*[Assigned for all purposes to the Hon. James
F. Rigali, SM-2]*

**STIPULATION OF SETTLEMENT AND
~~PROPOSED~~ ORDER APPROVING
SETTLEMENT OF PLAINTIFFS'
CLAIMS FOR CIVIL PENALTIES
UNDER PAGA**

Complaint filed: September 25, 2020

1 Mohammed K. Ghods, SBN 144616
2 Jeremy A. Rhyne, SBN 217378

LEX OPUS

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8 Attorney for LEOBARDO GERALDO,
9 as Private Attorney General

10 Ruben Escobedo, SBN 277866
11 **WORKWORLD LAW CORP.**

12 A Professional Corporation
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18 Attorney for LEOBARDO GERALDO,
19 as Private Attorney General

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6. On July 9, 2021, Plaintiff Daysi C. Arias filed a putative class action entitled *Daysi C. Arias, individually, and on behalf of others similarly situated v. Santa Maria Harvesting, LLC, et al.*, County of Santa Barbara Superior Court, Case No. 21CV02689. On September 27, 2021, Plaintiff Arias filed her First Amended Complaint removing the class action claims and

1 asserting a sole cause of action for PAGA representative penalties due to the existence of an
2 arbitration agreement.

3 7. On January 21, 2022, pursuant to the stipulation among the Parties, the Court entered
4 an order consolidating the *Geraldo* and *Arias* matters into a single case with the *Geraldo* matter
5 designated as the lead case.

6 8. Defendant denies all allegations in the complaints. SMH contends, among other
7 things, that it has complied at all times with the California Labor Code, the related California
8 Wage Orders, and all other state and federal wage and hour laws. Defendant further believes that
9 imposition of the asserted penalties would be unjust, arbitrary, oppressive, and confiscatory.
10 While Defendant has denied, and continues to deny, all allegations in the above-described action,
11 the Parties recognized the value of resolving this matter through mediation.

12 9. On October 1, 2021, the Parties participated in a mediation before mediator Scott
13 Radovich, Esq. and on March 2, 2023, the Parties participated in a second mediation before
14 mediator Henry Bongiovi, Esq. During the mediation, the Parties agreed to a settlement, which
15 was negotiated in light of all known facts and circumstances, including the difficulty of proving
16 some of Plaintiff's claims, defenses asserted by Defendant, the uncertainty associated with
17 litigation, the risks of significant delay, and numerous potential appellate issues. It was not easy
18 for the Parties to reach this settlement, which was possible with the skilled guidance and input of
19 mediator, Henry Bongiovi.

20 10. A true and correct copy of the Settlement Agreement, which was fully executed by all
21 Parties on May 12, 2023, is attached hereto as Exhibit "A."

22 11. The settlement in this action provides \$585,000.00 in exchange for a release of claims
23 under PAGA only.¹ The Settlement Agreement contains a Release of Claims, which releases "all
24

25 ¹ \$343,250.00 is the estimated net amount available to the aggrieved employees and the
26 LWDA from the \$585,000 gross settlement amount following deduction for attorney's fees of
27 \$195,000 (one-third of the gross settlement amount), Counsel's actual litigation costs not to
28 exceed \$25,000.00, settlement administration costs estimated to be \$7,500.00, and a payment to
Plaintiffs of \$7,500.00 each in exchange for a general release. However, it is likely that the net
amount available to the Aggrieved Employees will be slightly higher due to the fact the actual
costs will likely be lower than the aforementioned estimates.

1 claims, rights, demands, liabilities and causes of action that arose during the PAGA Period for civil
2 penalties under the PAGA, that were alleged in the Actions or that could have been alleged based
3 on the facts alleged in the Actions. The PAGA Released Claims include, but are not limited to,
4 claims under the PAGA for civil penalties for alleged violations of Labor Code §§ 201-204, 204b,
5 205.5, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
6 1198, 2802 as well as all applicable Industrial Welfare Commission Wage Orders; and claims for
7 attorneys' fees, costs, or interest resulting therefrom. The release of the PAGA Released Claims
8 shall extend for the duration of the PAGA Period (subject to the Escalator Clause below)²."

9 (Ex. A at § I.13; III.6.)

10 In addition to the release made in paragraph 6 above, Plaintiffs make the additional following
11 general release of all claims, known or unknown. Plaintiffs release the Released Parties, from all
12 claims, demands, rights, liabilities and causes of action of every nature and description whatsoever,
13 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
14 violation of any state or federal statute, rule or regulation arising out of, relating to, or in
15 connection with any act or omission by or on the part of Defendant. (The release set forth in this
16 paragraph shall be referred to hereinafter as the "General Release.") With respect to the General
17 Release, Plaintiffs stipulate and agree that, upon Court approval and full funding of the Gross
18 Settlement Amount by Defendant, Plaintiffs shall be deemed to have expressly waived and
19 relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section
20 1542 of the California Civil Code, or any other similar provision under federal or state law, which
21 provides:

22
23
24 ² Santa Maria Harvesting represents that there are approximately 69,153 pay periods worked by
25 Aggrieved Employees in California from April 6, 2019 to February 24, 2023. If the actual number of pay
26 periods through the date of Court approval is more than 15% greater than this number (i.e., if there are more
27 than 79,526 pay periods from April 6, 2019 through the date of Court approval), Santa Maria Harvesting
28 shall have the option to (i) end the PAGA Period as of the first date that the pay period count exceeds
79,526 pay periods, or (ii) increase the Net Settlement Amount in proportion to the increase in pay periods
in excess of 15% (e.g., if the number of pay periods is 17% greater than 69,153, Santa Maria Harvesting
shall have the option to increase the Net Settlement Amount by 2%). (Ex. A at § III.3.)

1 **A general release does not extend to claims that the creditor or releasing party**
2 **does not know or suspect to exist in his or her favor at the time of executing the**
3 **release and that, if known by him or her, would have materially affected his or**
4 **her settlement with the debtor or released party.**

5 If the facts relating in any manner to this Settlement are found hereafter to be other than or
6 different from the facts now believed to be true, the release of claims contained herein shall be
7 effective as to all unknown claims. Notwithstanding the foregoing provisions, the General Release
8 by Plaintiffs does not constitute a waiver of any claims that cannot by law be waived, including,
9 inter alia, claims for workers' compensation, disability insurance, or unemployment insurance.
10 Plaintiffs agree that they will not file any new claims or initiate any further action against the
11 Released Parties for the claims released herein, except in the event action is necessary to enforce
12 the terms of the Settlement Agreement.

13 (Ex. A at § III.7.)

14 12. Plaintiffs agree that upon entry of an Order approving the Settlement and judgment
15 entered thereon, and upon the Settlement being fully funded, Plaintiffs and all Aggrieved
16 Employees release the PAGA Released Claims against the Released Parties that arose during the
17 PAGA Period. Upon entry of the Order approving the settlement and judgment entered thereon
18 and the Settlement being fully funded, Plaintiffs and all Aggrieved Employees will be forever
19 barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA
20 Period against the Released Parties.

21 13. The Parties estimate that Aggrieved Employees worked a total of approximately 69,153
22 pay periods during the period from April 6, 2019 through February 24, 2023.

23 14. Plaintiffs gave notice of the PAGA settlement to the LWDA on May 26, 2023. A copy of
24 the confirmation of receipt the PAGA settlement from the LWDA's online filing system is
25 attached hereto as Exhibit D.

26 15. Based on their own independent investigations and evaluations, Plaintiffs and their
27 counsel are of the opinion that the settlement for the consideration and on the terms set forth
28 in the Settlement Agreement and Release is fair, reasonable, and adequate and is in the best

interests of the Plaintiffs and the Aggrieved Employees in light of all known facts and circumstances and the risks inherent in litigation, including the potential appellate issues. Further, Plaintiffs' counsel believes that the settlement amount entered into is in the best interests of the Aggrieved Employees and that the settlement for each Aggrieved Employee is fair, reasonable, and adequate, given the inherent risk of litigation.

16. The Parties request that the Court approve the arm's length settlement reached between the Parties pertaining to penalties under PAGA, and the release of PAGA claims.

NOW THEREFORE, in return for the mutual commitments and consideration detailed in the Settlement Agreement attached hereto as Exhibit "A," the Parties stipulate as follows:

1. The settlement terms reached through mediation provide for a gross payment by Defendant of five-hundred eighty-five thousand dollars (\$585,000), which shall cover distribution to the LWDA, distribution to Plaintiffs and the alleged Aggrieved Employees, Plaintiffs' counsel's costs and fees, and costs of administration of the settlement, as follows:

Description	Amount
Attorneys' Fees (1/3 of gross settlement)	\$195,000.00
Costs (not to exceed amount)	\$25,000.00 ³
Payment to each Plaintiff in exchange for 1542 Release	\$7,500.00 (\$15,000 total)
Costs of Settlement Administration (not to exceed)	\$7,500.00 ⁴

2. Should the Court approve a lesser amount for attorneys' fees, costs, payment to Plaintiffs in exchange for the 1542 release, or costs of third-party administration, the difference

³ The Settlement authorizes reimbursement of actual costs not to exceed \$25,000. At this time, actual out of pocket costs, including the cost of submitting this stipulation total \$10,338.62. A true and correct copy of a ledger of counsels' costs are attached hereto as Exhibit "B."

⁴ The settlement administration is estimated to cost \$7,500.00. A true and correct copy of the third-party administrator's quote is attached hereto as Exhibit "C."

1 shall be retained as part of the Net Settlement Amount and allocated as follows: 25% to the
2 alleged aggrieved employees and 75% to the LWDA. (*Id.*)

3 3. Within 10 business days of the Court's approval of the PAGA settlement, Defendant
4 SMH will provide the Settlement Administrator with the contact information of the Aggrieved
5 Employees sufficient for the Settlement Administrator to distribute the settlement funds to the
6 Aggrieved Employees, and the Settlement Administrator will provide Defendant with wire-
7 transfer information. Additionally, within 45 days of the Court's approval of the PAGA
8 settlement, Defendant will wire-transfer the \$585,000 total settlement amount to the Settlement
9 Administrator. Within 21 days of the deposit of the settlement sum, the Settlement
10 Administrator will administer and distribute the Settlement Amount in accordance with the terms
11 of the Settlement Agreement. (Ex. A at §§ III.2; IV.2; IV.3.)

12 4. The settlement covers allegedly Aggrieved Employees defined to mean all current and
13 former non-exempt employees who worked for Santa Maria Harvesting in California at any time
14 during the PAGA Period, from April 6, 2019 to the date of the Court's approval of the PAGA
15 settlement. (Ex. A at §§ I.2; I.12.)

16 5. Upon the date of entry of an order by the Court in this action approving this
17 Settlement, the LWDA and Aggrieved Employees, including Plaintiffs, fully release and forever
18 discharge the Released Parties from any and all Released Claims. As a result of this release, the
19 Aggrieved Employees will be unable to bring a claim under, or recover in any other claim
20 brought under, the California Private Attorneys General Act, California Labor Code § 2698 *et*
21 *seq.*, for any violations of the PAGA Released Claims that took place during the Release Period.
22 (Ex. A at §§ I.13; I.16; III.6; III.7; III.13.)

23 6. The LWDA was given the opportunity to investigate this matter after being provided
24 notice by Plaintiffs in their notice letters dated September 25, 2020 and July 2, 2021, but
25 declined to do so. In addition, Plaintiffs notified the LWDA of the settlement.

26 7. Under California law, no notice to the aggrieved employees is required for the
27 resolution of an action under PAGA. (*See Arias v. Superior Court*, (2009) 46 Cal.4th 969, 977.)
28 The Parties have nevertheless agreed to provide an explanatory letter to aggrieved employees to

1 accompany the Settlement Share checks. Attached as Exhibit "A" to the Parties' settlement
2 agreement is the proposed letter to aggrieved employees that would accompany the checks.

3 8. If there is a conflict between the language of this Stipulation and the language of the
4 Settlement Agreement attached as Exhibit A, the language of the Settlement Agreement shall
5 control.

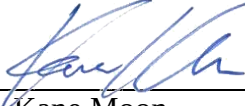
6 9. The Parties further expressly agree that the Court will retain jurisdiction under Code
7 of Civil Procedure section 664.6 to resolve any disputes arising from the settlement.

8 **IT IS SO STIPULATED.**

9
10 Respectfully submitted,

11 Dated: May 26, 2023

MOON & YANG, APC

12
13 By:  _____

14 Kane Moon
15 Brett Gunther
Attorneys for Plaintiff

16 Dated: _____, 2023

WORKWORLD LAW CORP, APC

17
18 By: _____

19
20 Ruben Escobedo
Attorneys for Plaintiff Leobardo Geraldo

1 accompany the Settlement Share checks. Attached as Exhibit "A" to the Parties' settlement
2 agreement is the proposed letter to aggrieved employees that would accompany the checks.

3 8. If there is a conflict between the language of this Stipulation and the language of the
4 Settlement Agreement attached as Exhibit A, the language of the Settlement Agreement shall
5 control.

6 9. The Parties further expressly agree that the Court will retain jurisdiction under Code
7 of Civil Procedure section 664.6 to resolve any disputes arising from the settlement.

8 **IT IS SO STIPULATED.**

9
10 Respectfully submitted,

11 Dated: May 26, 2023

MOON & YANG, APC

12
13 By: 

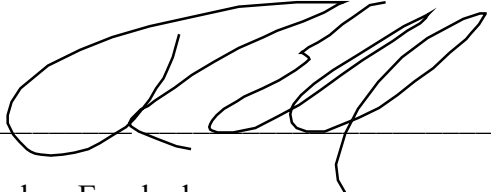
Kane Moon

Brett Gunther

Attorneys for Plaintiff

14
15
16 Dated: May 26, 2023

WORKWORLD LAW CORP, APC

17
18
19 By: 

Ruben Escobedo

Attorneys for Plaintiff Leobardo Geraldo

1
2 Dated: May 26, 2023

MULLEN & HENZELL, LLP

3
4 By:  _____

5 Rafael Gonzalez
6 Attorneys for Defendant Santa Maria
7 Harvesting, LLC
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1. The “Aggrieved Employees” shall be defined as all current and former non-exempt employees who worked for Santa Maria Harvesting, LLC in California at any time during the PAGA Period. The “PAGA Period” means the time period from April 6, 2019 through the date of this Order.

STIPULATION OF SETTLEMENT AND ORDER APPROVING SETTLEMENT OF PAGA CLAIM

1 3. The Court hereby approves the settlement as set forth in the Settlement as fair,
2 reasonable, and adequate, and directs the parties to effectuate the Settlement according to its
3 terms.

4 4. Defendant Santa Maria Harvesting, LLC (“Santa Maria Harvesting”) shall fund
5 the Gross Settlement Amount of \$585,000.00 with the Settlement Administrator within forty-
6 five (45) days of this Order.

7 5. The Court hereby approves, as to form and content, the Explanatory Letter
8 submitted by the parties and included as Exhibit A to the Settlement.

9 6. The Court hereby appoints Phoenix Settlement Administrators as the Settlement
10 Administrator.

11 7. Within ten (10) business days of this Order, Santa Maria Harvesting shall
12 provide the Settlement Administrator with a list containing the Aggrieved Employees’ full
13 names, last known mailing addresses, number of pay periods worked during the PAGA Period,
14 and Social Security numbers to the extent available from Santa Maria Harvesting’s records,
15 pursuant to the terms of the Settlement.

16 8. The Settlement Administrator is directed to mail the Individual PAGA Payments
17 and the Explanatory Letter to the Aggrieved Employees within twenty-one (21) calendar days
18 of receipt of the Gross Settlement Amount being fully funded, pursuant to the terms of the
19 Settlement.

20 9. The Court finds that attorneys’ fees in the amount of one-third of the Gross
21 Settlement Amount (currently estimated to be \$195,000.00) for Plaintiffs’ Counsel, and
22 reimbursement of litigation costs up to \$25,000.00 to Plaintiffs’ Counsel, are fair, reasonable,
23 and adequate, and orders the Settlement Administrator to distribute these payments to
24 Plaintiffs’ Counsel as provided for in the Settlement Agreement.

25 10. The Court orders that the Settlement Administrator shall be paid up to \$7,500.00
26 for all of its work done and to be done until the completion of this matter, and finds that sum
27 appropriate.
28

1 11. The Court finds that the requested Enhancement Payments of \$7,500.00 to
2 Leobardo Geraldo and \$7,500.00 to Daysi C. Arias are fair, adequate, and reasonable in
3 recognition of the unique contributions they have made and the risks they undertook, on behalf
4 of the Aggrieved Employees and the State of California, and orders that the Settlement
5 Administrator distribute these payments to Leobardo Geraldo and Daysi C. Arias as provided
6 for in the Settlement Agreement.

7 12. The Court finds that the amount of \$256,875.00, representing 75% of the
8 \$342,500.00 allocated as PAGA civil penalties under the Settlement, to be paid to the
9 California Labor and Workforce Development Agency (“LWDA”) as provided for by the
10 Settlement, is fair, adequate, and reasonable, and orders that payment be made to the LWDA
11 in accordance with the terms of the Settlement Agreement.

12 12. The Court approves the scope of the release as set forth in the Settlement. Following
13 entry of this Judgment and Order and the Settlement being fully funded, Plaintiffs and all Aggrieved
14 Employees will release the PAGA Released Claims against the Released Parties that arose during
15 the PAGA Period. Upon entry of the Order approving the settlement and judgment entered thereon
16 and the Settlement being fully funded, Plaintiffs and all Aggrieved Employees will be forever barred
17 from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against
18 the Released Parties. The terms of the Settlement Agreement, and this Judgment and Order, shall
19 be binding on Plaintiffs, the State of California, and the Aggrieved Employees, as well as their heirs,
20 executors and administrators, successors and assigns, and those terms shall have res judicata,
21 collateral estoppel and other preclusive effect in all pending and future claims, lawsuits or other
22 proceedings maintained by or on behalf of any such persons or entities, to the extent those claims,
23 lawsuits or other proceedings constitute PAGA Released Claims as set forth in the Settlement
24 Agreement.

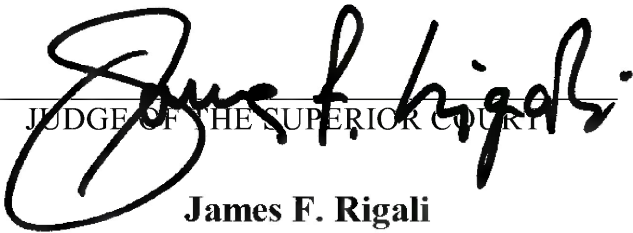
25 13. Upon entry of this Order, the Court hereby enters judgment, with prejudice, for the
26 reasons described above and in accordance with the terms of the Settlement Agreement. Except as
27 otherwise provided in the Settlement Agreement, all parties shall bear their own attorneys’ fees,
28 costs, and expenses incurred by them in or arising out of the lawsuit and shall not seek

1 reimbursement thereof from the Released Parties. Upon entry of this Judgment and Order, the Court
2 permanently enjoins and forever bars the Plaintiffs and/or the Aggrieved Employees from instituting
3 or prosecuting any of the PAGA Released Claims against the Released Parties which were resolved
4 as part of the Settlement. Without affecting the finality of this Judgment and Order in any way, the
5 Court retains jurisdiction to enforce the terms of the Settlement.

6 14. Neither this Order nor the Settlement Agreement (or any other document referred to
7 herein, or any action taken to carry out this Order) is, may be construed as, or may be used as, an
8 admission of liability or fault by Santa Maria Harvesting or the Released Parties, or a finding as to
9 the validity of any claims in the Action or of any wrongdoing or violation of law that is otherwise
10 alleged, or could have been alleged, against Santa Maria Harvesting or the Released Parties. The
11 Settlement Agreement is not a concession by the Parties and, to the extent permitted by law, neither
12 the Settlement Agreement nor this Judgment and Order, nor any of their terms or provisions, nor
13 any of the negotiations or proceedings connected with them, shall be offered as evidence or received
14 in evidence in any pending or future civil, criminal, or administrative action or proceeding to
15 establish any liability of, or admission by the Released Parties. Notwithstanding the foregoing,
16 nothing in this Judgment and Order shall be interpreted as prohibiting the use of this Judgment and
17 Order in a proceeding to consummate or enforce the Settlement Agreement, or the use of this Order
18 and Judgment to defend against the assertion of claims in any other proceeding, or as otherwise
19 required by law. This Judgment and Order and the Settlement Agreement may be filed in any action
20 by Santa Maria Harvesting or the Released Parties to support a defense of res judicata, collateral
21 estoppel, release, waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or
22 any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.

23 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

24
25 Dated: 05/31/2023

26 
27 JUDGE OF THE SUPERIOR COURT

28 **James F. Rigali**

Exhibit *A*

PRIVATE ATTORNEYS GENERAL ACT
SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement (“Settlement Agreement” or “Settlement”) is made and entered into between Plaintiffs Leobardo Geraldo and Daysi C. Arias (“Plaintiffs”), acting in a private attorney general capacity, and Defendant Santa Maria Harvesting, LLC (“Defendant” or “Santa Maria Harvesting”) (collectively, the “Parties”).

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Actions” means (i) the matter titled *State of California, ex rel. Leobardo Geraldo v. Santa Maria Harvesting, LLC*, Santa Barbara Superior Court, Case No. 20CV03218, and as set forth in Leobardo Geraldo’s correspondence to the California Labor and Workforce Development Agency (“LWDA Letter”) dated September 25, 2020 and (ii) the matter titled *Daysi C. Arias v. Santa Maria Harvesting, LLC*, Santa Barbara Superior Court, Case No. 21CV02689, and as set forth in Daysi C. Arias’s LWDA Letter dated July 2, 2021.

2. “Aggrieved Employees” consist of all current and former non-exempt employees who worked for Santa Maria Harvesting in California at any time during the PAGA Period.

3. “Santa Maria Harvesting” or “Defendant” means Santa Maria Harvesting, LLC.

4. “Settlement Administrator” means Phoenix Settlement Administrators.

5. “Complaints” means the operative complaints in the Actions.

6. “Court” means the Superior Court of California for the County of Santa Barbara.

7. “Individual PAGA Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein.

8. “LWDA” means the California Labor and Workforce Development Agency.

9. “Gross Settlement Amount” is the non-reversionary sum of Five Hundred Eighty-Five Thousand Dollars and Zero Cents (\$585,000.00), which represents the total amount payable under this Settlement Agreement by Santa Maria Harvesting (subject to the Escalator Clause below), including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiffs’ attorneys’ fees and costs, payment of Plaintiffs’ enhancement payments, and payment to the Settlement Administrator for administration costs.

10. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts, if approved by the Court, are subtracted from the Gross Settlement Amount: (a) Plaintiffs’ attorneys’ fees up to one third of the Gross Settlement Amount; (b) Plaintiffs’ litigation costs up to \$25,000.00; (c) Plaintiffs’ enhancement payments up to \$7,500.00 to Leobardo Geraldo and \$7,500.00 to Daysi C. Arias; and (d) settlement administration costs up to \$7,500.

11. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

12. “PAGA Period” means the time period from April 6, 2019 through the date of the Court Order granting approval of the PAGA Settlement (subject to the Escalator Clause below).

13. “PAGA Released Claims” mean all claims, rights, demands, liabilities and causes of action that arose during the PAGA Period for civil penalties under the PAGA, that were alleged in the Actions or that could have been alleged based on the facts alleged in the Actions. The PAGA Released Claims include, but are not limited to, claims under the PAGA for civil penalties for alleged violations of Labor Code §§ 201-204, 204b, 205.5, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802 as well as all applicable Industrial Welfare Commission Wage Orders; and claims for attorneys’ fees, costs, or interest resulting therefrom. The release of the PAGA Released Claims shall extend for the duration of the PAGA Period (subject to the Escalator Clause below).

14. “Parties” means, collectively, Plaintiffs and Santa Maria Harvesting.

15. “Plaintiffs’ Counsel” means Ruben Escobedo of WorkWorld Law Corp, APC, Mohammed K. Ghods and Jeremy A. Rhyne of Lex Opus, and Kane Moon and Brett Gunther of Moon & Yang, APC.

16. “Released Parties” means Santa Maria Harvesting and its related entities, parents, and subsidiaries, and each of their respective its former and present owners, directors, officers, members, managers, partners, shareholders, joint venturers, successors, assigns, accountants, insurers, agents, or legal representatives.

II. RECITALS

1. Plaintiffs performed work for Santa Maria Harvesting as non-exempt employees in California during the PAGA Period.

2. On September 25, 2020, Leobardo Geraldo provided written notice to the LWDA and Santa Maria Harvesting asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of various Labor Code sections and his intent to file a civil lawsuit under the PAGA.

3. On September 25, 2020, Leobardo Geraldo filed a complaint titled *State of California, ex rel. Leobardo Geraldo v. Santa Maria Harvesting, LLC*, Santa Barbara Superior Court, Case No. 20CV03218, asserting a claim for PAGA civil penalties against Santa Maria Harvesting based on violations of the Labor Code. On December 8, 2020, Leobardo Geraldo filed a First Amended Complaint for civil penalties under the PAGA.

4. On July 2, 2021, Daysi C. Arias provided written notice to the LWDA and Santa Maria Harvesting asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of various Labor Code sections and her intent to file a civil lawsuit under the PAGA.

5. On July 9, 2021, Daysi C. Arias filed a putative class action titled *Arias v. Santa Maria Harvesting, LLC*, Santa Barbara Superior Court, Case No. 21CV02689, against Santa Maria

Harvesting based on violations of the Labor Code on a class-wide basis. On September 27, 2021, Daysi C. Arias filed a First Amended Complaint removing the class action claims and asserting a claim for civil penalties under the PAGA.

6. On December 9, 2021, the Court ordered the Actions to be related. On January 21, 2022, the Court ordered the Actions to be consolidated for all purposes and designated *State of California, ex rel. Leobardo Geraldo v. Santa Maria Harvesting, LLC*, Santa Barbara Superior Court, Case No. 20CV03218 as the lead case.

7. In response to Plaintiffs' Counsel's informal discovery requests, Santa Maria Harvesting provided Plaintiffs' Counsel with information and documents pertaining to Plaintiffs and other Aggrieved Employees in order for Plaintiffs' Counsel to investigate Plaintiffs' allegations and value the claims prior to mediation.

8. On October 1, 2021, the Parties participated in mediation before mediator Scott Radovich, Esq.

9. On March 2, 2023, the Parties participated in a second mediation before mediator Henry Bongiovi, Esq. With the assistance of Mr. Bongiovi, the Parties agreed to fully and finally resolve the PAGA Released Claims as to Plaintiffs and Aggrieved Employees.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement shall be construed to be an admission by Plaintiffs that their claims do not have merit, or an admission by Santa Maria Harvesting of any liability or wrongdoing as to Plaintiffs, the Aggrieved Employees or any other person. Santa Maria Harvesting specifically disclaims and denies any such liability or wrongdoing. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Gross Settlement Amount.** Santa Maria Harvesting shall pay Five Hundred Eighty Five Thousand Dollars and Zero Cents (\$585,000.00) as the non-reversionary Gross Settlement Amount. Santa Maria Harvesting will not pay more than the Gross Settlement Amount (subject to the Escalator Clause below). Santa Maria Harvesting shall deposit the Gross Settlement Amount into a Qualified Settlement Account and agrees to fund the settlement within forty-five (45) days of the Court's Order approving the PAGA settlement. The Gross Settlement Amount shall be used to pay: (1) Amounts distributable to the LWDA and Aggrieved Employees; (2) Plaintiffs' attorneys fees and litigation costs; (3) Plaintiffs' enhancement payments; and (4) Settlement administration costs.

3. **Escalator Clause.** Santa Maria Harvesting represents that there are approximately 69,153 pay periods worked by Aggrieved Employees in California from April 6, 2019 to February 24, 2023. If the actual number of pay periods through the date of Court approval is more than 15% greater than this number (i.e., if there are more than 79,526 pay periods from April 6, 2019 through the date of Court approval), Santa Maria Harvesting shall have the option to (i) end the PAGA

Period as of the first date that the pay period count exceeds 79,526 pay periods, or (ii) increase the Net Settlement Amount in proportion to the increase in pay periods in excess of 15% (e.g., if the number of pay periods is 17% greater than 69,153, Santa Maria Harvesting shall have the option to increase the Net Settlement Amount by 2%).

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Gross Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

a. **Plaintiffs' Attorneys' Fees and Costs.** Santa Maria Harvesting will not oppose Plaintiffs' request for attorneys' fees in the amount up to one third of the Gross Settlement Amount (currently estimated to be \$195,000.00) and costs up to \$25,000 incurred in prosecuting the Actions. In the event the Court approves less than these amounts, the difference will be added to the Net Settlement Amount (although Plaintiffs may appeal an order granting less than the full amount sought for attorneys' fees and costs). Santa Maria Harvesting, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiffs' Counsel.

b. **Plaintiffs' Enhancement Payments.** Santa Maria Harvesting will not oppose Plaintiffs' request for enhancement payments and for the providing of a general release of up to \$7,500.00 to Leobardo Geraldo and \$7,500.00 to Daysi C. Arias for serving as the representative Plaintiffs in the Actions. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount (although Plaintiffs may appeal an order granting less than the full amount sought for Plaintiffs' enhancement payments). Santa Maria Harvesting, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to Plaintiffs.

c. **Administration Costs.** Santa Maria Harvesting will not oppose the Settlement Administrator's costs in the amount up to \$7,500.00 for administering the settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Santa Maria Harvesting, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

5. **Allocation of Net Settlement Amount.** One hundred percent (100%) of the Net Settlement Amount shall be designated as "civil penalties" and shall be distributed 75% to the LWDA and 25% to Aggrieved Employees, pursuant to Labor Code § 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees pro rata, based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

a. The parties agree that should the Court deny approval of the Settlement based on the allocation of the Gross Settlement Amount or the Net Settlement Amount, the parties agree to re-negotiate in good faith in an effort to obtain approval of the Settlement.

6. **PAGA Released Claims.** Plaintiffs agrees that upon entry of an Order approving the Settlement and judgment entered thereon, and upon the Settlement being fully funded, Plaintiffs and all Aggrieved Employees release the PAGA Released Claims against the Released Parties that arose during the PAGA Period. Upon entry of the Order approving the settlement and judgment entered thereon and the Settlement being fully funded, Plaintiffs and all Aggrieved

Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against the Released Parties.

7. **General Release by Plaintiffs.**

a. In addition to the release made in paragraph 6 above, Plaintiffs make the additional following general release of all claims, known or unknown. Plaintiffs release the Released Parties, from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of Defendant. (The release set forth in this paragraph shall be referred to hereinafter as the "General Release.") With respect to the General Release, Plaintiffs stipulate and agree that, upon Court approval and full funding of the Gross Settlement Amount by Defendant, Plaintiffs shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

b. If the facts relating in any manner to this Settlement are found hereafter to be other than or different from the facts now believed to be true, the release of claims contained herein shall be effective as to all unknown claims. Notwithstanding the foregoing provisions, the General Release by Plaintiffs does not constitute a waiver of any claims that cannot by law be waived, including, inter alia, claims for workers' compensation, disability insurance, or unemployment insurance. Plaintiffs agree that they will not file any new claims or initiate any further action against the Released Parties for the claims released herein, except in the event action is necessary to enforce the terms of the Settlement Agreement.

8. **Covenants and Representations by Plaintiffs and Plaintiffs' Counsel.**

a. Plaintiffs represent and warrant that they have not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement Agreement.

b. Plaintiffs acknowledge that they have read this Settlement Agreement, that they fully understand their rights, privileges and duties under the Settlement Agreement, and enter into this Settlement Agreement freely and voluntarily. Plaintiffs further acknowledge that they have had the opportunity to consult with their attorneys to explain the terms of this Settlement Agreement and the consequences of signing this Settlement Agreement.

9. **Confidentiality.** Except as provided below to the extent necessary to effectuate the settlement or as required by court or legal process, Plaintiffs and Plaintiffs' Counsel will keep the terms of this Settlement Agreement confidential. Neither Plaintiffs nor Plaintiffs' Counsel shall issue a press release, hold a press conference, publish information about the settlement on

any website or through any social media or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court.

To permit judicial review and approval of the Settlement, as required by Labor Code section 2698, *et seq.*, Plaintiffs' Counsel will file the Settlement Agreement with the Court and submit the Settlement to the LWDA as part of the parties' seeking Court approval of the Settlement, per Labor Code § 2699(1)(2).

10. **Motion or Joint Stipulation for Approval of PAGA Settlement by Plaintiffs' Counsel.** Plaintiffs' Counsel shall be responsible for promptly preparing and filing the Joint Stipulation or Motion for Approval of the PAGA Settlement.

11. **Termination of Settlement Agreement.** If the Court does not approve the settlement, if the Court does not enter judgment as provided for in this Settlement Agreement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the material terms of the Settlement Agreement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within 10 days of written notice thereof to elect to terminate the Settlement Agreement, in which case the Settlement Agreement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement Agreement.

12. **Judgment.** As part of the Motion to approve the Settlement, Plaintiffs shall submit a proposed judgment which enters judgment in the Actions in accordance with the terms of the Settlement, retains jurisdiction over the Actions under Cal. Code Civ. Proc. § 664.6 for the purpose of enforcing the terms of the Settlement following approval of the Settlement, and enjoins the prosecution of any of the PAGA Released Claims against any of the Released Parties upon the judgment being entered and the Settlement being fully funded. The Parties shall confer and agree on the Motion and the proposed judgment before submission to the Court. This Settlement Agreement is expressly conditioned upon the Court entering judgment as set forth herein.

13. **Preclusive Effect of Settlement Agreement and Approval.** The terms of this Settlement Agreement and the Order and judgment are binding on Plaintiffs, the State of California, and all Aggrieved Employees, as well as their heirs, executors and administrators, successors and assigns, and those terms shall have res judicata, collateral estoppel and other preclusive effect in all pending and future claims, lawsuits or other proceedings maintained by or on behalf of any such persons, to the extent those claims, lawsuits or other proceedings constitute PAGA Released Claims as set forth in this Settlement Agreement. Notwithstanding any other provision in this Settlement Agreement, this Settlement Agreement and the Order and judgment in the Actions may be filed in any action against or by Defendant or the Released Parties to support a defense of res judicata, collateral estoppel, release, waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.

IV. ADMINISTRATION OF SETTLEMENT

1. **Settlement Administrator.** The Parties agree to engage Phoenix Settlement Administrators to handle the administration of this settlement.

2. **Provision of Information for Aggrieved Employees.** Within ten (10) business days after entry of an order approving the settlement, Santa Maria Harvesting shall provide the Settlement Administrator with information for Aggrieved Employees. Santa Maria Harvesting will in good faith compile from its records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, number of pay periods worked during the PAGA Period, and Social Security numbers to the extent available from Santa Maria Harvesting's records. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement. Within seven (7) calendar days of receiving the Aggrieved Employees' information from Santa Maria Harvesting, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses. Within twenty-one (21) calendar days after the Settlement has been fully funded and after receiving approval from Plaintiffs' Counsel and Defendant's counsel of the payment calculations as provided above, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English and Spanish, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail.

The Settlement Administrator will calculate the amount to be received by each Aggrieved Employee, which will be based on the formula set forth in paragraph 5, above. The Settlement Administrator will send each Aggrieved Employee a check for his or her Individual PAGA Payment along with the explanatory letter. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099, with no withholdings taken.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other reputable search method using the name, address or Social Security number of the Aggrieved Employee involved, and will perform up to a single re-mailing if a new address is located.

Funds represented by checks returned as undeliverable after a re-mailing, checks for whom the Settlement Administrator could not locate an updated address after performing a skip trace, and funds represented by checks remaining un-cashed more than 180 days after issuance

(collectively, “Uncashed Checks”), shall be transmitted by the Settlement Administrator to Santa Barbara Food Bank, a nonprofit organization consistent with Code of Civil Procedure Section 384, subd. (b) (“Cy Pres Recipient”), subject to approval by the Court. The Parties, Plaintiffs’ Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

In the event that an Aggrieved Employee's check is undeliverable, uncashed, or otherwise distributed to the Santa Barbara Food Bank, the terms of the final judgment and the Release of Claims will nevertheless be binding upon that Aggrieved Employee.

5. **Distribution of Payments.** Within twenty-one (21) calendar days of the Settlement being fully funded, the Settlement Administrator shall issue payments to (1) Aggrieved Employees; (2) the LWDA; (3) Plaintiffs’ Counsel for Plaintiffs’ Counsel’s Court-approved attorneys’ fees and litigation costs and expenses; (4) Plaintiffs for the Court-approved enhancement payments and (5) the Settlement Administrator for Court-approved Settlement administration costs incurred in connection with the Settlement. Payments made by Santa Maria Harvesting pursuant to this Settlement shall be held by the Settlement Administrator in an interest-bearing account until they are disbursed, with any accrued interest inuring to the benefit of the Aggrieved Employees in the form of pro rata increases to Aggrieved Employees’ Individual PAGA Payments.

6. **Accounting.** Within 45 days after all payments have been made under the Settlement, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the settlement.

7. **Tax Consequences.** Neither Plaintiffs nor Santa Maria Harvesting, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement Agreement. Aggrieved Employees are responsible for correctly characterizing compensation under this Settlement Agreement for tax purposes and paying any taxes owing on said amounts. The Administrator shall issue employees IRS 1099 Forms reflecting payment issued to them under this Agreement.

V. MISCELLANEOUS PROVISIONS

1. **Drafting.** The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm’s-length negotiations between the Parties and that neither Party shall be considered the “drafter” of this Settlement Agreement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Costs and Fees.** The Parties shall each bear their own costs and attorneys’ fees incurred in connection with this Settlement Agreement, the Actions and Plaintiffs’ claims, except as otherwise set forth specifically herein.

4. **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California. This Settlement Agreement shall be deemed to

have been entered into in Santa Barbara, California, and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement Agreement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement Agreement, it shall be brought in the State of California, County of Santa Barbara.

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them with respect to the subject matter of this Settlement Agreement, and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA claim in the Actions.

6. **Nullification of Settlement Agreement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions before the Settlement was executed.

7. **Judgment and Continued Jurisdiction.** As noted above, after approval of this settlement, the Court will have continuing jurisdiction under Cal. Code Civ. Proc. § 664.6 for purposes of addressing: (i) the interpretation and enforcement of the terms of the settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

8. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest, or by counsel for all Parties.

9. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this settlement, the Parties may seek the assistance of the mediator (Henry Bongiovi) or the Court to resolve such disagreement.

10. **Execution and Counterparts.** This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

11. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties

further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

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

13. **Severability.** If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

14. **Waiver.** No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

15. **Enforcement Action.** In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

17. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

18. **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.

19. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

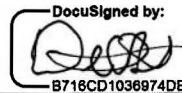
IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: 4/28/2023, 2023



Leobardo Geraldo, Plaintiff

Dated: 05/05/2023, 2023

DocuSigned by:

B718CD1036974DE...

Daysi C. Arias, Plaintiff

SANTA MARIA HARVESTING, INC.

Dated: 5/12, 2023



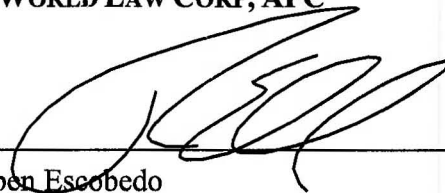
By: Anthony Reade

Its: Member

APPROVED AS TO FORM:

Dated: May 9, 2023

WORKWORLD LAW CORP, APC

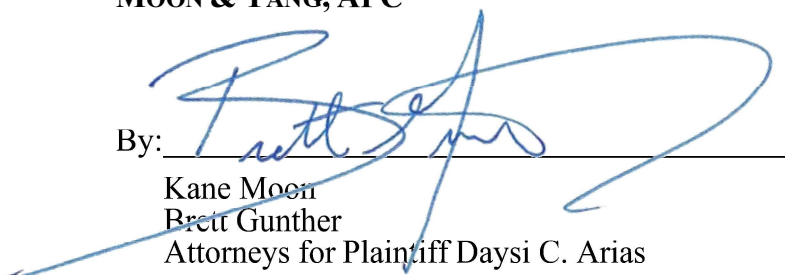


By: _____

Ruben Escobedo
Attorneys for Plaintiff Leobardo Geraldo

Dated: May 05, 2023

MOON & YANG, APC

By: 

Kane Moon
Brett Gunther
Attorneys for Plaintiff Daysi C. Arias

Dated: May 12, 2023

MULLEN & HENZELL, LLP

By: 

Rafael Gonzalez
Attorneys for Defendant Santa Maria
Harvesting, Inc.

EXHIBIT A

Re: Payment from State of California, ex rel. Leobardo Geraldo v. Santa Maria Harvesting, LLC; Daysi C. Arias v. Santa Maria Harvesting, LLC
Superior Court of California Santa Barbara County; Case Nos. 20CV03218 and 21CV02689

Date: [REDACTED]/[REDACTED]/2023

Name
Address

Dear Name:

Enclosed, please find a check made payable to you. This is your payment from the settlement of lawsuits titled *State of California, ex rel. Leobardo Geraldo v. Santa Maria Harvesting, LLC* and *Daysi C. Arias v. Santa Maria Harvesting, LLC*, Santa Barbara Superior Court, Case Nos. 20CV03218 and 21CV02689, pending in the Superior Court of the State of California for the County of Santa Barbara (the “Actions”).

The Actions were filed against Santa Maria Harvesting, LLC (“Santa Maria Harvesting”) and include claims pursuant to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). The Actions were brought by Plaintiffs Leobardo Geraldo and Daysi C. Arias (“Plaintiffs”), former employees of Santa Maria Harvesting, on behalf of the State of California and other alleged aggrieved employees. You have been identified as one of the employees on whose behalf the case was brought.

In the lawsuit, Plaintiffs claimed that Santa Maria Harvesting violated the California Labor Code by failing to pay minimum wages, failing to pay overtime wages, untimely payment of wages, failing to provide compliant meal and rest breaks, failing to keep accurate records of hours worked and records of wage statements, inaccurate wage statements, failing to reimburse and indemnify expenses, and failing to timely pay all wages upon termination. Santa Maria Harvesting disputes all of Plaintiffs’ allegations and denies that it engaged in any of the alleged misconduct. The parties have reached a settlement of Plaintiffs’ representative PAGA claims, and on [DATE], the Court approved the settlement, including the amount of civil penalties to be paid under the settlement. A portion of the civil penalty settlement amount goes to the State of California’s Labor and Workforce Development Agency. Another portion of the civil penalty settlement amount goes to employees of Santa Maria Harvesting who were allegedly affected by the alleged violations of the Labor Code. In agreeing to enter into this settlement, Santa Maria Harvesting does not admit that it is liable in any way to current or former employees for any violations of the California Labor Code, or any penalties, and has denied and disputed all of Plaintiffs’ contentions. The Court has not decided the merits of Plaintiffs’ claims or Santa Maria Harvesting’s defenses.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. This check will remain valid for 180 days from the date of issuance. Please note that no deductions/withholdings have been made from your settlement payment, and you will be responsible for any tax consequences arising from your receipt of the same (for which an IRS Form 1099 will issue). If you do not cash your check within 180 days of issuance, the funds will be transmitted by the Settlement Administrator to Santa Barbara Food Bank, a nonprofit organization.

If you are still employed by Santa Maria Harvesting, your decision to cash the check will not affect your employment in any way.

While you were not a party to the Action, you and the State of California have been bound by the settlement entered in this matter and approved by the Court, including the release contained in the settlement. The release pertains to civil penalties under PAGA only. The release includes all claims under the PAGA that were alleged in, or could have been alleged based on the facts alleged in, Plaintiffs' complaints in the Actions, including claims for civil penalties, attorneys' fees, costs, or interest under the PAGA based on Santa Maria Harvesting's alleged failure to pay minimum wages, alleged failure to pay overtime wages, alleged untimely payment of wages, alleged failure to provide compliant meal and rest breaks, alleged failure to keep accurate records of hours worked and records of wage statements, alleged inaccurate wage statements, alleged failure to reimburse and indemnify expenses, and alleged failure to timely pay all wages upon termination, during the time period April 6, 2019 through <THE DATE OF THE ORDER APPROVING THE PAGA SETTLEMENT> (the "PAGA Period").

If you have any questions, you can contact [REDACTED], the Settlement Administrator, at 1-[REDACTED]-[REDACTED].

Exhibit B

Ghods Law Firm
Unbilled Costs by Job
All Transactions

	Date	Account	Source Name	Memo	Amount
Geraldo v. SM Harvesting	09/30/2020	Printing and Reproduction	LO	Sept copies	\$0.40
106-0120	10/5/2020	Attorney Services	One Legal	efile complaint	\$464.56
	10/31/2020	Printing & reproduction	LO	oct copies	\$1.20
	12/14/2020	Attorney Services	One Legal	efile Amendment to Complaint	\$15.10
	01/14/2021	Attorney Services	One Legal	efile Notice	\$17.15
	01/25/2021	Attorney Services	One Legal	efile CMS	\$12.00
	01/26/2021	Attorney Services	One Legal	efile CMS	\$17.15
	01/31/2021	Printing and Reproduction	LO	jan copies	\$8.00
	01/31/2021	Postage	LO	jan postage	\$1.21
	02/28/2021	Printing and Reproduction	LO	feb copies	\$1.60
	09/14/2021	Attorney Services	One Legal	efile CMS	\$12.35
	09/30/2021	Printing and Reproduction	LO	sept copies	\$1.60
	09/30/2021	Postage	LO	sept postage	\$0.73
	1/11/2022	Attorney Services	One Legal	efile CMS	\$17.66
	01/20/2022	Attorney Services	One Legal	efile Stip & Order	\$38.35
	01/31/2022	Printing & reproduction	LO	jan copies	\$18.30
	01/31/2022	Postage	LO	jan postage	\$1.59
	02/28/2022	Printing and Reproduction	LO	February copies	\$4.60
	02/28/2022	Postage	LO	February postage	\$1.06
	03/31/2022	Printing and Reproduction	LO	March copies	\$1.60
Total	11/14/2022	Attorney Services	One Legal	Case Management Statement	\$18.17
	11/30/2022	Printing and Reproduction	LO	November copies	\$1.60
	11/30/2022	Printing and Reproduction	LO	November copies - Arias	\$1.60
	02/23/2023	Attorney Services	One Legal	efile CMS	\$18.63
	02/28/2023	Printing and Reproduction	LO	February copies	\$0.40
	03/31/2023	Printing and Reproduction	LO	March copies	\$0.40
					\$677.01

Activities Export

05/26/2023

12:13 PM

Date ▾	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
03/03/2023	\$	Mediation fee (p) ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$4,000.00	-	\$4,000.00
03/18/2022	\$	One Legal ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$16.78	-	\$16.78
01/28/2022	\$	One Legal ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$16.42	-	\$16.42
12/28/2021	\$	One Legal ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$16.42	-	\$16.42
11/08/2021	\$	One Legal ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$11.12	-	\$11.12
11/08/2021	\$	One Legal ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$16.42	-	\$16.42
11/08/2021	\$	One Legal ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$16.42	-	\$16.42
10/20/2021	\$	Berger Consulting ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$1,450.00	-	\$1,450.00
10/05/2021	\$	Mediation fee (p) ● Unbilled	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$1,500.00	-	\$1,500.00
							\$0.00 0.00h	\$9,661.61 0.00h

Activities Export

05/26/2023

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Date ▼	Type	Description	Matter	User	Qty	Rate (\$)	Non-billable (\$)	Billable (\$)
09/27/2021	\$ ● Unbilled	One Legal	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$79.00	-	\$79.00
09/27/2021	\$ ● Unbilled	One Legal	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$16.42	-	\$16.42
08/31/2021	\$ ● Unbilled	Ace	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$43.25	-	\$43.25
07/16/2021	\$ ● Unbilled	Ace	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$160.50	-	\$160.50
07/14/2021	\$ ● Unbilled	LWDA	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$75.00	-	\$75.00
07/07/2021	\$ ● Unbilled	Admin fee	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$750.00	-	\$750.00
07/07/2021	\$ ● Unbilled	Complaint fee	01320-Arias Arias v. Santa Maria Harvesting LLC (CJ)	Kane Moon	1.00	\$1,493.86	-	\$1,493.86
							\$0.00 0.00h	\$9,661.61 0.00h

Exhibit C



CASE ASSUMPTIONS

Class Members	850
Opt Out Rate	N/A
Opt Outs Received	
Total Class Claimants	850
Subtotal Admin Only	\$6,750.00

Not-to-Exceed Total \$6,750.00

For 850 Class Members

Pricing Good for Scope of Estimate Only

April 20, 2023

Case: TBD PAGA Administration wTranslation

Phoenix Contact: Jodey Lawrence

Contact Number: 800-523-5773

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Brett Gunther

Firm: MOON & YANG, APC

Contact Number: (213) 232-3128

Email: brett.gunther@moonyanglaw.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 850 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*	\$55.02	1	\$55.02
Call Center & Long Distance	\$2.00	85	\$170.00
NCOA (USPS)	\$250.00	1	\$250.00
Language Translation	\$225.00	1	\$225.00
Total			\$1,300.02

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	3	\$300.00
Data Merge & Duplication Scrub	\$0.25	850	\$212.50
Notice and Check Packet	\$1.25	850	\$1,062.50
Estimated Postage (up to 1 oz.)*	\$0.64	850	\$544.00
Total			\$2,119.00

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	3	\$150.00
Skip Tracing Undeliverables	\$1.00	128	\$127.50
Remail Notice Packets	\$1.25	128	\$159.38
Estimated Postage	\$0.64	128	\$81.60
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$618.48

Database Programming

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	2	\$270.00
Case Manager	\$85.00	2	\$170.00
Total			\$440.00

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

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$100.00	2	\$200.00
Disbursement Review	\$100.00	2	\$200.00
Programming Manager	\$100.00	2	\$200.00
QSF Bank Account & EIN	\$50.00	1	\$50.00
Check Run Setup & Printing	\$100.00	3	\$300.00
Total			\$950.00

* 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	\$135.00	2	\$270.00
Remail Undeliverable Checks (Postage Included)	\$1.50	5	\$7.50
Case Associate	\$50.00	3	\$150.00
Reconcile Uncashed Checks	\$85.00	2	\$170.00
Conclusion Reports	\$100.00	1	\$100.00
Case Manager Conclusion	\$75.00	1	\$75.00
Final Reporting & Declarations	\$100.00	1	\$100.00
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$450.00	1	\$450.00
Total			\$1,322.50

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

Estimate Total: \$6,750.00



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.

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.

Exhibit D

Linh Tran

From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Sent: Friday, May 26, 2023 12:57 PM
To: Linh Tran
Subject: Thank you for your Proposed Settlement Submission

05/26/2023 12:56:33 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Linh Tran

From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Sent: Friday, May 26, 2023 3:42 PM
To: Linh Tran
Subject: Thank you for your Proposed Settlement Submission

Follow Up Flag: Follow up
Flag Status: Flagged

05/26/2023 03:41:42 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

1 **PROOF OF SERVICE**

2 **STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

3 I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not
4 a party to the within suit; my business address is 1055 W. 7th Street, Suite 1880, Los Angeles, CA 90017.

5 On the date indicated below, I served the document described as: **STIPULATION OF**
6 **SETTLEMENT AND [PROPOSED] ORDER APPROVING SETTLEMENT OF PLAINTIFFS'**
7 **CLAIMS FOR CIVIL PENALTIES UNDER PAGA** on the interested parties in this action by sending [
8] the original [or] [✓] a true copy thereof [✓] to interested parties as follows [or] [] as stated on the
9 attached service list:

10 Mohammed K. Ghods,
11 Jeremy A. Rhyne,
12 **LEX OPUS**
13 2100 N. Broadway, Suite 210
14 Santa Ana, CA 92706
15 Telephone: (714) 558-8580
16 Facsimile: (714) 558-8579
17 Email: jrhyne@lexopusfirm.com

Ruben Escobedo,
WORKWORLD LAW CORP.
A Professional Corporation
731 S. Lincoln Street
Santa Maria, CA 93458
Telephone: (805) 335-2476
Facsimile: (805) 892-6213
ruben@workworldlaw.com

18 *Attorney for LEOBARDO GERALDO,*
19 *as Private Attorney General*

Attorneys for Plaintiff Leobardo Geraldo

20 Rafael Gonzalez,
21 Brian T. Daly
22 **MULLEN & HENZELL L.L.P.**
23 112 East Victoria Street
24 Post Office Drawer 789
25 Santa Barbara, CA 93102-0789
26 Telephone: (805) 966-1501
27 Facsimile: (805) 966-9204
28 rgonzalez@mullenlaw.com
bdaly@mullenlaw.com

Attorneys for Defendant SANTA MARIA HARVESTING, LLC

29 [✓] **BY U.S. MAIL:** I deposited such envelope in the mail at Los Angeles, California. The
30 envelope was mailed with postage thereon fully prepaid. I am "readily familiar" with the
31 firm's practice of collection and processing correspondence for mailing. Under that practice
32 it would be deposited with U.S. postal service on that same day with postage thereon fully
33 prepaid at Los Angeles, California in the ordinary course of business. I am aware that on
34 motion of the party served, service is presumed invalid if postal cancellation date or postage
35 meter date is more than one day after date of deposit for mailing in affidavit.

36 I declare under penalty of perjury under the laws of the State of California that the foregoing is
37 true and correct. Executed this **May 26, 2023** at Los Angeles, California.

38 Karen Castillo
Type or Print Name


Signature