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FRESH & READY FOODS, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

ARTURO RETAMA SAN AGUSTIN, on
behalf of himself and other aggrieved
employees,

Plaintiff,

v.

FRESH & READY FOODS LLC; and
DOES 1 to 100, inclusive,

Defendants.

Case No.: 22STCV06679

PAGA ACTION

*[Assigned for all purposes to the
Honorable Alison Mackenzie, Dept. 55]*

**JOINT STIPULATION OF SETTLEMENT
PAGA ACTION**

Action Filed: February 23, 2022
Trial Date: None Set

1 This Joint Stipulation of Settlement of PAGA Action is made by and between the
2 Plaintiff, Arturo Retama San Agustin ("Plaintiff"), on his own behalf and on behalf of all
3 members of the PAGA Group, as defined below, on the one hand, and Fresh & Ready Foods,
4 LLC ("Defendant") on the other hand (collectively the "Parties"), in the lawsuit entitled *Arturo*
5 *Retama San Agustin, on behalf of himself and others aggrieved employees v. Fresh & Ready*
6 *Foods LLC. and Does 1 to 100*, filed in Los Angeles County Superior Court, Case No.
7 22STCV06679. This Joint Stipulation of Settlement of PAGA Action resolves all claims that
8 were asserted or could have been asserted against Defendant arising out of the facts alleged in
9 the Action.

10 **I. DEFINITIONS**

11 **A. Action.** The term "Action" as used herein means the action entitled filed in Los
12 Angeles County Superior Court, Case No. 22STCV06679.

13 **B. Administrative Costs.** All administrative costs of settlement, including cost of
14 notice to the PAGA Group, administration, and any fees and costs incurred or charged by the
15 Settlement Administrator in connection with the execution of its duties under this Joint
16 Stipulation of Settlement of PAGA Action.

17 **C. Agreement.** The terms "Agreement" or "Settlement Agreement" are used
18 synonymously herein to mean this Joint Stipulation of Settlement of PAGA Action for purposes
19 of resolution.

20 **D. Court.** The term "Court" as used herein means the Superior Court of the State
21 of California for the County of Los Angeles.

22 **E. Date of Approval.** The terms "Date of Approval" or "Approval" as used herein
23 mean the date of the PAGA Settlement Approval Hearing.

24 **F. Defendant.** The term "Defendant" as used herein means: Fresh & Ready Foods,
25 LLC.

26 **G. Defense Counsel.** The term "Defense Counsel" as used herein means: Fisher &
27 Phillips LLP, who are counsel for and acting on behalf of Defendant.

28 **H. Enhancement Award.** The term "Enhancement Award" means an award in the

1 amount of Five Thousand Dollars (\$5,000.00) as a payment to Plaintiff for his time and effort
2 in bringing this litigation to which Defendant will not object.

3 **I. LWDA.** The term “LWDA” means the Labor Workforce Development Agency.

4 **J. LWDA Payment.** The term “LWDA Payment” as used herein means seventy-
5 five percent (75%) of the Net Settlement Amount which will be distributed to the LWDA in
6 accordance with California Labor Code section 2699(i).

7 **K. Net Settlement Amount.** The term “Net Settlement Amount” as used herein
8 means the Settlement Amount minus any award of attorneys’ fees and litigation costs,
9 Enhancement Award, and Administrative Costs.

10 **L. Net Settlement Payments.** The term “Net Settlement Payment(s)” shall include
11 payments made to the PAGA Group.

12 **M. PAGA Group or Aggrieved Employee(s).** The PAGA Group is defined as: All
13 individuals within the State of California who are or were employed by Defendant as non-
14 exempt employees in the State of California at any time within the PAGA Period.

15 **N. PAGA Group Portion.** The PAGA Group Portion shall mean the remaining
16 twenty-five percent (25%) of the Net Settlement Amount designated to the PAGA Group. The
17 PAGA Group Portion will be distributed to the PAGA Group on a *pro rata* basis based on his
18 or her number of pay periods during the PAGA Period.

19 **O. PAGA List.** A list of the Aggrieved Employees including: (1) name; (2) last
20 known home address; (3) number of pay periods as a PAGA Group member during the PAGA
21 period (and any other employment information that may be necessary to calculate each PAGA
22 Group Members Net Settlement Payment); and (4) social security number.

23 **P. PAGA Period.** The term “PAGA Period” or “Settlement Period” shall refer to the
24 time period from September 15, 2020 through February 4, 2024 (90 days from the date the
25 Memorandum of Understanding was fully executed).

26 **Q. Plaintiff.** The term “Plaintiff” as used herein means Arturo Retama San Agustin.
27 The term Plaintiff shall be used synonymously with the term “PAGA Representative.”

28 **R. Plaintiff’s Counsel.** The term “Plaintiff’s Counsel” as used herein means: Lavi

1 & Ebrahimian, LLP, who are counsel for and acting on behalf of Plaintiff.

2 **S. Settlement Administrator.** The term “Settlement Administrator” as used herein
3 means CPT Group, Inc., which will be responsible for the administration of the Settlement and
4 distribution of the Settlement Amount, as defined below, and all related matters.

5 **T. Settlement Agreement.** The terms “Settlement Agreement” or “Agreement” are
6 used synonymously herein to means this Joint Stipulation of Settlement of PAGA Action.

7 **U. Settlement Amount.** The terms “Settlement Amount” and “Gross Settlement
8 Amount” as used herein mean a non-reversionary fund in the sum of Six Hundred and Fifty-
9 One Thousand Dollars and Zero Cents (\$651,000.00) which shall be paid by Defendant, and
10 from which all Net Settlement Payments, Court approved attorneys’ fees and litigation costs
11 pursuant to Section X, the Enhancement Payment pursuant to Section XI, Administrative Costs
12 pursuant to Section VI, and distribution to the LWDA pursuant to Section VIII(C) shall be paid,
13 except as provided herein.

14 **II. BACKGROUND**

15 **A.** On September 17, 2021, Plaintiff submitted a letter to the LWDA alleging
16 violations of wage and hour laws including failure to pay all minimum wages, failure to pay all
17 overtime wages, failure to provide meal breaks, failure to provide rest breaks, failure to timely
18 pay earned wages during employment, failure to provide accurate wage statements, and failure
19 to timely pay final wages.

20 **B.** On February 23, 2022, Plaintiff filed the Action alleging a single cause of action
21 for penalties pursuant to Labor Code § 2699(f) for alleged violations and penalties under Labor
22 Code §§2699(f), 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1197, 1198, as well as the IWC
23 Wage Order. In the Action, Plaintiff alleges that Defendant failed to properly pay minimum
24 and overtime wages. Plaintiff further alleges Defendant failed to provide meal breaks and failed
25 to authorize and permit legally compliant rest breaks each day and failed to provide premium
26 pay for the alleged meal and rest break violations. Moreover, Plaintiff alleges that the employees
27 received inaccurate wage statements and were not paid all wages owed during their employment
28 and upon termination and/or resignation.

1 **C.** Following the filing of the action, counsel for the Parties met and conferred with
2 respect to the potential settlement of the Action. Pursuant to these discussions, the Parties agreed
3 to exchange informal discovery and engage in private mediation.

4 **D.** Plaintiff, Plaintiff's Counsel and Defense Counsel have engaged in good faith,
5 arms-length negotiations. On October 18, 2023, the Parties participated in a mediation before
6 mediator Todd A Smith, Esq. and reached a resolution of this matter, subject to the Approval of
7 the Court, and finalization of a formal Joint Stipulation of Settlement of PAGA Action. The
8 Parties have now entered into a more detailed, formalized Settlement Agreement for submission
9 to the Court for Approval.

10 **E.** Plaintiff's Counsel has conducted an investigation of the law and facts relating
11 to the claims asserted in the Action and has concluded, taking into account the sharply contested
12 issues involved, the expense and time necessary to pursue the Action through trial and any
13 appeals, the risks and costs of further prosecution of the Action, the risk of an adverse outcome,
14 the uncertainties of complex litigation, and the substantial benefits to be received by the Plaintiff
15 and the members of the PAGA Group pursuant to this Agreement, that a settlement with
16 Defendant on the terms and conditions set forth herein is fair, reasonable, adequate, and in the
17 best interests of the PAGA Group. Plaintiff, on his own behalf and as a representative pursuant
18 to PAGA, has agreed to settle the Action with Defendant on the terms set forth herein.

19 **F.** Defendant has concluded that, because of the substantial expense of continuing
20 to defend against the Action, the length of time necessary to resolve the issues presented herein,
21 the inconvenience involved, and the concomitant disruption to their business operations, it is in
22 its best interests to accept the terms of this Agreement. Defendant denies each of the allegations
23 and claims asserted against it in the Action. However, Defendant nevertheless desires to settle
24 the Action for the purpose of avoiding the burden, expense and uncertainty of continuing
25 litigation and for the purpose of putting to rest the controversies engendered by the Action.

26 **G.** This Agreement is intended to and does effectuate the full, final and complete
27 resolution of all allegations and claims that were asserted, or could have been asserted, in the
28 Action by Plaintiff.

1 **III. JURISDICTION**

2 The Court has jurisdiction over the Parties and the subject matter of this Action. The
3 Action includes claims that, while Defendant denies them in their entirety, would, if proven,
4 authorize the Court to grant relief pursuant to the applicable statutes. After the Court has granted
5 Approval of the resolution, pursuant to California Code of Civil Procedure Section 664.6, the
6 Court shall retain jurisdiction of this action solely for the purpose of interpreting, implementing,
7 and enforcing this Joint Stipulation of Settlement of PAGA Action consistent with the terms set
8 forth herein, and the Parties and their counsel submit to the jurisdiction of the Court for purposes
9 of interpreting, implementing and enforcing this Agreement and all orders and judgments
10 entered in connection therewith.

11 **IV. STATEMENT OF NO ADMISSION**

12 **A.** Defendant denies liability to Plaintiff and to the PAGA Group upon any claim or
13 cause of action. This Agreement does not constitute, and is not intended to constitute, an
14 admission by Defendant as to the merits, validity, or accuracy of any of the allegations or claims
15 made against it in the Action.

16 **B.** Nothing in this Agreement, nor any action taken in implementation thereof, nor
17 any statements, discussions or communications, nor any materials prepared, exchanged, issued
18 or used during the course of the negotiations leading to this Agreement, is intended by the Parties
19 to constitute, nor will any of the foregoing constitute, be introduced, be used or be admissible
20 in any way in this case or any other judicial, arbitral, administrative, investigative or other forum
21 or proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance,
22 regulation, rule or executive order, or any obligation or duty at law or in equity. The Parties
23 themselves agree not to introduce, use, or admit this Agreement, directly or indirectly, in this
24 case or any other judicial, arbitral, administrative, investigative or other forum or proceeding,
25 as purported evidence of any violation of any federal, state, or local law, statute, ordinance,
26 regulation, rule or executive order, or any obligation or duty at law or in equity, or for any other
27 purpose. Notwithstanding the foregoing, this Agreement may be used in any proceeding before
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1 the Court that has as its purpose the interpretation, implementation, or enforcement of this
2 Agreement or any orders or judgments of the Court entered in connection with the resolution.

3 C. None of the documents produced or created by Plaintiff or the PAGA Group in
4 connection with the claims procedures or claims resolution procedures constitute, and they are
5 not intended to constitute, an admission by Defendant of any violation of any federal, state, or
6 local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law
7 or in equity.

8 D. Nothing in this Agreement will be construed as an admission or
9 acknowledgement of any kind that any group should or would be given collective treatment in
10 the Action or in any other action or proceeding. Further, neither this Agreement nor the Court's
11 actions with regard to this Agreement will be admissible in any court or other tribunal regarding
12 the propriety of collective treatment. In the event that this Agreement is not approved by the
13 Court or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiff will
14 not be deemed to have waived, limited or affected in any way any claims, rights or remedies in
15 the Action, and Defendant will not be deemed to have waived, limited, or affected in any way
16 any of their objections or defenses in the Action.

17 **V. RELEASE, DISMISSAL, AND CONFIDENTIALITY**

18 **A. Release as to PAGA Claims.**

19 Upon Approval by the Court of this Settlement and Defendant's full funding of the
20 Settlement Amount, Plaintiff, as a representative of the State of California, the PAGA Group,
21 and the State of California will release any and all claims and causes of action, known or
22 unknown, contingent or accrued, arising out of the facts and claims alleged, or reasonably could
23 have been alleged, during the PAGA Period, in the Action and Plaintiff's LWDA Notice,
24 including, but not limited to Labor Code sections, 201, 202, 203, 204, 210, 216, 218, 222, 225.5,
25 226, *et seq.*, 226.3, 226.7, 227.3, 233, 234, 246, 246.5, 432, 510, 512, 516, 551, 552, 558, 558.1,
26 1174, 1182.12, 1193, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698, *et seq.*,
27 2699, 2802, 2804, and 2810.5, against Defendant, Defendant's subsidiaries, parents,
28 predecessors, successors, affiliates, related entities (including, but not limited to, Compass

1 Group USA, Inc.) (collectively “Released Parties”),

2 **B. Publicity.**

3 The Plaintiff agrees that he has not published and will not publish the Settlement. By
4 way of this settlement, Plaintiff directs his counsel not to issue any press releases or press
5 statements regarding the Settlement, identify Defendant or Defense Counsel by name in any
6 media including Plaintiff’s Counsel’s website, or have any communications with the press or
7 media about the Action or the Settlement. However, nothing in the provision shall be construed
8 from as preventing the Parties from taking following actions: (a) Plaintiff’s counsel shall be
9 allowed to refer to the Action and Settlement (collectively “the Resolution”) in other litigations
10 for the sole purpose of supporting their adequacy as attorneys for a putative class or PAGA
11 group or to justify an award of attorneys’ fees; (b) the Parties shall have the right to disclose the
12 Resolution as may be required under federal or state tax and/or securities laws or under
13 Generally Accepted Accounting Principles; (c) the Parties shall have the right to disclose the
14 Settlement to third parties without identifying the case name, case number, or names of any of
15 the Parties or Released Parties; (d) the Parties may refer to the Resolution, describe its terms,
16 and file the settlement agreement with the Court, the LWDA, and the Settlement Administrator
17 in connection with any proceedings which are reasonably necessary to obtain Approval of the
18 Settlement; and (e) the Parties or their representatives may communicate with accountants or
19 legal advisors regarding the Settlement. Except for the previously listed exceptions, in response
20 to any inquiries about the Action, the Parties may state that “the matter has been resolved.”

21 **VI. SETTLEMENT ADMINISTRATOR**

22 Plaintiff and Defendant, through their respective counsel, have selected CPT Group, Inc.
23 as the Settlement Administrator to administer the Settlement, which includes but is not limited
24 to distributing and responding to inquiries about the Notice of PAGA Settlement and Release
25 and calculating all amounts to be paid from the Net Settlement Amount. Charges and expenses
26 of the Settlement Administrator, estimated to be Eleven Thousand Dollars (\$11,000.00), will be
27 paid from the Settlement Amount. Any charges and expenses of the Settlement Administrator
28 greater than the allocated Eleven Thousand Dollars (\$11,000.00) will come from the Settlement

1 Amount. If the actual Settlement Administrator fees are less than the Parties' estimation, the
2 difference between the actual and estimated Settlement Administrator fees will be included in
3 the Net Settlement Amount.

4 **VII. NOTICE**

5 **A.** Plaintiff and Defendant, through their respective attorneys, have jointly prepared
6 a Notice of PAGA Settlement and Release, in the form attached hereto as "**Exhibit A**" which in
7 substance will be provided to the members of the PAGA Group as follows:

8 (1) As soon as practicable following Approval of the Settlement, but no later
9 than fifteen (15) calendar days after the Court's Approval, Defendant will provide to the
10 Settlement Administrator the PAGA List.

11 (2) The Settlement Administrator shall run all the addresses provided through
12 the United States Postal Service NCOA database (which provides updated addresses for any
13 individual who has moved in the previous four years who has notified the U.S. Postal Service of
14 a forwarding address) to obtain current address information.

15 (3) Within twenty-one (21) calendar days after the Settlement Administrator's
16 receipt of the PAGA List, the Settlement Administrator will mail the Notice of PAGA Settlement
17 and Release together with a settlement payment to all PAGA Group members by first-class
18 United States mail, postage prepaid, with directions to the Postmaster to forward the Notice and
19 return all undeliverable Notices to the Settlement Administrator. For each Notice of PAGA
20 Settlement and Release and settlement payment that is returned as undeliverable, the Settlement
21 Administrator shall promptly attempt to locate the Aggrieved Employee by performing an
22 additional skip trace and shall re-mail the Notice of PAGA Resolution and settlement check no
23 later than ten (10) calendar days following receipt of the undeliverable Notice of PAGA
24 Resolution.

25 (4) The Notice of PAGA Settlement and Release will be provided in English
26 and Spanish.

1 **VIII. COMPUTATION AND DISTRIBUTION OF PAYMENTS**

2 **A. Distribution Formula.**

3 (1) Members of the PAGA Group will receive a lump sum payment in an
4 amount determined by the Settlement Administrator in accordance with the provisions of this
5 Agreement.

6 (2) The lump sum payment to each member of the PAGA Group will be
7 determined by dividing the Net Settlement Amount by the total number of pay periods worked
8 by all members of the PAGA Group during the Settlement Period (the "Pay Period Amount")
9 and then multiplying the Pay Period Amount by the number of pay periods worked by the
10 individual PAGA member.

11 **B. Funding of Settlement Amount.**

12 (1) The Gross Settlement Amount shall be paid to the Settlement
13 Administrator by Defendant within sixty-five (65) calendar days of its receipt of a notice of
14 entry of the Court's Approval Order or, if an appeal is filed, within five (5) business days after
15 the judgment is affirmed and the appellate proceeding opposing the settlement has been finally
16 dismissed with no material change to the terms of the Settlement Agreement with no right to
17 pursue further remedies or relief. The funding of the Settlement Amount will be completed at
18 one time with funds provided to and escrowed by the Settlement Administrator.

19 (2) If a PAGA Group member is deceased at the time of distribution, the
20 Settlement Administrator shall distribute the deceased PAGA Group member's Net Settlement
21 Payment to the deceased PAGA Group member's legal heir(s). In the event of a dispute as to
22 the legal heir(s), the Settlement Administrator shall notify the executor of the deceased PAGA
23 Group member's estate and attempt to place the deceased PAGA Group member's payment in
24 escrow or similar disposition such that any competing heirs may take whatever action they wish
25 to resolve ultimate disposition of such money and the Settlement Administrator and the Parties
26 hereto may disclaim any further interest in or obligation in relation to such money.

27 (3) If a check is returned to the Settlement Administrator as undeliverable,
28 the Settlement Administrator shall promptly attempt to obtain a valid mailing address by

1 performing a skip trace search and, if another address is identified, shall mail the check to the
2 newly identified address. If the Settlement Administrator is unable to obtain a valid mailing
3 address through this process, the monies represented by the check shall be turned over according
4 to the below procedures.

5 (4) Settlement checks will specifically indicate that they are void if not
6 negotiated within one hundred eighty 180 days of their issuance. Any settlement checks that
7 remain uncashed one hundred eighty (180) or more calendar days after issuance by the
8 Settlement Administrator shall be voided. The Settlement Administrator will remit the entire
9 amount of each PAGA Group member's uncashed Net Settlement Payment to the California
10 State Controller for deposit in the Unclaimed Property Fund in the name of the PAGA Group
11 member to whom the uncashed Net Settlement Payment was drafted.

12 **C. Time for Distribution of the Attorneys' Fees, Costs, Enhancement Award,**
13 **and LWDA Payment.**

14 The Settlement Administrator shall cause the Court approved attorneys' fees, litigation
15 costs, Enhancement Award, and LWDA Payment to be paid at the same time and manner as the
16 Settlement Payments to the PAGA Group.

17 **IX. PROPORTIONAL INCREASE TO SETTLEMENT AMOUNT**

18 The Gross Settlement Amount was calculated with, and is premised on, the understanding
19 that the Aggrieved Employees worked approximately 31,000 pay periods from September 15,
20 2020 through October 18, 2023. If the actual number of pay periods is greater than 10% of this
21 estimate (3,100 pay periods), then Defendant has the option to either: (1) agree to increase the
22 Gross Settlement Amount on a proportional basis above 10% (i.e., if there is an 11% increase in
23 the number of workweeks from September 15, 2020 through October 18, 2023, Defendant would
24 agree to increase the Gross Settlement Amount by 1%); or (2) elect to end the PAGA Period on
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1 an earlier date at the Defendant's discretion in order to limit the covered workweeks to 10% more
2 than the estimate provided in lieu of paying an increase to the Gross Settlement Amount.

3 **X. NO CONTRIBUTIONS TO EMPLOYEE BENEFIT PLAN**

4 The amounts paid under this Agreement do not represent a modification of any
5 previously credited hours of service under any employee benefit plan, policy or bonus program
6 sponsored by Defendant. Such amounts will not form the basis for additional contributions to,
7 benefits under, or any other monetary entitlement under, benefit plans (self-insured or not)
8 sponsored by Defendant, policies or bonus programs. Any payments made under the terms of
9 this Settlement shall not be applied retroactively, currently or on a going forward basis as salary,
10 earnings, wages, or any other form of compensation for the purposes of Defendant's benefit
11 plan, policy or bonus program. Defendant retains the right to modify the language of its benefit
12 plans, policies and bonus programs to effect this intent and to make clear that any amounts paid
13 pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any
14 similar measuring term as defined by applicable plans, policies and bonus programs for purpose
15 of eligibility, vesting, benefit accrual or any other purpose, and that additional contributions or
16 benefits are not required by this Settlement.

17 **XI. PLAINTIFF'S COUNSEL ATTORNEYS' FEES AND LITIGATION COSTS**

18 Defendant shall not oppose an application by Plaintiff's Counsel to receive, and
19 Plaintiff's Counsel shall not seek or receive, an amount in excess of Two Hundred and
20 Seventeen Thousand Dollars and Zero Cents (\$217,000.00) which represents 33 1/3% of the
21 Settlement Amount for all past and future attorneys' fees necessary to prosecute, settle, and
22 administer the Action and this Settlement. In the event that the escalator clause in section IX.
23 herein is triggered and the Settlement Amount is increased, Plaintiff's Counsel has, at their
24 discretion, the option to increase their attorneys' fees in order to remain at 33 1/3% of the
25 Settlement Amount. Additionally, Defendant shall not oppose an application by Plaintiff's
26 Counsel to receive, and Plaintiff's Counsel shall not seek or receive, an amount in excess of
27 Twenty Thousand Dollars (\$20,000.00), which represents all past and future litigation costs and
28 expenses necessary to prosecute, settle and administer the Action and this Settlement. Any

attorneys' fees or litigation costs awarded to Plaintiff's Counsel by the Court shall be deducted from the Settlement Amount for the purpose of determining the Net Settlement Amount. This amount shall include all attorneys' fees and litigation costs and expenses for which Plaintiff and Plaintiff's Counsel could claim under any legal theory whatsoever. Should the Court approve a lesser percentage or amount of fees and/or litigation costs than the amount that Plaintiff's Counsel ultimately seeks, then the unapproved portion or portions shall revert to the Net Settlement Amount.

XII. PLAINTIFF'S ENHANCEMENT AWARD

Plaintiff will apply for an Enhancement Award in the amount of Five Thousand Dollars and Zero Cents (\$5,000.00) each for his work in prosecuting the Action and securing this Settlement. The Court will determine the amount of Enhancement Award to award. This Settlement is not contingent upon the Court awarding any particular amount for Enhancement Award. If the Court awards less than the full amount of the Enhancement Award requested by Plaintiff, the unawarded amount shall become part of the Net Settlement Amount.

XIII. TAXATION AND ALLOCATION

A. For withholding tax characterization purposes and payment of taxes, the Net Settlement Amount shall be deemed and is allocated by the Parties as follows: 100% as penalties.

B. All PAGA Group members who cash their settlement check may receive an IRS Form 1099 for their portion of the settlement, if deemed required by the Settlement Administrator (in compliance with IRS guidelines).

C. Nothing in this Settlement is intended to constitute legal advice regarding federal, state, and/or local tax obligations. The Parties, Defense Counsel and Plaintiff's Counsel make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Aggrieved Employees are not relying on any statement or representation by the Parties, Plaintiff's Counsel or Defense Counsel in this regard. Aggrieved Employees understand and agree that they will be responsible for the payment of any employee taxes and penalties assessed on the payment described herein and will hold the Parties, Plaintiff's Counsel and

1 Defense Counsel free and harmless from and against any claims, liabilities, costs and expenses,
2 including attorney's fees, resulting in any way from personal tax treatment of the payments
3 made pursuant to this Agreement. To the extent that this Settlement or any of its attachments is
4 interpreted to contain or constitute advice regarding any state or federal tax issue, such advice
5 is not intended or written to be used, and cannot be used, by any person for the purpose of
6 avoiding penalties under the Internal Revenue Code. Neither the Parties, Plaintiff's Counsel nor
7 Defense Counsel are responsible for any Aggrieved Employee's tax obligations regarding the
8 allocation of the settlement payments.

9 **XIV. COURT APPROVAL**

10 This Agreement and the Resolution are contingent upon Approval by the Court. Plaintiff
11 and Defendant agree to take all steps as may be reasonably necessary to secure Approval of the
12 Resolution, to the extent not inconsistent with the terms of this Agreement, and will not take
13 any action adverse to each other in obtaining Court Approval of the Resolution in all respects.

14 **XV. APPRISAL AND CERTIFICATION BY THE SETTLEMENT**
15 **ADMINISTRATOR.**

16 The Settlement Administrator shall keep Plaintiff's Counsel and Defense Counsel
17 apprised of all distributions from the Settlement Amount. Upon completion of administration of
18 the Settlement, the Settlement Administrator shall provide written certification of such
19 completion to Plaintiff's Counsel and Defense Counsel. The Settlement Administrator shall also
20 provide Defense Counsel with a final accounting, including the names of payees and Net
21 Settlement Payments.

22 **XVI. MISCELLANEOUS PROVISIONS**

23 **A. Interpretation of This Agreement.**

24 (1) This Agreement constitutes the entire agreement between Plaintiff and
25 Defendant. Except as expressly provided herein, this Agreement has not been executed in
26 reliance upon any other written or oral representations or terms, and no such extrinsic oral or
27 written representations or terms shall modify, vary or contradict its terms. In entering into this
28 Agreement, the Parties agree that this Agreement is to be construed according to its terms and

1 may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and
2 enforced under the laws of the State of California, both in its procedural and substantive aspects,
3 without regard to its conflict of laws provisions. Any claim arising out of or relating to this
4 Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior
5 Court of the State of California for the County of Los Angeles, and Plaintiff and Defendant
6 hereby consent to the personal jurisdiction of the Court over them solely in connection
7 therewith. The foregoing is only limited to disputes concerning this Agreement and in no way
8 limits or negates the enforceability and effect of the underlying arbitration agreements signed
9 by employees of Defendant, specifically including but not limited to Plaintiff, obligating them
10 to arbitrate any and all claims on an individual (and not on a class, collective, or representative)
11 basis.

12 (2) Plaintiff, on his own behalf and on behalf of the PAGA Group, and
13 Defendant participated in the negotiation and drafting of this Agreement and had available to
14 them the advice and assistance of independent counsel. As such, neither Plaintiff nor Defendant
15 may claim that any ambiguity in this Agreement should be construed against the other.

16 (3) The terms and conditions of this Agreement constitute the exclusive and
17 final understanding and expression of all agreements between Plaintiff and Defendant with
18 respect to the settlement of the Action. This Agreement may be modified only by a writing
19 signed by counsel for all Parties or their successors-in-interest.

20 **B. Further Cooperation.**

21 Plaintiff and Defendant and their respective counsel shall proceed diligently to prepare
22 and execute all documents, to seek Approval from the Court, and to do all things reasonably
23 necessary or convenient to consummate this Agreement as expeditiously as possible.

24 **C. Confidentiality of Documents.**

25 Plaintiff, and the Settlement Administrator, shall maintain the confidentiality of all
26 documents, deposition transcripts, declarations and other information obtained in the lawsuit,
27 unless necessary for appeal or such documents are ordered to be disclosed by the Judge or by a
28 subpoena.

1 **D. Counterparts.**

2 This Agreement may be executed in one or more actual or non-original counterparts, all
3 of which will be considered one and the same instrument and all of which will be considered
4 duplicate originals. This Agreement may be signed electronically or by facsimile, and an
5 electronic or facsimile signature is deemed valid and binding, and triggers all rights and
6 obligations under this Agreement.

7 **E. Authority.**

8 Each individual signing below warrants that he or she has or they have the authority to
9 execute this Agreement on behalf of the party for whom or which that individual signs.

10 **F. No Third-Party Beneficiaries.**

11 Named Plaintiff, members of the PAGA Group, Defendant and Released Parties are
12 direct beneficiaries of this Agreement, but there are no third-party beneficiaries.

13 **G. Force Majeure.**

14 The failure of any party to perform any of its obligations hereunder shall not subject such
15 party to any liability or remedy for damages, or otherwise, where such failure is occasioned in
16 whole or in part by acts of God, fires, accidents, earthquakes, other natural disasters, explosions,
17 floods, wars, interruptions or delays in transportation, power outages, labor disputes or
18 shortages, shortages of material or supplies, governmental laws, restrictions, rules or
19 regulations, sabotage, terrorist acts, acts or failures to act of any third parties, or any other similar
20 or different circumstances or causes beyond the reasonable control of such party.

21 **H. Deadlines Falling on Weekends or Holidays.**

22 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday,
23 or legal/court holiday, that deadline shall be continued until the following business day.

24 **I. Severability.**

25 In the event that any one or more of the provisions contained in this Agreement shall for
26 any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
27 unenforceability shall in no way effect any other provision if Defense Counsel and Plaintiff's
28 Counsel, on behalf of the Parties and the PAGA Group, mutually elect in writing to proceed as

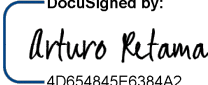
if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

J. Defendant's Fees and Costs

All of Defendant's own legal fees, costs and expenses incurred in this Action shall be borne by Defendant.

APPROVED AS TO CONTENT

DATE: enero 18, 2024, 2024

DocuSigned by:

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 ARTURO RETAMA SAN AGUSTIN

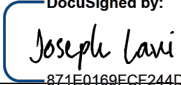
DATE: _____, 2024

By: _____
 For: FRESH & READY FOODS LLC.

APPROVED AS TO FORM

DATE: January 19, 2024, 2024

LAVI & EBRAHIMIAN, LLP

By: 
 871E0169FCE244D...
 Joseph Lavi, Esq.
 Vincent C. Granberry, Esq.
 William Tran, Esq.
 John Brown, Esq.
 Attorneys for Plaintiff
 ARTURO RETAMA SAN AGUSTIN

DATE: _____, 2024

FISHER & PHILLIPS LLP

By: _____
 Lonnie D. Giamela
 Landon R. Schwob
 Attorney for Defendant
 FRESH & READY FOODS LLC.

if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

J. Defendant's Fees and Costs

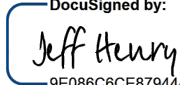
All of Defendant's own legal fees, costs and expenses incurred in this Action shall be borne by Defendant.

APPROVED AS TO CONTENT

DATE: _____, 2024

ARTURO RETAMA SAN AGUSTIN

DATE: 1/17/2024, 2024

DocuSigned by:

9E086C6CE879444

By: Jeff Henry

For: FRESH & READY FOODS LLC.

APPROVED AS TO FORM

DATE: _____, 2024

LAVI & EBRAHIMIAN, LLP

By: _____

Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
William Tran, Esq.
John Brown, Esq.
Attorneys for Plaintiff
ARTURO RETAMA SAN AGUSTIN

DATE: January 17, 2024

FISHER & PHILLIPS LLP

By:  _____

Lonnie D. Giamela
Landon R. Schwob
Attorney for Defendant
FRESH & READY FOODS LLC.