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Attorneys for Plaintiff JORGE GARCIA
on behalf of himself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – INGLEWOOD COURTHOUSE

JORGE GARCIA, individually and on behalf
of himself and all others similarly situated,

Plaintiff,

v.

US BEST INGREDIENTS, INC., a
California Corporation; and DOES 1-50,
inclusive,

Defendants.

CASE NO.: 21TRCV00813

**DECLARATION OF CHRISTINA M.
LUCIO IN SUPPORT OF PLAINTIFF
JORGE GARCIA'S MOTION FOR
APPROVAL OF PAGA
REPRESENTATIVE ACTION
SETTLEMENT**

Dept.: 8
Judge: Hon. Ronald F. Frank
Date: June 14, 2023
Time: 8:30a.m.

RES ID: 559232291149

1 I, Christina M. Lucio, declare as follows:

2 1. I am an individual over the age of 18. I am Of Counsel to the Law Firm of James
3 Hawkins, APLC. I am one of the attorneys of record for Plaintiff JOSE GARCIA (“Plaintiff” or
4 “Class Representative”), who filed this Class Action on behalf of himself and all others similarly
5 situated current and former hourly non-exempt employees who have worked for Defendant US
6 Best Ingredients, Inc. (“Defendant”) (with Plaintiff, the “Parties”). I have been an attorney on
7 this case since its inception. I have personal knowledge of the facts set forth below, and if called
8 to testify regarding them, I could and would do so competently.

9 2. I submit this Declaration in support of Plaintiff Jose Garcia’s Motion for Approval
10 of PAGA Representative Action Settlement (the “Approval Motion”), which is filed concurrently
11 herewith, along with the Memorandum of Points and Authorities. Attached as **Exhibit 1** is a true
12 and correct copy of the executed PAGA Representative Action Agreement entered by the Parties,
13 including exhibits thereto, which the parties ask the Court to approve (the “Agreement” or
14 “Settlement Agreement”).

15 **Parties**

16 3. Defendant US Best Ingredients, Inc. is a California Corporation doing business in
17 the state of California. It is based at 2927 Lomita Blvd., Torrance, California, 90505. Defendant
18 is a research company specializing in healthy food ingredients and development of raw materials
19 for human health. Defendant operates a location in Torrance, California and employs other non-
20 exempt employees like Plaintiff.

21 4. Plaintiff worked at the Torrance facility as an hourly, non-exempt Machine
22 Operator for Defendants and worked approximately 5 days per week, 40 hours per week in Spring
23 2021.

24 5. Per Defendant’s representations, through August 9, 2022, there were
25 approximately 145 members of the PAGA group and approximately 2,000 pay periods.

26 **Procedural History**

27 6. On or about July 20, 2021, Plaintiff mailed Defendant and the Labor and
28

1 Workforce Development Agency notice of the alleged Labor Code and IWC Wage Order(s)
2 violations that allegedly subjected Defendant to penalties under the Private Attorneys General Act
3 of 2004, Cal. Lab. Code section 2698 *et seq.* (“PAGA”). A true and correct copy of the initial
4 letter to the LWDA is attached hereto as **Exhibit 2**.

5 7. Having received no response from the LWDA, Plaintiff filed a complaint against
6 Defendant alleging a single cause of action under PAGA on November 5, 2021 in *Garcia v. US*
7 *Best Ingredients, Inc.*, Los Angeles Superior Court Case No. 21TRCV00813.

8 8. The *Garcia* action seeks PAGA penalties for (1) failure to pay minimum wages;
9 (2) failure to pay overtime owed; (3) failure to provide lawful meal periods; (4) failure to
10 authorize and permit rest periods; (5) failure to timely pay wages owed upon separation from
11 employment; and (6) knowing and intentional failure to comply with itemized wage statement
12 provisions.

13 9. On or about February 7, 2022, Defendant timely answered the Complaint by
14 generally denying all allegations and asserting numerous affirmative defenses.

15 **Discovery and Investigation**

16 10. Since the filing of the Action and through execution of the Settlement, Plaintiff’s
17 Counsel conducted a thorough investigation into the factual and legal issues implicated by
18 Plaintiff’s claims and were able to objectively assess the settlement’s reasonableness.

19 11. Prior to filing the Action, Plaintiff provided us with the factual bases for pursuing
20 his claims against Defendant for Labor Code violations. Plaintiff was intimately familiar with
21 Defendant’s labor policies and practices, and over the course of multiple interviews,
22 knowledgably summarized those policies and practices. Plaintiff explained how the policies and
23 practices were instituted and provided valuable insight into how they gave rise to the alleged
24 Labor Code violations. Based on these interviews and the review of available information, we
25 determined that there were legally sufficient grounds for pursuing this Action against Defendant.
26 Additionally, in preparation for drafting the LWDA notice and the civil complaint for the Action,
27 we conducted our own independent preliminary investigations into the factual bases for Plaintiff’s
28

1 claims, which entailed, inter alia, a careful examination of Plaintiff's personnel files and
2 associated records.

3 12. We engaged in thorough investigation of the facts and legal issues in the action,
4 and as a pertinent to the aggrieved group as a whole which allowed us to objectively assess the
5 settlement's reasonableness.

6 13. Plaintiff served employment interrogatories, form interrogatories, special
7 interrogatories, requests for admission, and requests for production. However, in lieu of formally
8 responding to the discovery requests, the Parties agreed to engage in an informal document and
9 information exchange in order to prepare for mediation.

10 14. Defendant produced thousands of lines of time and pay data for the members of
11 the aggrieved group for Counsel's independent evaluation.

12 15. Defendant also provided data points for the PAGA Settlement Members, the
13 number of workweeks and pay periods at issue, the number of purportedly aggrieved employees,
14 and produced hundreds of pages of policy and procedure documents, guidelines, emails, memos,
15 exemplars of the relevant arbitration agreements, and a representative sampling of the time and
16 payroll data for the PAGA Settlement Members.

17 16. Plaintiff's counsel also interviewed PAGA Settlement Members, and reviewed
18 personnel file documents, time and pay records for Plaintiff and other Aggrieved Employees.

19 17. Plaintiff's counsel analyzed the time and payroll data produced by Defendant, and
20 prepared a damages model prior to the mediation.

21 18. Given the information exchange, we were able to fully assess the nature and
22 magnitude of the claims being settlement, as well as the impediments to recovery, and ultimately
23 enabled us to make an independent assessment of the reasonableness of the settlement's terms.

24 **Settlement Negotiation**

25 19. On August 9, 2022, the Parties participated in a private mediation with mediator
26 Steven Paul, Esq. The Parties were unable to reach a resolution at the mediation, but continued
27 discussions with the mediator and subsequently accepted a mediator's proposal on March 23,
28 2022, subject to the Parties entering into a more comprehensive written settlement agreement.

1 20. The Parties went into mediation willing to explore the potential for a settlement of
2 the dispute, but each side was also prepared to litigate its position through trial and appeal if a
3 settlement had not been reached.

4 21. Over the course of the next several months, the Parties engaged in extensive
5 negotiations in connection with the provisions in the more comprehensive settlement agreement.

6 22. The Joint Settlement and Release of Claims (“Settlement Agreement”) was fully
7 executed by the Parties. A true and correct copy of the executed Settlement Agreement is
8 attached hereto as **Exhibit 1**.

9 23. At all times, the Parties’ negotiations were adversarial and non-collusive, and
10 aided by an experienced wage and hour mediator, Steven Paul, Esq. At all times, Defendant
11 denied any and all liability, the merits of Plaintiff’s claims, and denied that the matter could be
12 pursued on a representative basis.

13 24. On May 17, 2023, Plaintiff submitted a copy of the Settlement Agreement to the
14 Labor and Workforce Development Agency (“LWDA”). A true and correct copy of the emails
15 confirming submission of the Settlement Agreement to the LWDA is attached hereto as **Exhibit**
16 **3**.

17 25. The Settlement is fair, reasonable, and adequate in view of PAGA’s purposes to
18 remediate present labor law violations, deter future ones, and to maximize enforcement of state
19 labor laws.

20 **Amount in Controversy and Risks Associated with Proceeding with the Action**

21 26. Under Labor Code §2699, Defendant is subject to a civil penalty in the amount of
22 \$100 for each aggrieved employee per pay period for the initial violation, and \$200 for each
23 subsequent violation for each aggrieved employee for each pay period. However, Defendant
24 argued that the maximum penalty was \$100 per employee per pay period, because it had not
25 previously been cited by the LWDA. At the time of mediation, Defendant represented that there
26 are approximately 145 PAGA Employees who worked approximately 2000 pay periods during
27 the PAGA Period. Plaintiff alleged that Defendant committed a litany of violations of the Labor
28 Code that exposed them to liability under PAGA. Generally speaking, Plaintiff sought penalties

1 for six violations for failure to pay minimum wage, failure to pay overtime, failure to provide
2 meal periods, failure to authorize and permit rest periods, failure to provide lawful itemized wage
3 statements, failure to pay all wages during employment and at termination. Assuming six
4 violations for each pay period at \$100.00 in PAGA penalties for each violation each pay period,
5 the total penalties would be approximately \$1,200,000. Plaintiff estimated that realistic liability,
6 not taking into account any discount in the Court's discretion, was approximately \$400,000
7 (2,000 pay periods at 2 violations at \$100). Thus, the negotiated settlement is approximately 56
8 % of the realistic liability, or 18.75% of the maximum liability.

9 27. In reaching the compromise, Plaintiff and Plaintiff's Counsel looked at various
10 factors, including significant risks in proceeding with litigation. Plaintiff recognizes that
11 continued litigation would very likely reduce and substantially delay any recovery to the state and
12 the PAGA Employees. Even if Plaintiff was to obtain a favorable judgment at trial, Defendant
13 would likely appeal the judgment, which would further delay any recovery. In contrast, because
14 of the proposed Settlement, the Aggrieved Employees will receive a substantial benefit and avoid
15 the risk of an unfavorable judgement. Moreover, there were potential financial condition issues
16 which threatened any and all recovery for the State or Aggrieved Employees.

17 28. There are legal and factual disputes as to each of Plaintiff's claims. For example,
18 Plaintiff contends that he and the Aggrieved Employees were paid multiple incentives, bonuses,
19 differential, commissions, and pay rates. Plaintiff contends that these amounts were not properly
20 incorporated into the regular rate of pay and thus resulted in systematic undercompensation of
21 employees leading to, among others, violations of Labor Code 226.7, 510, and 246. Plaintiff
22 further contends that Defendant systematically underpaid COVID-19 Sick Pay to Aggrieved
23 Employees. However, the COVID-19 Sick pay was paid below the regular hourly pay of
24 employees. Defendant contended that it complied with all laws, and properly calculated the
25 regular rate and incorporated all necessary sums. To the extent any sums were not incorporated
26 in the regular rate, Defendant contended they were discretionary and did not have to be
27 incorporated under law.
28

1 29. Plaintiff also alleged that during employment with Defendant, the Aggrieved
2 Employees were systematically undercompensated as a result of Defendant's rounding practices.
3 Defendant contended that all rounding was neutral and legally compliant.

4 30. Plaintiff further alleged that, during the relevant time period, as a consequence of
5 Defendant's staffing and scheduling practices, lack of coverage, work demands, and Defendant's
6 policies and practices, Plaintiff and the Aggrieved Employees were often required to forego
7 legally required meal periods, commence their meal periods into and beyond the sixth hour of
8 their shifts, and/or had their meal periods interrupted. Plaintiff alleged that because he and the
9 other Aggrieved Employees worked in a production environment, they could not simply choose
10 to leave for a meal or rest period when they so desired. He contended that the employer must
11 actively relieve the employee for a break, as the production processes are often dependent upon
12 one another, and he argued that the time records demonstrated a number of meal period violations
13 without premiums. On the other hand, Defendant argued that the meal break policy in
14 Defendant's handbook is facially compliant and produced evidence that it paid some meal period
15 premiums during the relevant time. Defendant also argued that it trained employees on the lawful
16 taking of meal periods and, as a matter of fact, they provided lawful meal periods.

17 31. Plaintiff contends that Defendant committed violations of the rest period
18 requirements because Defendant required Plaintiff and Aggrieved Employees to remain on the
19 work premises during rest period, consequently failing to relinquish all control over Plaintiff and
20 Aggrieved Employees, resulting in non-compliant rest periods. Defendant maintained that its
21 policies were compliant and, as a matter of practice, Defendant authorized and permitted the
22 taking of rest periods as required by law, and that factually employees did take rest periods.

23 32. Plaintiff also sought penalties for derivative violations of Labor Code section 226
24 and 203.

25 33. While Plaintiff is confident in the merits of the case, a legitimate controversy
26 exists as to each cause of action, the factual allegations, the evidentiary basis, and the underlying
27 claims.
28

1 34. In addition, Plaintiff and most of the Aggrieved Employees agreed to arbitrate any
2 claims against Defendant. Plaintiff took into account the significant risk that Defendant could
3 compel Plaintiff's PAGA claim to arbitration on an individual basis following the United States
4 Supreme Court's decision in *Viking River Cruises, Inc. v. Moriana* (2022) 142 S.Ct. 1906, which
5 was issued on June 12, 2022.

6 35. Plaintiff also took into consideration that the Court likely would reduce the amount
7 of penalties owed even if Plaintiff was successful. See Labor Code § 2699(e)(2) (providing court
8 discretion to reduce PAGA penalties if it finds awarding the full amount of penalties would be
9 "unjust, arbitrary, and oppressive, or confiscatory"); *Carrington v. Starbucks Corp.* (2018) 30
10 Cal.App.5th 504 (reducing penalties by 90%).

11 36. The Settlement provides a substantial benefit to the Aggrieved Employees, who
12 will share 25% of the PAGA Settlement (\$134,911.38), which is estimated to be approximately
13 \$33,727.74. Each Aggrieved Employee, on average, will receive over \$200 in PAGA penalties as
14 part of the Settlement. The Settlement also provides a substantial benefit to the State of
15 California, as the LWDA will receive approximately \$101,183.24 as a PAGA payment.
16 Additionally, the Total Settlement Amount of \$225,000 is significant enough to deter Defendant
17 from future violations.

18 37. Thus, when the risks of litigation, the burdens of proof necessary to establish
19 liability, and the probability of appeal of a favorable judgment are considered, it is clear that the
20 settlement amount of \$225,000 is reasonable and in the best interest of the state and the public.¹

21 **Attorney's Fees and Costs**

22 38. The Settlement provides for attorney's fees and costs to Plaintiff's Counsel in an
23 amount up to one-third of the Total Settlement Amount, for a maximum fees award of \$75,000,
24 plus reasonable and actual litigation expenses not to exceed \$9,5000, which includes costs for,
25 among other things, courtcalls, copying and faxing, postage, mileage, court filing and service,
26 expert data analysis, and the mediation.

27 ¹ Plaintiff entered into a separate release agreement in connection with his general release of
28 claims also provided in connection with the PAGA Settlement.

1 39. Plaintiff's Counsel has expended a significant amount of time litigating the case to
2 achieve the excellent result on behalf of the State and Aggrieved Employees. Indeed,
3 approximately 185 hours for the attorneys and paralegals of James Hawkins APLC, including Mr.
4 Hawkins and I, have been invested in achieving this excellent result. These hours were spent on
5 the following tasks: investigating and researching the claims and Plaintiff; interviewing Plaintiff
6 and reviewing documents provided by him; drafting the complaint; drafting notice documents to
7 the LWDA re the claims; preparing for and attending court hearings and case management
8 conferences; drafting written discovery, including interrogatories, requests for production,
9 requests for admission, and form and employment interrogatories; preparing the Belaire notice
10 and stipulation; interviewing numerous witnesses; day to day management of the action;
11 preparing for and submitting case management-related documents and stipulations; engaging in
12 conferences with Defendant's counsel to obtain relevant documents and information; reviewing
13 time and payroll records and other employment records produced by Defendant; reviewing
14 documents produced by witnesses; reviewing documents produced by Defendant during the
15 informal exchange, analyzing time and payroll data; performing legal research regarding
16 Plaintiff's claims and Defendant's defenses thereto; drafting a mediation brief and preparing a
17 damages analysis prior to mediation; attending a private mediation; negotiating, drafting, and
18 revising the Settlement Agreement and Release of PAGA Claims and related documents; and
19 drafting the Motion for Approval of PAGA Settlement and accompanying documents.

20 40. I was the lead day to day counsel in this action.

21 41. Mitchell Murray is Of Counsel to James Hawkins, APLC. Mr. Murray is a 2007
22 graduate of the University of California, San Diego and 2012 graduate of California Western
23 School of Law. He was admitted to the State Bar of California in 2012. He is a member of the
24 Consumers Attorneys of San Diego. He was selected as a "Rising Star" in 2019 by Super
25 Lawyers Magazine. Mr. Murray's legal experience has focused primarily on all areas of
26 employment law. Since 2016, he has focused his practice in the area of wage and hour class
27 action.
28

42. Below is a summary of the number of hours incurred by our office in the litigation of this matter:

Attorney	Year Admitted	Hours	Hourly Rate	Total
James R. Hawkins	1997	70.5	\$900.00	\$63,450
Christina M. Lucio	2007	79.2	\$775.00	\$61,380
Mitchell J. Murray	2012	24.2	\$595.00	\$14,399
Paralegal		11.1	\$200.00	\$2,220.00
	Total	185.00		\$141,449

Plaintiff's Counsel Accepted This Case on a Contingency Basis

43. Plaintiff's Counsel took this case on a contingency basis with no guarantee of being paid, against the company defended by an experienced defense team. Because most individuals cannot afford to pay for representation in litigation on an hourly basis, Plaintiff's Counsel represents the majority of its employment law clients on a contingency-fee basis. Pursuant to this arrangement, we are not compensated for our time unless we prevail at trial or successfully settle our client's case.

44. Plaintiff's Counsel efforts have resulted in substantial benefits to the State of California and Aggrieved Employees, in the form of a significant, non-reversionary settlement fund established to compensate the State and the Aggrieved Employees and to punish Defendant for the alleged PAGA violations. I am informed and believe that without the efforts of Plaintiff's Counsel over the last two years, the claims alleged in the complaint would likely have gone without remedy. In addition, the requested fee percentage is less than that charged by Plaintiff's Counsel for other employment cases.

Plaintiff's Counsel's Costs Are Reasonable

45. To date, James Hawkins APLC has incurred actual costs in the amount of \$9,088.62—less than the allocation \$9,500 set forth in the Agreement. These costs were reasonably incurred in prosecuting this action on behalf of the Aggrieved Employees. A true and

correct copy of James Hawkins APLC's record of costs incurred to date in litigating this action is attached hereto as **Exhibit 4**.

Experience of Plaintiff's Counsel

46. In 2003, I graduated magna cum laude from the University of California, Riverside with a Bachelor of Arts Degree. Following graduation, I attended the University of Southern California, Gould School of Law (USC Law School). At various points during law school, I worked with the USC Post-Conviction Justice Project, the Western Center for Disability Rights and the Barrister's Domestic Violence Clinic. During the Summer of 2005, I was a law clerk for the Law Offices of Bruce Austin (Safeco Insurance). In 2007, while a full-time law student, I was also a Judicial Extern for the Honorable Sandra Ikuta, United States Court of Appeals, Ninth Circuit. Thereafter, in 2007, I graduated from the USC Law School. The same year, I was admitted to practice law in the State of California.

47. Since I was admitted to practice law, I have litigated a wide variety of matters on both the plaintiff and defense side. Much of my early experience involved the litigation of general business and labor & employment matters on an individual and class-wide basis. I assisted with the representation of both employers and employees in various capacities, and assisted employers on issues related to compliance with employment laws.

48. Since 2012, my work has largely been focused on individual employment litigation and complex wage and hour class actions. In my practice as a class action plaintiffs' attorney, I have been involved in litigating, mediating and settling numerous wage and hour class actions dealing with class sizes ranging from several hundred to several thousand class members resulting in settlements ranging from six figures to multimillion dollar settlements.

49. Since 2015, I have also been Of Counsel to the law firm of James Hawkins APLC.

50. I have successfully litigated over dozens of class and PAGA actions with James Hawkins APLC as one of the counsels of record, including without limitation:

- a. *Smith v. Space Exploration Technologies Corp.*, Los Angeles Superior Court, Case No. BC55429;

- 1 b. *Placencia v. Amcor Packaging Distribution, Inc.*, Orange County Superior Court,
2 Case No. 30-2013-00694012-CU-OE-CXC;
- 3 c. *Trani v. Lisi Aerospace, et al.*, Los Angeles Superior Court, Case No. BC495527;
- 4 d. *Galvan v. Goodwin Co.*, Orange County Superior Court, Case No. 30-2013-
5 00637062-CU-OE-CXC;
- 6 e. *Reyes v. Bristol Fiberlite*, Orange County Superior Court, Case No. 30-2013-
7 00653425-CU-OE-CXC;
- 8 f. *Gutierrez v. HMT Tank*, USDC Central Dist., Case No. CV14-1967-CAS(MANx);
- 9 g. *Williams v. Il Fornaio America Corp.*, Sacramento County, 34-2011-0009616;
- 10 h. *Aguilar v. 7-Eleven, Inc.*, Orange County, Case No. 30-2009-002687141-CU-OE-
11 CXC;
- 12 i. *Madrigal v. Huntington Beach Market Broiler, Inc.*, Orange County, Case No. 30-
13 2012-00611260;
- 14 j. *Vang v. Jazz Semiconductor, Inc.*, Orange County, Case no. 30-2011-00460278;
- 15 k. *Vigueras v. Red Robin, Intl.*, C.D. Cal. Case No. 8:17-cv-01422-JVS (DFMx);
- 16 l. *Mendez v. Liberty Glass Fabricators, Inc.*, Riverside County Case No.
17 RIC1800119;
- 18 m. *Aguilar v. LDI Mechanical, Inc.*, Riverside County Case No. RIC1610019.

19 51. I was also lead trial counsel in a federal court jury trial in a wage and hour class
20 action, which resulted in a \$8.5 million settlement. *Vigueras v. Red Robin Int'l*, No. SACV 17-
21 1422 JVS (DFMx), 2020 U.S. Dist. LEXIS 262135 (C.D. Cal. Dec. 2, 2020).

22 52. I am currently litigating at least thirty other wage and hour class and PAGA
23 actions in State and Federal courts in the state of California.

24 53. Based on our experience, we consider ourselves experienced and qualified to
25 evaluate the claims and viability of the defenses. Based on the history of this case and given our
26 firm's extensive experience as class and representative action employment and wage and hour
27 litigators, it is our view that the settlement is fair, reasonable, and adequate, and in the best
28 interest of the State of California, and the Aggrieved Employees.

54. I have no conflicts of interest with the PAGA Representatives. I am not related to any representative Plaintiff. I have not previously represented Defendant in any matter.

Settlement Administration Costs

55. Apex was selected by the Parties as the settlement administrator. The settlement administration costs are projected not to exceed \$6,000. A true and correct copy of the estimate from Apex is attached hereto as **Exhibit 5**.

56. Attached as **Exhibit 6** is a true and correct copy of the notice that Plaintiff proposes be sent with the Settlement checks to the PAGA members in accordance with the Settlement.

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

Executed on this 17th day of May, 2023 at Encinitas, California.

[Signature]

Christina M. Lucio, Esq.

EXHIBIT 1

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SOUTHWEST DISTRICT

JORGE GARCIA, individually and on
behalf of himself and all others similarly
situated,

Plaintiff,

v.

US BEST INGREDIENTS, INC., a
California Corporation; and DOES 1-50,
inclusive,

Defendants.

CASE NO.: 21TRCV00813

**JOINT SETTLEMENT AND RELEASE
OF CLAIMS**

Dept.: M
Judge: Hon. Deirdre Hill
Filed: November 3, 2021
Trial: Not Set

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1 **SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIMS**

2 Plaintiff JORGE GARCIA, individually and in his capacity as representatives of the State of
3 California on behalf of other aggrieved employees, and Defendant US BEST INGREDIENTS, INC.
4 hereby enter into this Settlement Agreement and Release of Private Attorneys General Act of 2004
5 Claims (“Settlement”) as follows:

6 **I. DEFINITIONS**

7 As used in this Settlement, the following terms shall have the following meanings:

8 1. “Action” shall mean the civil action entitled *Jorge Garcia v. US Best Ingredients Inc.*,
9 filed on November 3, 2021, in the Superior Court for the County of Los Angeles and designated as Case
10 No. 21TRCV00813.

11 2. “Defendant” shall mean at Defendant US BEST INGREDIENTS, INC.

12 3. “Defense Counsel” shall mean Thomas S. Ingrassia and Rachel E. Albert of Pettit Kohn
13 Ingrassia Lutz & Dolin PC.

14 4. “Effective Date” refers to the date upon which both of the following have occurred:
15 (i) approval of the Settlement is granted by the Superior Court of California for the County of Los
16 Angeles, or other court assuming jurisdiction of this matter, and (ii) the Court’s Judgment approving the
17 Settlement becomes Final OR March 14, 2023, whichever is later. The parties agree that there is no right
18 to opt-out or object to a PAGA Settlement. It is therefore the parties’ intention that the Settlement shall
19 be final at the time of Court Approval and Entry of Judgment. Funding shall be due based on the
20 Effective Date (and as outlined in paragraph 32), and there shall be no further waiting periods given that
21 there is no right to appeal.

22 5. “LWDA” refers to the California Labor & Workforce Development Agency.

23 6. “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, California
24 Labor Code Sections 2698 *et seq.*

25 7. “PAGA Period” shall mean August 4, 2020 through September 15, 2022.

26 8. “PAGA Settlement Members” shall mean all persons employed by Defendant as non-
27 exempt employees in California at any time during the PAGA Period. For purposes of this Settlement
28 only, and not otherwise as an admission of any misconduct or wrongdoing by Defendant or any of the

defendants, Defendant and Plaintiff stipulate that all PAGA Settlement Members are aggrieved employees pursuant to PAGA.

9. "PAGA Fund" shall mean the Total Settlement Payment, less Plaintiff's Counsel Payment, and the Settlement Administrative Costs.

10. "Plaintiff" refers to Jorge Garcia, individually and in his capacity as representative of the State of California on behalf of other aggrieved employees.

11. "Plaintiff's Counsel" collectively refers to James R. Hawkins and Christina Lucio of James Hawkins, APLC.

12. "Parties" collectively refers to Plaintiff and Defendant.

13. "Released Claims" shall mean any and all claims, whether known or unknown, to recover civil penalties pursuant to PAGA, Labor Code section 2698 et seq., for any violations alleged in the Action, or that could have been alleged in the Action, that are based on the alleged meal and rest break, minimum wage, overtime compensation, wage statement, paid sick leave, and final pay violations, and any resulting claim for penalties under PAGA alleged to have been violated in the Action during the PAGA Period. Released Claims include, but are not limited to, alleged violations by Defendant of the California Labor Code sections 226, 226.3, 226.7, 510, 512, 201-204, 210, 216, 218.6, 225.5, 558, 1194, 1197, 1198, and the related applicable IWC Wage Order provisions for the PAGA Period.

14. "Released Parties" shall mean Defendant, and all of its subsidiary companies, affiliates, holding companies, successors, partners, owners, shareholders, insurers, legal representatives, assigns, employees, officers, directors, attorneys, and agents.

15. "Settlement Administrator" refers to a qualified, third-party settlement administrator agreed to by the Parties to administer the terms of the Settlement.

II. RECITALS

16. On August 4, 2021, Plaintiff's Counsel sent a letter to the LWDA on behalf of Plaintiff, in compliance with California Labor Code section 2699.3. Plaintiff seeks to represent himself and all PAGA Settlement Members. More than 65 days passed after the letter was sent to the LWDA, and the LWDA has not indicated that it intends to investigate the alleged violations referenced in the letter.

17. On November 3, 2021, Plaintiff filed a Complaint in Los Angeles Superior Court, Case

No. 21TRCV00813.

18. Counsel for all Parties have thoroughly investigated the facts relating to the claims alleged in the operative complaint and have made a thorough study of the legal principles applicable to the claims asserted against Defendant. Based on their investigation and evaluation of this case, including issues related to Defendant's financial condition, Plaintiff's Counsel has concluded that the settlement is fair, reasonable, and adequate in light of all known facts and circumstances, including the defenses asserted by Defendant, potential adverse findings regarding liability, and numerous potential appellate issues.

19. Defendant denies, and continues to deny, each and every claim and contention alleged in the Action and has always maintained that it never engaged in any unlawful acts regarding any of the matters alleged in the Action.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and conditions set forth, the Parties agree as follows:

III. NON-ADMISSION OF LIABILITY

20. Based on the factual and legal issues involved, the expense and time necessary to prosecute the Action through trial, the risks, uncertainty and costs of further prosecution, the difficulty of proof necessary to establish liability for the aggrieved group, and the relative benefits to the PAGA Settlement Members and the State of an expeditious resolution to the Action, the Parties have concluded that the terms set forth in this Settlement are fair, reasonable, adequate and in the best interests of the PAGA Settlement Members and the State.

21. By entering into this Settlement, Defendant denies any liability for any of the claims in the Action, as well as any other potential or unknown claims based on wage and hour violations under state or federal law. Neither this Settlement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement, is, may be construed as, or may be used as, an admission, concession, or indication by or against any defendant in this Action of any unlawful conduct, fault, wrongdoing or liability whatsoever. Defendant specifically denies that it has engaged in any unlawful or wrongful conduct against Plaintiff or the PAGA Settlement Members.

1 **IV. TERMS OF THE PAGA SETTLEMENT**

2 **A. The Total Settlement Payment**

3 22. Defendant shall pay a settlement payment in a total amount not to exceed \$225,000 (two
4 hundred twenty-five thousand dollars) (the "Total Settlement Payment"). The Total Settlement
5 shall include settlement administrative fees and costs and the PAGA Fund. The Total Settlement
6 Payment will be paid pursuant to a payment plan as set forth in section V(A) para. 32, below. It is the
7 Parties' intention that the funds will be dispersed on a rolling basis. The first items to be funded will be
8 any costs awarded to Plaintiff's counsel, and the settlement administration costs. Next, the PAGA
9 Payment shall be distributed to the LWDA and aggrieved employees upon receipt of sufficient payments
10 to cover those amounts. The attorney's fees awarded to Plaintiff's counsel will be paid last. Defendant
11 represents that there are approximately 145 PAGA Settlement Members through August 9, 2022.

12 **B. Plaintiff's Counsel Payment of Attorneys' Fees and Costs**

13 23. Plaintiff's Counsel will apply to the Court for an award of attorneys' fees not to exceed
14 thirty-three and one-third percent (33 1/3%) of the Total Settlement Payment, and Plaintiff's Counsel
15 will also seek reimbursement of reasonable litigation costs not to exceed \$ 9,500 (nine thousand five
16 hundred dollars) (attorneys' fees and reasonable litigation costs are referred to as "Plaintiff's Counsel
17 Payment"). Plaintiff's Counsel will be responsible for submitting all documents and/or briefs to support
18 their request for attorneys' fees. Attorneys' fees shall not exceed thirty-three and one-third percent (33
19 1/3%) of the Total Settlement Payment. Plaintiff's Counsel will submit documentation for
20 reimbursement of reasonable litigation costs.

21 24. Defendant will not oppose or object to Plaintiff's Counsel's application for attorneys'
22 fees, not to exceed thirty-three and one-third percent (33 1/3%) of the Total Settlement Payment plus all
23 documented and reasonable litigation costs and expenses.

24 25. In the event that the Court does not approve an award of attorneys' fees equal to the
25 requested amount, or the Court alters the payment methodology described herein, Plaintiff's Counsel
26 agrees not to seek additional review of the Court's decision regarding attorneys' fees, and this Settlement
27 will be enforceable.

28 26. The Plaintiff's Counsel Payment shall be paid from the Total Settlement Payment. Any

1 reductions by the Court of Plaintiff's Counsel's request for attorneys' fees or costs shall revert to the
2 PAGA Fund.

3 **C. Settlement Administration Fees and Costs**

4 27. Settlement administration shall be done by a qualified, third-party settlement
5 administrator agreed to by the Parties and approved by the Court ("Settlement Administrator"). The
6 Parties agree that the Settlement Administrative Costs shall be paid from the Total Settlement Payment.
7 This includes all fees and costs for postage, envelopes, and computer searches to locate addresses; and
8 expenses of the Settlement Administrator to implement and complete the settlement process according to
9 the terms of this Settlement, to calculate payments to individual PAGA Settlement Members, any cost
10 associated with the escheatment process for any uncashed or undeliverable settlement checks, to prepare
11 any necessary tax documents for PAGA Settlement Members, and any other related fees and costs (the
12 "Settlement Administrative Costs").

13 28. The Settlement Administrative Costs should not exceed \$6,000 (six thousand dollars).
14 The settlement administration fees and costs shall be paid from the Total Settlement Payment. Any
15 reductions by the Court or any unused amount shall revert to the PAGA Fund.

16 **D. PAGA Fund**

17 29. After deducting the Plaintiff's Counsel Payment and Settlement Administration Costs,
18 the remainder of the Total Settlement Payment (the "PAGA Fund") shall be allocated toward payment to
19 the Labor & Workforce Development Agency and PAGA Settlement Members.

20 30. Seventy-five percent (75%) of the PAGA Fund will be sent to the LWDA and twenty-
21 five percent (25%) of the PAGA Fund will be allocated among the PAGA Settlement Members, based
22 on each member's proportionate share of the weeks worked during the PAGA Period.

23 **V. COMPUTATION AND DISTRIBUTION OF TOTAL SETTLEMENT FUND**

24 **A. Deposit of Total Settlement Payment**

25 31. The Settlement Administrator shall establish a Qualified Settlement Fund pursuant to
26 Section 468B(g) of the Internal Revenue Code for purposes of administering the Settlement. The
27 Settlement Administrator shall furnish the Qualified Settlement Fund with its own Employer ID Number
28 and calculate all settlement checks and withholdings required under law based on information that will

1 be confidentially furnished by Defendant. There are no payroll deductions to be calculated under this
2 Settlement, since no part of the Settlement will be classified as wages.

3 32. Defendant will pay the first settlement payment of \$56,250 (fifty-six thousand two
4 hundred fifty dollars) on or before March 14, 2023, or within 14 days after the court's granting of
5 approval of the final settlement agreement between the Parties, whichever occurs later. Defendant will
6 then pay three additional equal payments of \$56,250 (fifty-six thousand two hundred fifty dollars) every
7 six months after the initial payment until the Gross Settlement Amount of \$225,000 is paid. The
8 settlement administrator will distribute all settlement payments, attorneys' fees, and costs, in two
9 distributions. The first payment distribution will be made within fourteen days after the second
10 settlement payment by Defendant. The second payment distribution will be made within fourteen days
11 after the final payment is received. All sums will be paid on a pro-rata basis at each distribution.

12 **B. Formula for Calculating Share of PAGA Fund**

13 33. The portion of the PAGA Fund that is paid to each PAGA Settlement Member shall be
14 determined based on the following formula:

- 15 (a) The payment to PAGA Settlement Members will be based on the number of
16 weeks worked by each PAGA Settlement Member during the PAGA Period.
17 Partial weeks will be counted as full work weeks.
- 18 (b) The amount to be paid per week worked by a PAGA Settlement Member will be
19 calculated by dividing the value of the portion of the PAGA Fund that will be
20 paid to PAGA Settlement Members by the total number of weeks worked by all
21 PAGA Settlement Members during the PAGA Period.
- 22 (c) Defendant's records shall be determinative for purposes of calculating the
23 number of weeks worked and any payments to PAGA Settlement Members.

24 **C. Distribution of PAGA Fund**

25 34. Defendant shall provide the Settlement Administrator with a list of the names and
26 addresses of the PAGA Settlement Members, to be furnished within seven (7) days after the Court issues
27 an Order approving the Settlement. The contact information is being provided confidentially to the
28 Settlement Administrator only, and the Settlement Administrator shall treat the information as private

1 and confidential and take all necessary precautions to maintain the confidentiality of contact information
2 of the PAGA Settlement Members. This information is to be used only to carry out the Settlement
3 Administrator's duties as specified in this Settlement.

4 35. Within seven (7) days after receipt of the necessary funding, the Settlement
5 Administrator shall distribute to the Plaintiff's Counsel their court-approved litigation costs either via
6 wire transfer payment or check, as specified by Plaintiff's Counsel. At that time the Settlement
7 Administrator is also authorized to disperse to itself the amount of court-approved Settlement
8 Administration fees.

9 36. Within seven (7) days after the receipt of necessary funding, the Settlement
10 Administrator shall pay to the LWDA an amount equivalent to the court-approved seventy-five percent
11 (75%) of the PAGA Fund.

12 37. Within seven (7) days after the receipt of necessary funding, the Settlement
13 Administrator shall distribute to PAGA Settlement Members their court-approved individual portion of
14 the PAGA Fund (the "Individual Payment"), or as otherwise directed by the Court.

15 38. Within seven (7) days after the receipt of necessary funding, the Settlement
16 Administrator shall distribute to the Plaintiff's Counsel their court-approved attorneys' fees, either via
17 wire transfer payment or check, as specified by Plaintiff's Counsel.

18 39. The Settlement Administrator will send the Individual Payment to the PAGA Settlement
19 Members by postmarked First Class U.S. Mail.

20 40. To provide the best notice and delivery of Individual Payments practicable, any
21 Individual Payment returned to the Settlement Administrator as non-delivered shall be sent by post-
22 marked First Class U.S. Mail to the forwarding address affixed thereto, if any. If no forwarding address
23 is provided for an Individual Payment that is returned as non-deliverable, the Settlement Administrator
24 shall use the best available technology accessible (e.g. skip tracing, address verification, etc.) to the
25 Settlement Administrator or other mutually agreeable method to locate PAGA Settlement Members and
26 will then mail the Individual Payment to the address identified by the best available technology
27 accessible to the Settlement Administrator or other mutually agreeable method. If no current address is
28 located, the Individual Payment for that individual will be deemed undeliverable. If any PAGA

1 Settlement Members cannot be located within two attempts at mailings by the Settlement Administrator,
2 the Individual Payment for that individual will be deemed undeliverable.

3 41. The Settlement Administrator shall maintain a list of the postmark date(s) for the original
4 mailing of the Individual Payment to the PAGA Settlement Members, the postmark date(s) of any
5 subsequent mailing to any PAGA Settlement Members, and a list of PAGA Settlement Members who
6 did not receive the Individual Payment due to the inability to locate a valid address using the procedures
7 described herein or who otherwise could not be located within two attempts at mailing.

8 42. All settlement checks will remain valid and negotiable for 180 days from the date of their
9 mailing by the Settlement Administrator. After 180 days from the date of their mailing by the Settlement
10 Administrator, any uncashed checks will be void and escheat to the California State Controller's Office
11 in the name of the employee who did not cash his or her check, pursuant to California's unclaimed
12 property laws.

13 43. No later than January 31 of the year following payment of their individual portion of the
14 PAGA Fund, the Settlement Administrator will prepare and issue an IRS Form 1099 to PAGA
15 Settlement Members who received a payment.

16 **VI. CLAIMS RELEASED BY PAGA SETTLEMENT MEMBERS**

17 **A. Claims Released by the LWDA and All PAGA Settlement Members**

18 44. Upon the date of entry of an order by the Court in this Action approving this Settlement,
19 the LWDA and PAGA Settlement Members, including Plaintiff, fully release and forever discharge the
20 Released Parties from any and all Released Claims. As a result of this release, the PAGA Settlement
21 Members will be unable to bring a claim under, or recover in any other claim brought under, the
22 California Private Attorneys General Act, California Labor Code § 2698 *et seq.*, for any violations of the
23 Released Claims that took place during the PAGA Period.

24 **B. Tax Treatment and Tax Indemnification**

25 45. PAGA Settlement Members will assume any tax obligations or consequences which may
26 arise from this Settlement. PAGA Settlement Members release any and all claims that they have or may
27 have against Defendant for any claims, demands, deficiencies, levies, assessments, executions,
28 judgments, penalties, taxes, indemnification, and any other recoveries related to any payments made

1 under this Settlement. If any state or federal taxing authority contacts, investigates, or pursues any action
2 against any PAGA Settlement Members for their individual share of taxes related to any payments made
3 under this Settlement, each PAGA Settlement Member shall be responsible for their own defense of and
4 payment for any claim of unpaid taxes, interest, or penalties brought by any state or federal taxing
5 authority for the PAGA Settlement Member's share of any state or federal tax obligation. If a PAGA
6 Settlement Member has questions about any liability to any state or federal taxing authority, they shall
7 contact the Settlement Administrator. The PAGA Settlement Members shall not contact Defendant, any
8 of the Released Parties, or Defense Counsel.

9 **VII. MISCELLANEOUS PROVISIONS**

10 **A. Voiding the Settlement**

11 46. A failure of the Court to approve any material condition of this Settlement shall render
12 the entire Settlement voidable and unenforceable as to Plaintiff and Defendant, at the option of Plaintiff
13 or Defendant. Each party may exercise its option to void this Settlement as provided above by giving
14 notice, in writing, to the other, and to the Court within fifteen (15) days after the Order denying approval
15 of the Settlement has been received by the party seeking to void the Settlement.

16 **B. Mutual Full Cooperation**

17 47. Plaintiff, Defendant, Plaintiff's Counsel, and Defendant's Counsel agree to fully
18 cooperate with each other to accomplish the terms of this Settlement, including, but not limited to,
19 execution of such documents and to take such other action as may reasonably be necessary to implement
20 the terms herein. The Parties agree to use their best efforts and any other efforts that may become
21 necessary by Order of the Court, or otherwise, to effectuate this Settlement.

22 **C. Parties' Authority**

23 48. The signatories hereto represent that they are fully authorized to enter into this
24 Settlement.

25 **D. Binding Nature of the Settlement**

26 49. This Settlement shall be binding upon, and inure to the benefit of, the successors or
27 assigns of the Released Parties. Plaintiff represents, covenants, and warrants that he has not directly or
28 indirectly, assigned, transferred, encumbered, any claim, demand, action, cause of action or rights

1 released in the Released Claims in this Settlement. This Settlement also shall be binding upon Plaintiff
2 and the PAGA Settlement Members.

3 50. This Settlement may be amended or modified only by a written instrument signed by
4 Plaintiff's Counsel and Plaintiff, as well as Defendant's Counsel and Defendant in this Action. No rights
5 under this Settlement may be waived except in writing.

6 51. This Settlement and any attached exhibits constitute the entire agreement between
7 Plaintiff and Defendant in this Action relating to the terms contained herein. All prior or
8 contemporaneous agreements, understandings and statements, whether oral or written, whether express
9 or implied, and whether by a party or its counsel, concerning this Settlement are merged herein. No oral
10 or written representations, warranties or inducements have been made to any party concerning this
11 Settlement or its exhibits other than the representations, warranties and covenants contained and
12 memorialized in such documents.

13 52. Paragraph titles or captions contained herein are inserted as a matter of convenience and
14 for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any of its
15 provisions. Each term of this Settlement is intended to be contractual and not merely a recital.

16 **E. Joint Drafting of Settlement Documents**

17 53. Plaintiff's Counsel and Defendant's Counsel have arrived at this Settlement as a result of
18 a series of arm's-length negotiations, taking into account all relevant factors, present and potential.

19 54. This Settlement has been drafted jointly by Plaintiff's Counsel and Defendant's Counsel
20 and, therefore, in any construction or interpretation of this Settlement, the same shall not be construed
21 against any of the Parties.

22 55. Plaintiff and Plaintiff's Counsel agree that none of the documents provided to them by
23 the Defendant in this Action shall be used for any purpose other than the settlement of this Action.
24 Specifically, none of the documents provided shall be used to pursue any subsequent claims or litigation
25 against Defendant or the Released Parties.

26 **F. Execution of the Settlement**

27 56. This Settlement may be executed in one or more counterparts and by facsimile. All
28 executed copies of this Settlement and photocopies thereof shall have the same force and effect and shall

1 be as legally binding and enforceable as the original.

2 **G. No Press Release or Publicity Regarding the Terms Of Settlement**

3 57. Plaintiff and Plaintiff's Counsel, as well as Defendant and Defendant's Counsel, agree
4 that they will not issue any media or press release, initiate any contact with the media or the press,
5 respond to any media or press inquiry or have any communications with the media or the press about the
6 fact, amount or terms of this Settlement. Plaintiff and Plaintiff's Counsel shall not publicize or refer to
7 the fact or amount of the Settlement, on their websites, social media, any other marketing materials, or
8 legal publication. Defendant shall be allowed to report the Settlement or results of this lawsuit if required
9 to do so by public disclosure regulatory requirements or with respect to any financial or other disclosures
10 which in their judgment are necessary.

11 **H. Continuing Jurisdiction of the Court**

12 58. Pursuant to California Code of Civil Procedure section 664.6, the Parties agree that the
13 Court shall retain jurisdiction over the Parties, and over this Settlement, in order to: (i) monitor and
14 enforce compliance of Settlement, and/or (ii) resolve any disputes over this Settlement or the
15 administration of the benefits of this Settlement.

16 **I. Representations by Plaintiff**

17 59. Plaintiff acknowledges the following:

- 18 (a) Plaintiff has carefully read and fully understands all of the provisions of this
19 Settlement;
- 20 (b) Plaintiff knowingly and voluntarily agrees to all of the terms set forth in this
21 Settlement and has not been coerced, threatened, or intimidated into executing
22 this Settlement;
- 23 (c) Plaintiff was advised, and hereby is advised in writing, to consider the terms of
24 this Settlement and consult with his attorney before signing this Settlement.
- 25 (d) Other than the fees and costs awarded pursuant to the terms of this Settlement,
26 Plaintiff acknowledges that all parties shall bear their own fees and costs through
27 the conclusion of this action.
28

1 **J. Representations by Defendant**

2 60. Defendant acknowledges the following:

- 3 (a) Defendant has carefully read and fully understands all of the provisions of this
4 Settlement;
- 5 (b) Defendant knowingly and voluntarily agrees to all of the terms set forth in this
6 Settlement and have not been coerced, threatened, or intimidated into executing
7 this Settlement;
- 8 (c) Defendant was advised, and hereby is advised in writing, to consider the terms of
9 this Settlement and consult with their attorney before signing this Settlement.
- 10 (d) Other than the fees and costs awarded pursuant to the terms of this Settlement,
11 Defendant acknowledges that all parties shall bear their own fees and costs
12 through the conclusion of this action.

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1
2 AGREED TO BY PLAINTIFF:

3 DATED: 4/23/2023, 2023

JORGE GARCIA, individually and on behalf of other
aggrieved employees

DocuSigned by:

Jorge Garcia

87DE2E59C0364F9...

6
7
8 AGREED TO BY DEFENDANT:

9 DATED: _____, 2023

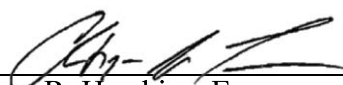
US BEST INGREDIENTS, INC.

10
11
12 _____
Title

13 AGREED TO BY PLAINTIFF'S COUNSEL:

14
15 **JAMES HAWKINS APLC**

16 DATED: April 24, 2023

17 
James R. Hawkins, Esq.
Christina M. Lucio, Esq.
Mitchell Murray, Esq.

18
19 AGREED TO BY DEFENDANTS' COUNSEL:

20
21 **PETTIT KOHN INGRASSIA LUTZ & DOLIN
PC**

22 DATED: _____, 2023

23 _____
Thomas S. Ingrassia, Esq.
Rachel E. Albert, Esq.

1
2 AGREED TO BY PLAINTIFF:

3 DATED: _____, 2023

JORGE GARCIA, individually and on behalf of other
aggrieved employees

4
5
6
7
8 AGREED TO BY DEFENDANT:

9 DATED: April 7, 2023

US BEST INGREDIENTS, INC.

10  Sunghyun Park

11 _____
CEO

12 _____
Title

13
14 AGREED TO BY PLAINTIFF'S COUNSEL:

15 **JAMES HAWKINS APLC**

16 DATED: _____, 2023

17 _____
James R. Hawkins, Esq.

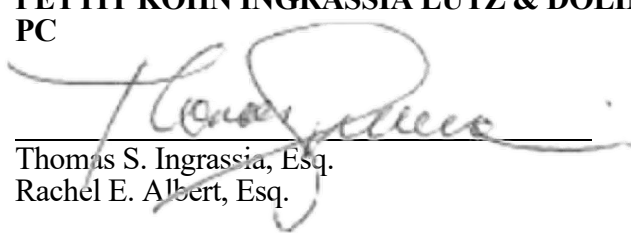
18 Christina M. Lucio, Esq.

19 Mitchell Murray, Esq.

20
21 AGREED TO BY DEFENDANTS' COUNSEL:

**PETTIT KOHN INGRASSIA LUTZ & DOLIN
PC**

22 DATED: April 7, 2023

23 

Thomas S. Ingrassia, Esq.

24 Rachel E. Albert, Esq.

EXHIBIT 2

JAMES *JH* HAWKINS
A PROFESSIONAL LAW CORPORATION

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

August 4, 2021

VIA Online Filing (LWDA) and Certified Mail (Employer)

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

US Best Ingredients, Inc.
1705 Pearl Way
Oxnard, CA 93035
Cert. No. 7020 1810 0002 0535 7632

US Best Ingredients, Inc.
2927 Lomita Blvd.
Torrance, CA 90505
Cert. No. 7020 1810 0002 0535 7649

US Best Ingredients
Agent for Service of Process:
Samuel S. Ryu
1120 N. Placentia Ave.
Fullerton, CA 92831
Cert. No. 7020 1810 0002 0535 7656

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

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff Jorge Garcia, on behalf of himself and all others similarly situated, hereby give NOTICE of his Complaint pursuant to Labor Code Sections 2698, *et seq.* against Defendants US Best Ingredients, Inc., a California corporation; and DOES 1 through 50, inclusive. Plaintiff intends to commence an action against Defendants pursuant to Labor Code section 2698 *et seq.* Plaintiff hereby gives written notice by online submission to the Labor and Workforce Development Agency, and by certified mail to Defendants US Best Ingredients, Inc. via their agents for service of process.

Plaintiff claims that Defendants implemented legally non-compliant policies and practices which led to Defendant's (1) failure to pay minimum wages; (2) failure to provide lawful meal periods; (3) failure to authorize and permit rest periods; (4) failure to timely pay

wages owed upon separation from employment; (5) knowing and intentional failure to comply with itemized wage statement provisions; and (6) violation of the unfair competition law.

Plaintiff alleges that Defendants committed the prior listed violations against both him and the group of aggrieved employees that he seeks to represent: Any and all persons who are or were employed as non-exempt employees, however titled, by Defendants in California (the “Aggrieved Employees”) during the liability period (as properly tolled by Emergency Rule 9).

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Mr. Garcia has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at US Best Ingredients, Inc. regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

During the relevant time, Plaintiff worked as a Machine Operator at Defendants’ Torrance location through May 2021.

Plaintiff alleges that Defendants violated Labor Code section 512 and 226.7 by failing to provide timely, uninterrupted meal periods or compensation in lieu thereof. Pursuant to Labor Code section 512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties. Any employer may not employ an employee with a second meal period of not less than (30) minutes, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived. In this case, Defendants failed to provide Plaintiff and all other aggrieved employees timely, compliant first and second meal periods of not less than thirty (30) minutes. Defendants implemented and enforced policies and practices which pressured or required employees to take untimely meal periods or to forego meal periods altogether. Defendants also did not provide premium compensation to Plaintiff and the Aggrieved Employees when meal breaks were not legally compliant, and, upon information and belief, to the extent any such premiums were paid they were not paid at the regular rate as required by law. Defendants’ failure to pay meal period premiums at the proper rate despite the above-mentioned rest period violations, constitutes a separate and independent violation of the Labor Code.

Plaintiff alleges, upon information and belief, that Defendants violated Labor Code sections 510, 1194, 1198 and the IWC Wage Order by failing to pay all wages owed including overtime and minimum wages. The Wage Orders 1-2001, 4-2001, and 7-2001 and Labor Code sections 1194 and 1197 provide that an employee must be paid at least minimum wage for each hour worked and overtime as applicable. Labor Code section 510 and the Wage Orders provide that employees working for more than eight (8) hours in a day or forty (40) hours in a work week are entitled to overtime compensation at the rate of one and one-half times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or forty (40) hours

in a work week. An employee who works more than twelve (12) hours in a day or more than eight (8) hours on the seventh day in a workweek is entitled to overtime compensation at a rate of twice the regular rate of pay. Plaintiff alleges that during the relevant time, Plaintiff and the other aggrieved employees worked hours for which they were not compensated, including overtime, in violation of the law. In addition, Plaintiff alleges, upon information and belief that the aggrieved employees were not accurately paid overtime. The aggrieved employees received certain wages which were not factored into the regular rate for purposes of calculating overtime. As a consequence, Plaintiff and the aggrieved employees were systematically undercompensated for overtime hours worked under Labor Code section 510 and Wage Order 1-2001, 4-2001, and 7-2001.

Plaintiff alleges that Defendants failed to authorize and permit rest periods. Plaintiff and aggrieved employees were systematically not permitted or authorized to take one net ten-minute rest period for every four hours worked or major fraction thereof. This failure violates Labor Code §226.7 and Section 12(A) of Wage Order 1-2001, 4-2001, and 7-2001, which provides that employers shall authorize and permit employees to take a rest period of net ten (10) minutes for each four (4) hours, or major fraction thereof, worked. This action is further brought under Labor Code §226.7(b) and Section 12(B) of the applicable wage orders, which provide that if an employer fails to authorize and permit a lawful rest period, the employer shall pay the employee one hour of pay at the regular rate for each work day that a rest period was not authorized and permitted. Plaintiff and the aggrieved employees were systematically not authorized and permitted to take legally compliant net ten (10) minute rest periods for every four hours worked or major fraction thereof, which is a violation of the Labor Code section 226.7, 1198, and IWC Wage Orders. Employees were not authorized and permitted to take a net ten minute rest period as required by law, in part because Defendants maintained and enforced scheduling practices, and imposed work demands that frequently required employees to forego their breaks or return before a net ten minutes of rest.

In addition, Defendants put the onus on employees to provide their own meal breaks and authorize and permit rest periods by failing to provide or authorize and permit such breaks in the first instance. Moreover, upon information and belief, Plaintiff alleges that Defendants impeded or discouraged the taking of lawful meal and rest breaks through its practices, policies (including without limitation written policies), and procedures. Pursuant to Labor Code § 226.7, 1198, and the Wage Order, Plaintiff and the aggrieved employees are entitled to recover one (1) hour of premium pay at the regular rate for each day in which a rest period violation occurred. Defendants' failure to pay rest period premiums at the proper rate despite the above-mentioned rest period violations, constitutes a separate and independent violation of the Labor Code.

As to those employees that have separated from employment, in part as a result of the above specified violations, Defendants have also failed to pay all wages owed at the time of separation as required by Labor Code sections 201-203. All aggrieved employees who were separated from employment are entitled to compensation for all forms of wages earned, including but not limited to unpaid straight time wages, minimum wage, overtime compensation

and compensation for non-provided meal and rest periods, but to date have not received such compensation, therefore entitling them to civil penalties under PAGA for violations of Labor Code sections 201-203.

Further, in relevant part, Labor Code section 226(a) requires: An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Here, Plaintiff asserts that Defendant violated Labor Code section 226 in part because of the above specified violations, including the failure to pay for all hours worked, and the failure to pay one hour of premium pay at the employee's regular rate of pay for meal and breaks that were not legally provided. In addition, Plaintiff alleges that Defendant failed to accurately calculate and pay overtime. Thus, the rates that were included on the wage statement are incorrect.

All Labor Code and related Complaint allegations pertain to all entities or individuals names in the Complaint, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 3

From: Christina Lucio
Sent: Tuesday, May 16, 2023 9:37 PM
To: Staff; SD Staff
Subject: FW: Thank you for your Other Response or Document Submission

US Best Settlement

--

Christina Lucio
James Hawkins APLC
9880 Research Dr., Suite 200
Irvine, California 92618

Office Tel: [\(949\) 387-7200](tel:(949)387-7200)
Direct Fax: [\(949\) 387-6676](tel:(949)387-6676)

Christina@Jameshawkinsaplc.com

This email may contain privileged or confidential information and is for the sole use of the intended recipient(s). If you are not the intended recipient, any disclosure, copying, distribution, or use of the contents of this information is prohibited and may be unlawful. If you have received this electronic transmission in error, please reply immediately to the sender that you have received the message in error, and delete it. Thank you.

From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Date: Tuesday, May 16, 2023 at 5:07 PM
To: Christina Lucio <christina@jameshawkinsaplc.com>
Subject: Thank you for your Other Response or Document Submission

05/16/2023 05:07:43 PM

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

Item submitted: Other Response or Document Submission

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](http://labor.ca.gov/Private_Attorneys_General_Act.htm)

EXHIBIT 4

Matter Billing Detail

Report Date: 5/11/2023
 Report Time: 10:39PM
 Page: 1 of 2
 User ID: Gonzales

JAMES HAWKINS APLC

Date Range: 01/01/1900 to 05/11/2023
 Client: USBESTFOOD01 - Jorge Garcia
 Matter: USBESTFDS001 - US Best Ingredients, Inc. PAGA - Jorge Garcia

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
08/17/2021	FIL	Filing Fee-08.04.21- LWDA filing fee	\$75.00		Unbilled				
08/17/2021	POS	Postage- 08.04.21- Cert Mail to Agent re LWDA notice (3)	\$20.97		Unbilled				
10/12/2021	FST	First Legal Network - E-Filing, complaint, summons, civil case cover (2) , IN#30179004	\$546.70		Unbilled				
12/14/2021	FST	First Legal Network - Process same day, PAGA complaint, initial docs, order IN#30182125	\$141.14		Unbilled				
12/21/2021	FST	First Legal Network - process branch same day, PAGA complaint, initial docs, order IN #30185317	\$442.45		Unbilled				
01/04/2022	FST	First Legal Network - PROCESS branch 3 DAYS, summons, complaint, civil case cover (2) IN #30185317	\$339.88		Unbilled				
02/04/2022	FST	First Legal Network - E-Filing immediate , proof of service by substituted ser , IN#30188503	\$108.20		Unbilled				
03/09/2022	FST	First Legal Network - E-Filing, ntc of continuance, IN#30192286	\$37.70		Unbilled				
04/06/2022	FST	First Legal Network - E-Filing - Case Management Statement IN# 30195930	\$37.70		Unbilled				
06/30/2022	MED	Mediation Services- Steven Paul CK#10082	\$7,000.00		Unbilled				
09/13/2022	FST	First Legal Network - e-Filing: CM Statment IN#30212421	\$37.70		Unbilled				
10/05/2022	FST	First Legal Network - E-Filing - Plaintiffs Notice of Case Reassign In# 30216387	\$37.70		Unbilled				
10/26/2022	FST	First Legal Network - E-Filing - Case Management Statement IN# 30219274	\$37.70		Unbilled				
12/12/2022	CRT	Court Documents - Minute Order	\$1.00		Unbilled				
02/28/2023	ONE	One Legal Services - Case Management Statement- In#04787025	\$17.66		Unbilled				
05/11/2023	FST	First Legal Network - Motion for Approval of Paga Settlement and supporting documents-Anticipated	\$169.42		Unbilled				
05/11/2023	FST	First Legal Network- Notice of Entry of Order- Anticipated	\$37.70		Unbilled				

Matter Billing Detail

JAMES HAWKINS APLC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
Total:			\$9,088.62	\$0.00					
Balance:			\$9,088.62						
Total Fees Billed- -----			\$0.00						
Total Fees Unbilled : -----			\$0.00						
Total Fees Received : -----			\$0.00						
Total Soft Cost Billed : -----			\$0.00						
Total Soft Cost Unbilled : -----			\$0.00						
Total Soft Cost Received : -----			\$0.00						
Total Hard Cost Billed : -----			\$0.00						
Total Hard Cost Unbilled : -----			\$9,088.62						
Total Hard Cost Received : -----			\$0.00						
Total Taxes Billed : -----			\$0.00						
Total Taxes Unbilled : -----			\$0.00						
Total Taxes Received : -----			\$0.00						
Total Late Charges Billed : -----			\$0.00						
Total Late Charges Unbilled: -----			\$0.00						
Total Late Charges Received : -----			\$0.00						
Trust Balance: -----			\$0.00						

EXHIBIT 5



Quotation For:

Christina Lucio
JAMES HAWKINS, APLC
christina@jameshawkinsaplc.com
949.387.7200

Prepared by:

Sean Hartranft
Apex Class Action LLC
Sean@apexclassaction.com
949.878.3676

Case Name: Garcia v. Best Food

Date: 3/20/23
RFP Number: 72000002

Settlement Specifications

Number of Aggrieved Employees	155
Certified Language Translation:	Yes
Basic Settlement Website:	No
Percentage of Undeliverable Mail	20%

Comments or Special Instructions

None

Service	Unit	Rate	Volume	Amount
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Data Analytics and Standardization

Import and Standardize Data*	Per Hour	\$125.00	1	\$125.00
Data Anaylist	Per Hour	\$150.00	1	\$150.00
*Data provided must be in a workable format. Apex can standarized provided data at an additional cost of \$150/hr.				
Sub Total:				\$275.00

Project Management

Project Management	Per Hour	\$150.00	2	\$300.00
Project Coordinator	Per Hour	\$90.00	1	\$90.00
Form Set-Up (Formatting for Review and Approval)	Per Hour	\$120.00	1	\$120.00
Data Anayst and Reporting	Per Hour	\$140.00	1	\$140.00
Sub Total:				\$650.00

Toll-Free Contact Center, Website & Reporting

Toll-Free Contact Center	Static Rate	\$29.00	1	\$29.00
Status Reports	Static Rate	\$750.00	1	Waived
Sub Total:				\$29.00



Class action settlement administration



Service	Unit	Rate	Volume	Amount
Distribution & Fund Management				
Settlement Calculations	Per Hour	\$140.00	2	\$280.00
Account Management and Reconciliation	Per Hour	\$140.00	2	\$280.00
NCOA Address Update	Static Rate	\$20.00	1	\$20.00
Certified Spanish Translation	Static Rate	\$700.00	1	\$700.00
Print & Mailing Distribution Settlement Check	Per Piece	\$2.00	155	\$310.00
USPS First Class Postage	Per Hour	\$0.60	155	\$93.00
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$3.00	31	\$93.00
Unclaimed Funds: Send to State Controller's Office	Static Rate	\$500.00	1	\$500.00
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	8	\$800.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$750.00	1	\$750.00
Sub Total:				\$3,826.00
Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	2	\$270.00
Project Mangement Reconciliation	Per Hour	\$100.00	2	\$200.00
Declarations	Per Hour	\$120.00	2	\$240.00
Sub Total:				\$710.00
TOTAL ESTIMATED PROJECT COST:				\$5,490.00

Thank you for your business!

Sean at 949.878.3676

Terms & Conditions

The following Terms and Conditions govern the provision of all AI services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In case of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this these terms may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of \$1.50 per storage box for paper documents and \$0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 6

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

The parties to a lawsuit titled, *Jose Garcia v. U.S. Best Ingredients, Inc.*, Case No. 21TRCV00813, have reached a settlement that affects you. Plaintiff Jose Garcia, on behalf of himself, the State of California, and other individuals employed by U.S. Best Ingredients as hourly, non-exempt employees employed in California at any time during the Settlement Period between August 4, 2020 and September 15, 2022 (“PAGA Employees”), filed suit against U.S. Best Ingredients for alleged Labor Code violations. Generally, Mr. Garcia filed suit for civil penalties under the California Private Attorneys General Act (“PAGA”), Labor Code section 2698 et seq., claiming that U.S. Best Ingredients failed to pay for all hours worked (including minimum wages and overtime), failed to provide meal and rest breaks, failed to timely pay wages owed upon separation from employment, and knowing and intentional failure to comply with wage statement provisions.

U.S. Best Ingredients denies each of Plaintiff’s claims. However, to avoid the time and expense associated with further litigation, Plaintiff and U.S. Best Ingredients agreed to settle the case.

Under the terms of the Settlement, U.S. Best Ingredients has agreed to pay the Total Settlement Amount of Two Hundred Twenty-Five Thousand Dollars (\$225,000) in exchange for the Release set forth below. Plaintiff will apply to the Court for an award of attorney’s fees of \$75,000 to his counsel, up to \$9,500 in litigation costs, and \$6,000 in costs of settlement administration. After these amounts are deducted, it is estimated that the remaining PAGA Settlement Amount will be \$134,500. This amount shall be allocated as follows: 75% of the PAGA Settlement Amount, or approximately \$100,875, will be paid to the LWDA, and the remaining 25%, or approximately \$33,625.00, will be paid to all PAGA Employees on a pro rata basis, based upon the number of workweeks worked during the Settlement Period.

Plaintiff, on behalf of himself, the State of California, and all PAGA Employees, released the Released Parties from any and all claims, rights, demands, liabilities, and causes of action under the Private Attorney Generals Act (“PAGA”), Labor Code section 2698 et seq., for any violations alleged in the action, or that could have been alleged in the action, that are based on the allegations that U.S. Best Ingredients failed to provide lawful meal and rest breaks, failed to pay minimum wage, failed to pay overtime compensation, failed to provide lawful wage statements, failed to pay sick leave, failed to pay all wages owed at termination, and any resulting claim for penalties under PAGA alleged to have been violated in the Action during the PAGA Period. Released Claims include, but are not limited to, alleged violations by Defendant of the California Labor Code sections 226, 226.3, 226.7, 510, 512, 201-204, 210, 216, 218.6, 225.5, 558, 1194, 1197, 1198, and the related applicable IWC Wage Order provisions for the PAGA Period. (“**PAGA Release**”). This PAGA Release applies to all claims arising during the period of August 4, 2020 and September 15, 2022. The PAGA Release only applies to claims for penalties under PAGA, and not any other claim or right that you may have.

According to U.S. Best Ingredients’ records, you are a PAGA Employee and are therefore entitled to a share of the settlement. Enclosed is a check representing your share of the settlement. The check shall remain valid for one hundred eighty (180) days. After 180 days from

the date of their mailing by the Settlement Administrator, any uncashed checks will be void and escheat to the California State Controller's Office in the name of the employee who did not cash his or her check, pursuant to California's unclaimed property laws. You cannot opt out of the Settlement and you will remain bound the PAGA Release whether you cash your check or not.

If you have any questions, please contact:

Settlement Administrator

Name

Address

Telephone



Make a Reservation

JORGE GARCIA, INDIVIDUALLY AND ON BEHALF OF HIMSELF AND ALL OTHERS SIMILARLY SITUATED vs US BEST INGREDIENTS, INC., A CALIFORNIA CORPORATION

Case Number: 21TRCV00813 Case Type: Civil Unlimited Category: Other Employment Complaint Case
Date Filed: 2021-11-03 Location: Inglewood Courthouse - Department 8

Reservation

Case Name:

JORGE GARCIA, INDIVIDUALLY AND ON BEHALF OF HIMSELF AND ALL OTHERS SIMILARLY SITUATED vs US BEST INGREDIENTS, INC., A CALIFORNIA CORPORATION

Case Number:

21TRCV00813

Type:

Motion re: (Motion for PAGA Approval)

Status:

RESERVED

Filing Party:

JORGE GARCIA, individually and on behalf of himself and all others similarly situated (Plaintiff)

Location:

Inglewood Courthouse - Department 8

Date/Time:

06/14/2023 8:30 AM

Number of Motions:

1

Reservation ID:

559232291149

Confirmation Code:

CR-FMY8C5TMEXZJVAPPX

Fees

Description	Fee	Qty	Amount
Motion re: (name extension)	60.00	1	60.00
Credit Card Percentage Fee (2.75%)	1.65	1	1.65

Chat

Description	Fee	Qty	Amount
TOTAL			\$61.65

Payment

Amount: \$61.65	Type: Visa
Account Number: XXXX6358	Authorization: 05102D
Payment Date: 1969-12-31	

 Print Receipt

[!\[\]\(f1c3a3c75a0b5ef93bb21ba81d5044d3_img.jpg\) Reserve Another Hearing](#)