PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Edgar Yunuen Estrada (“Plaintiff”) and Defendant Elkhorn Packing Co, LLC (“Defendant” or “Elkhorn”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Edgar Yunuen Estrada v. Elkhorn Packing Co., LLC;*, Case No. 21CV004015, initiated on December 28, 2021, and pending in Superior Court of the State of California, County of Monterey, later amended to add a PAGA cause of action on March 21, 2022.

1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.

1.4. “Aggrieved Employee” means all non-exempt employees who worked for Defendant in California during the PAGA Period.

1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "Court" means the Superior Court of California, County of Monterey.

1.8. "Defendant" means Elkhorn Packing Co., LLC, a licensed Farm Labor Contractor within the meaning of California Labor Code section 1682, *et. seq*, and the Migrant and Seasonal Agricultural Worker Protection Act ("MSPA"), as amended.

1.9. "Defense Counsel" means Regina Silva, Esq. of Littler Mendelson, P.C.

1.10. "Effective Date" means the date by when all of the following have occurred: (a) notice of this Settlement has been provided to the LWDA, and the LWDA has not objected to the Settlement; (b) the Court enters a Judgment on its Order Approving the PAGA Settlement; and (c) the later of the following events: (i) ten (10) court days after the period for filing any appeal, writ, or other appellate proceeding opposing the Order Approving PAGA Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed (i.e., 65 days from the date the Court enters Order Approving the PAGA Settlement); or (ii) if any appeal, writ, or other appellate proceeding opposing the Order Approving the PAGA Settlement has been filed within that timeframe, then ten (10) court days after any appeal, writ, or other appellate proceedings opposing the Settlement has finally and conclusively dismissed with no right to pursue further remedies or relief.

1.11. "Gross Settlement Amount" means $995,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Service Payment, and the Administrator's Expenses Payment.

1.12. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.13. "Judgment" means the judgment entered by the Court based upon the Order Approving the PAGA Settlement.

1.14. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.15. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.16. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Service Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.17. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.18. "PAGA Counsel" means Kane Moon and Lilit Ter-Astvatsatryan of Moon Law Group, PC, the attorneys representing the Plaintiff in the Action.

1.19. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.20. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.21. "PAGA Period" means the period from December 28, 2020, to January 31, 2025.

1.22. "PAGA Notice" means Plaintiff's December 24, 2021 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.23. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($150,833.33) and the 75% to LWDA ($452,500.00) in settlement of PAGA claims.

1.24. “Plaintiff” means Edgar Yunuen Estrada, the named plaintiff in the Action, a former agricultural H2A worker for Defendant.

1.25. “PAGA Representative Service Payment” means the payment to the Plaintiff for initiating the Action, and providing services in support of the Action.

1.26. “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.

1.27. “Released PAGA Claims” means the claims being released by the Plaintiff and PAGA Counsel, on behalf of the State of California, the LWDA and Aggrieved Employees, and as described in Paragraph 5 below.

1.28. “Released Parties” means: Defendant and each of its former and present directors, officers, members, supervisors, managers, agents, employees, representatives, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries and affiliates, partners, clients/customers, and all of its client employers, including but not limited to D’Arrigo Bros. Co., of California and its officers, directors, shareholders, supervisors, managers, agents, employees, representatives, attorneys, insurers, predecessors, successors, assigns, subsidiaries and affiliates.

1.29. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On December 28, 2021, Plaintiff commenced this Action by filing a Class Action Complaint in Monterey County Superior Court (Case No. 21CV004015) alleging eight causes of action against Defendant as follows: (1) Failure to Pay Minimum Wages pursuant to California Labor Code (“Lab. Code”) §§ 204, 1194, 1194.2, and 1197; (2) Failure to Pay Overtime Wages pursuant to Lab. Code §§ 1194 and 1198; (3) Failure to Provide Meal Periods pursuant to Lab. Code §§ 226.7 and 512; (4) Failure to Authorize and Permit Rest Breaks pursuant to Lab. Code § 226.7; (5) Failure to Indemnify Necessary Business Expenses pursuant to Lab. Code § 2802;

(6) Failure to Timely Pay Final Wages at Termination pursuant to Lab. Code §§ 201-203; (7) Failure to Provide Accurate Itemized Wage Statements pursuant to Lab. Code § 226; (8) Unfair Business Practices pursuant to Cal. Business & Professions Code § 17200, *et. seq*. On March 21, 2022, Plaintiff filed his First Amended Complaint ("FAC") adding a Ninth Cause of Action for Civil Penalties under PAGA pursuant to Lab. Code § 2699, *et. seq*. Plaintiff's FAC is the operative complaint in the Action (the "Operative Complaint.") On May 6, 2022, Plaintiff filed an Application to Dismiss his Class and Individual Claims against Defendant without prejudice, with the exception of Plaintiff's Ninth Cause of Action under PAGA, which was granted by the Court on May 10, 2022. On November 6, 2023, Plaintiff initiated arbitration of Plaintiff's individual claims under PAGA with the American Arbitration Association ("AAA"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the alleged penalties sought by Plaintiff and PAGA Counsel.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On November 18, 2024, the Parties participated in an all-day mediation presided over by Brandon McKelvey, who issued a mediator's proposal and facilitated subsequent negotiations, which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, relevant policies, sample time and payroll records for the applicable PAGA period.

2.5. The Parties, PAGA Counsel and Defense Counsel represent that there is currently one pending matter against Defendant which asserts claims that will be extinguished or affected by the Settlement - - entitled *Dario Martinez-Gonzalez vs. Elkhorn Packing Co., LLP, et. al*. (United States Northern District Court Case No.

3:18-cv-05266-EMC). There is no Order of said District Court that prohibits the Parties from entering this Agreement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay $995,000.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.33% which is currently estimated to be $331,666.66 and PAGA Counsel Litigation Expenses Payment of not more than $25,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS

1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed $30,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $30,000.00 the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To Plaintiff: A PAGA Representative Service Payment to Plaintiff not more than $5,000.00. Defendant will not oppose a request for this payment provided it does not exceed this amount.[1] The Administrator will report the PAGA Representative Service Payments using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.4. To the LWDA and Aggrieved Employees: Subject to Court approval of the payments amounts identified in the Paragraph 3.2, payment of PAGA Penalties in the amount of $603,333.34 to be paid from the Gross Settlement Amount, with 75% ($452,500.00) allocated to the LWDA PAGA Payment and 25% ($150,833.33) allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($150,833.33) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA

[1] The Parties have also reached a separate Agreement with respect to Plaintiff's individual claims pending in AAA, for which Plaintiff's counsel will disclose to the Court as part of the motion for approval of this Settlement.

Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates that between December 28, 2020, to approximately November 10, 2024, there were 7762 Aggrieved Employees who worked approximately 294,449 pay periods in the PAGA Period.

4.2. Aggrieved Employee Data. Within thirty (30) days after the Effective Date, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount over the course of 2025 by making four (4) separate equal payments to the Administrator as follows:

(1) The first payment of $248,7500.00 will be made no later than April 30, 2025, assuming the Effective Date has already occurred by this date. If the Effective Date has not occurred by April 30, 2025, then the first payment shall be made within 10 days of the Effective Date;

(2) The second payment of $248,7500.00 will be made no later than July 31, 2025, assuming the Effective Date has already occurred by this date. If the Effective Date has not occurred by July 31, 2025, then the second payment shall be made within 10 days of the Effective Date.

(3) The third payment of $248,750.00 will be made no later than October 31, 2025, assuming the Effective Date has already occurred by this date. If the Effective Date has not occurred by October 31, 2025, then the third payment shall be made within 10 days of the Effective Date; and

(4) The fourth and final payment of $248,750.00 will be made no later than December 31, 2025, assuming the Effective Date has already occurred by this date. If the Effective Date has not occurred by December 31, 2025, then the fourth payment shall be made within 10 days of the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant has fully funded the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Representative Service Payment, and the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel

Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within fourteen (14) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee, pursuant to the Unclaimed Property Law, California Code of Civil Procedure § 384, *et. seq*. The Parties agree that this disposition results in no "unpaid residue" under California Code of Civil Procedure § 384, as the Gross Settlement Amount will be paid out, whether or not all Aggrieved Employees cash their Individual PAGA Payment checks. Therefore, Defendant will not be required to pay any interest on said amount.

4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff and PAGA Counsel, on behalf of the State of California, the LWDA and the Aggrieved Employees, will release claims against all Released Parties as follows:

5.1. <u>Release by Aggrieved Employees</u>: All Aggrieved Employees, including Plaintiff, the State of California and the LWDA, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice concerning alleged violations of the California Labor Code and the California Industrial Welfare Commission Wage Orders during the PAGA Period regarding: failure to pay minimum, regular, overtime and double time wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all wages during employment, failure to pay all wages at the time of separation, failure to timely pay wages, failure to furnish accurate itemized wage statements, failure to reimburse necessary business expenditures incurred in discharge of duties, all of which includes, but is not limited to, the following: Labor Code sections 201, 202, 203, 204, 205, 210, 218 including 218.5 and 218.6, 226, 226.3, 226.7, 256, 510, 512, 558, 1021.5, 1174, 1174.5, 1182.12 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2810, and 2699 *et. seq*.; and IWC Wage Order Nos. 4, 8, 13 & 14.

5.2. Release by PAGA Counsel: PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

5.3. No Opt-Out: Pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969 (2009), no Aggrieved Employee has the right to exclude himself or herself from this Settlement. All Aggrieved Employees will be bound by this Settlement, upon its approval by the Court, regardless of whether he or she negotiates (i.e., cashes or deposits) his or her settlement check for the Individual PAGA Payments.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. PAGA Counsel agrees to prepare and file an application or motion for approval of this Settlement.

6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint

(Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

6.2. Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than thirty (30) days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order and Judgment to the Administrator.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES/ESCALATOR CLAUSE

Based on its records, Defendant estimates that, between December 28, 2020 and November 10, 2024, there are 7762 Aggrieved Employees who worked approximately 294,449 Pay Periods during the PAGA Period. In the event that the number of pay periods being released through January 31, 2025 exceeds 338,612 (i.e., 15% more than 294,449), the Gross Settlement Amount shall be increased proportionally by the amount in excess of 338,612. However, Defendant shall have sole discretion to, alternatively, terminate the PAGA Period (and hence the date through which the Released PAGA Claims end) as of the date that the number of workweeks released during the PAGA Period reaches 338,612 pay periods.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If a third party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect or potentially affect the determination or distribution of the Gross Settlement Amount or any portion thereof.

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, Plaintiff reserves the right to contest Defendant's defenses, and this Agreement shall be null and void and have no further effect. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2. Res Judicata. The Released Parties shall have the right to file this Settlement, the Court's Approval Order and Judgment, and any other documents or evidence relating to this Settlement in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good-faith settlement, judgment bar, reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

10.3. No Use; Non-Evidentiary Use. Neither this Agreement, nor any of its terms nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or anything else associated with it, shall be publicized, marketed, reported, posted, or advertised by Plaintiff or his counsel, nor offered or used as evidence by any of the Parties or their respective counsel in the Action or in any other action or proceeding, including to establish any liability or admission on the part of Defendant or any one of the Released Parties (defined in paragraph 1.28) or to establish the existence of any condition constituting a violation of, or noncompliance with, federal, state, local or other applicable law; provided, however, this shall not prevent this Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Agreement. Defendant and the Released Parties, or any one of them, may also use this Agreement as an affirmative defense and bar to any pending, future or subsequent claims or suits by the Aggrieved Employees or others, in whole or in part, to the extent applicable. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or proceedings relating to this Agreement, payouts or other events associated with it, shall be construed as an admission or concession by Defendant or any of the Released Parties or establishment of any such violation(s) or failure(s) to comply with any applicable law. Defendant specifically retains the right to defend, on the merits, against any non-settled claims brought by any allegedly Aggrieved Employees.

10.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.5. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.8. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

10.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.14. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:
Kane Moon, Esq.
Lilit Ter-Astvatsatryan, Esq.
MOON LAW GROUP, PC
725 S. Figueroa St., 31st Floor
Los Angeles, CA 90017
213.232.3128; 213.232.3125 (Fax)
kmoon@moonlawgroup.com
lilit@moonlawgroup.com

To Defendant:
Regina Silva, Esq.
LITTLER MENDELSON P.C.
501 W. Broadway, Suite 900
San Diego, CA 92101
619.515.1810; 619.393.0215 (Fax)
rsilva@littler.com

10.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument and counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. Plaintiff's counsel also agrees to request a stay of this Action as part of its papers seeking Court approval of the PAGA Settlement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 5/28/2025 PLAINTIFF EDGAR YUNUEN ESTRADA

DocuSigned by:

Edgar Y. Estrada Salas

B19896B0E293433...

Edgar Yunuen Estrada

Dated: ________________________ ELKHORN PACKING, LLC

____

By: Peter Colburn
President

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Dated: ________________________

PLAINTIFF EDGAR YUNUEN ESTRADA

____
Edgar Yunuen Estrada

Dated: 05/20/2025

ELKHORN PACKING, LLC

Peter J Colburn
By: Peter Colburn
President

APPROVED AS TO FORM:

Dated: 05/28/2025

MOON LAW GROUP

Kane Moon
Attorneys for Plaintiff Edgar Yunuen Estrada

Dated: May 29, 2025

LITTLER MENDELSON P.C.

Regina Silva
Attorneys for Defendant Elkhorn Packing, LLC

4934-6081-4404

EXHIBIT A

[CLAIMS ADMINISTRATOR LETTERHEAD]

Mailing Date

NOTICE OF PAGA SETTLEMENT

Re: ***Edgar Yunuen Estrada v. Elkhorn Packing Co., LLC, et al.,***
Monterey County Superior Court, Case No. 21CV004015
Filed December 28, 2021

[claims admin info]

You have received the enclosed check in connection with the Settlement ("Settlement") of the above-referenced lawsuit ("Lawsuit") brought by former employee Edgar Yunuen Estrada ("Plaintiff") against Elkhorn Packing Co., LLC ("Defendant") for civil penalties pursuant to the Private Attorneys General Act, Labor Code sections 2698, *et seq*. ("PAGA").

Plaintiff claimed he and other non-exempt, hourly-paid employees of Defendant employed at any time from December 28, 2020 through January 31, 2025 ("PAGA Period") in California were subjected to various Labor Code violations.

Defendant adamantly denies all allegations and liability. To avoid further time and expense of protracted and uncertain litigation, however, Defendant and Plaintiff have agreed to settle the Lawsuit. The Settlement, approved by the Court on [DATE], resolves the alleged claims brought on behalf of all California past and present hourly-paid, non-exempt employees of Defendant employed at any time during the PAGA Period ("PAGA Group").

Pursuant to the Court's Order Approving PAGA Settlement ("Approval Order"), a payment of $995,000.00 was approved in settlement of this Lawsuit. As discussed in detail below, significant fees and costs will be deducted from the $995,000.00 settlement payment, leaving only a small portion to be split among approximately 7,762 employees who worked during the PAGA Period, including you. Upon the date of entry of that Approval Order, and payment of all funds due under this Settlement, the California Labor & Workforce Development Agency ("LWDA") and PAGA Group, including Plaintiff, fully release and forever discharge the Defendant (and other Released Parties as defined in the PAGA Settlement Agreement) from all claims for PAGA penalties during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts contained in the Operative Complaint, and the PAGA Notice dated December 24, 2021 ("PAGA Notice") that was sent to Defendant and the LWDA by Plaintiff, which includes the PAGA claims based on Defendant's alleged failure to: pay minimum and overtime wages, provide meal periods and rest periods, maintain accurate records for hours worked, timely pay wages at termination, provide accurate itemized wage statements, reimburse necessary business expenses, and all other claims and allegations made or which could have reasonably been made in the Lawsuit based on the facts and allegations pled in the Operative Complaint and PAGA Notice. The Parties intend this release to be limited to claims for civil penalties only.

After accounting for PAGA Counsel's attorneys' fees of $_______ and reimbursement of litigation costs of $_______, a representative service payment to Plaintiff of $_______, and settlement administration costs of $_______, the remaining sum will be divided pursuant to California law as follows: $_______ (75%) to the LWDA and $_______ (25%) to all PAGA Group employees to be shared on a proportionate basis. The enclosed check represents your share based upon the number of PAGA Pay Periods you worked during the PAGA Period. An IRS 1099 form is enclosed. You will be solely responsible for paying federal, state, or local taxes, if any, on the amount of your check.

Regardless of whether you negotiate the enclosed check, by way of this Settlement and the corresponding Approval Order, for the PAGA Period, each PAGA Group employee has fully released Defendant and other Released Parties for all claims for civil penalties under PAGA that were alleged, or could have been alleged, based on the facts contained in the PAGA Notice and Plaintiff' Operative Complaint filed in the Action.

Your enclosed check is valid for 180 days from the date of its issuance. ***It is strongly recommended that you cash or deposit this check immediately***. After the 180 days expires, you cannot cash the check, it will be null and void, and the amount will be forwarded to the State of California Controller's Office Unclaimed Property Division for further handling. **Even if you fail to cash the enclosed check, you will still be deemed to have released all claims arising from the Lawsuit, including all claims set forth in the release of claims described above.**

If the check is lost or misplaced, please contact the Administrator immediately at [xxx-xxx-xxxx] to have it reissued. If you have any questions about your check, please contact the [insert administrator information]**.**