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Attorneys for Plaintiff and the Class

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

SABRINA GILBERT, as an individual and
on behalf of all others similarly situated,

Plaintiff,

vs.

CENTRAL CALIFORNIA BAKING
COMPANY, an Oregon Corporation; and
DOES 1 through 50, inclusive,

Defendants.

Case No.: VCU291467

[Assigned for all purposes to the Hon. John P.
Bianco, Department 2]

**DECLARATION OF NICHOLAS
ROSENTHAL IN SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY APPROVAL
OF CLASS ACTION SETTLEMENT**

Date: October 30, 2023

Time: 8:30 a.m.

Dept.: 2

Complaint Filed: April 26, 2022

FAC Filed: August 21, 2023

Trial Date: None Set

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I, Nicholas Rosenthal, declare as follows:

1. I am an attorney at law duly admitted to practice before all courts in the State of California and am a member of the law firm of the Diversity Law Group, P.C., one of the attorneys of record for Plaintiff Sabrina Gilbert (“Plaintiff”) in the above-entitled action. I have personal knowledge of the matters set forth herein, and if called upon as a witness to testify thereto, I could and would competently do so.

CASE SUMMARY

2. On April 18, 2022, Plaintiff filed a notice with the California Labor and Workforce Development Agency (“LWDA”) alleging that Defendant violated Labor Code § 226, pursuant to Labor Code § 2699 (“PAGA Notice”). The PAGA Notice alleged that whenever weighted OT and/or shift differential wages were paid, Defendant failed to identify the accurate total hours worked, on wage statements issued to employees. In particular, when the hours shown on the wage statements are added up, they do not appear to add up to the actual total hours worked.

3. On April 26, 2022, Plaintiff filed a class action complaint (the “Action”) against Defendant in the Superior Court of the State of California, County of Tulare. The class action complaint alleges a cause of action for violation of Labor Code § 226(a).

4. On June 22, 2022, Plaintiff filed a related action against Defendant in the Superior Court of the State of California, County of Tulare, Case Number VCU292216 (the “PAGA Action”). The PAGA Action is a representative action complaint and alleges a cause of action for violation of Labor Code § 2698, *et seq.*, predicated on an underlying violation of Labor Code § 226.

5. On August 10, 2023, Plaintiff filed a Joint Stipulation for Leave to File First Amended Complaint, in which the Parties agreed to allow Plaintiff to file a first amended complaint in the Action solely for the purpose of obtaining the Court’s approval of the Parties’ settlement agreement. The first amended complaint alleges two causes of action for violation of Labor Code §§ 226 and 2698, *et seq.*, and combines the allegations of the Action and PAGA

1 Action. On August 21, 2023, the Court signed the order granting the Parties’ stipulation, and the
2 first amended complaint was deemed to have been filed. The first amended complaint is the
3 operative Complaint (“Complaint”). As alleged in the Complaint, Plaintiff seeks to represent the
4 Class Members and other aggrieved employees. Plaintiff further seeks damages, penalties,
5 interest, attorneys’ fees, and costs.

6 6. Following the filing of the Action and PAGA Action, the Parties agreed to
7 participate in private mediation. In connection with mediation, the Parties agreed to conduct
8 informal discovery to allow Plaintiff to assess the claims and liability, as well as analyze the
9 maximum exposure of damages and penalties. Defendant produced class data, including the
10 number of putative class members, sample wage statements, and the number of wage statements
11 issued to putative class members. This information allowed my office to conduct a full damage
12 analysis.

13 **MEDIATION**

14 7. On November 8, 2022, the Parties engaged in an all-day mediation session with
15 neutral Daniel J. Turner, Esq. After thorough investigation and evaluation of the facts and claims,
16 and negotiations with the assistance of Mr. Turner, the Parties and their counsel reached a
17 settlement and entered into a memorandum of understanding. In resolution of Plaintiff’s class and
18 PAGA claims, the Parties entered into the Joint Stipulation of Class and Representative Action
19 Settlement.

20 **SUMMARY OF THE SETTLEMENT TERMS**

21 8. The terms of the class-wide settlement are set forth in the Joint Stipulation of Class
22 and Representative Action Settlement (the “Settlement Agreement”). A true and correct copy of
23 the Settlement Agreement is attached hereto as **Exhibit A**.

24 9. Plaintiff will request dismissal of the PAGA Action will prejudice following final
25 approval of this class and representative action settlement.

26 10. The proposed Class consists of “all non-exempt employees who worked for Central
27 California Baking Company at any time in the State of California during the Class Period and who
28 received any wage statements containing the following information: (1) FLSA Overtime and shift

differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay.” See Settlement Agreement ¶ A-4. Class Members do not need to do anything should they wish to receive their share of the settlement funds. If a Class Member does not wish to take part in this settlement and be bound by the release, he or she must submit a Request for Exclusion. *Id.* ¶ C-18.

11. The Settlement Agreement provides for Four Hundred Thousand Dollars (\$400,000.00) as the Gross Settlement Amount. Settlement Agreement ¶ A-19. The Net Settlement Amount, calculated after deduction of attorneys’ fees, costs, Class Representative Service Award, payment of PAGA penalties to the LWDA, and Settlement Administration Costs, shall be distributed to Participating Class Members and Settlement Aggrieved Employees.

12. Participating Class Members who do not opt-out of the Settlement will be awarded a portion of the Net Settlement Amount on a pro-rata basis, based upon the number of pay periods worked during the Covered Period. Settlement Agreement ¶ C-8.

13. Settlement Aggrieved Employees will receive a pro rata portion of the PAGA penalties, based upon the number of pay periods worked during the Covered Period. Settlement Agreement ¶ C-8.

14. As part of the Settlement Agreement, Defendant does not object to Plaintiff’s counsel’s request for attorneys’ fees up to one-third of the Gross Settlement Amount—*i.e.*, the sum of One Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$133,333.00), plus up to Fifteen Thousand Dollars (\$15,000.00) for reimbursement of litigation costs. Settlement Agreement ¶ C-4. Also, as part of the Settlement Agreement, Defendant does not object to Plaintiff’s request for an enhancement award of Ten Thousand Dollars (\$10,000.00). *Id.* ¶ C-5.

15. Finally, the Settlement Agreement provides for the payment to the Settlement Administrator for the administration of this current settlement. The Parties have received a quote from Phoenix Settlement Administrators for a fee of approximately Ten Thousand Dollars (\$10,000.00) to administer the settlement. *Id.* ¶ C-6.

16. After deducting the amounts listed above, it is estimated that the Net Settlement

Amount of \$216,667.00 will be distributed to the Class.

POTENTIAL STATUTORY AND CIVIL PENALTIES

17. I was able to estimate the potential damages and penalties based on the data and documents provided by Defendant, including the number of putative class members and number of wage statements issued during the Covered Period.

18. Based on the class data provided by Defendant, Plaintiff estimated that Defendant would face potential liability of up to approximately \$1,995,000.00 for Plaintiff's class and PAGA claims if Plaintiff succeeded at trial. This number is based upon an analysis of the data provided by Defendant regarding the putative class. Specifically, the approximate damages/penalties for the class claim is \$989,000.00 for Labor Code § 226(e) penalties for wage statement violations for employees based on 10,065 wage statements issued during the Covered Period.

19. With respect to potential liability of Plaintiff's PAGA claim, Plaintiff estimated that Defendant could face civil penalties of up to \$1,006,500 in PAGA penalties premised on 10,065 pay periods.

20. Based thereon, the collective total amount of class and PAGA recovery is approximately \$1,995,000.00.

21. Defendant denies liability as to all of Plaintiff's claims and raised several defenses that presented risk. Defendant denies liability as to all of Plaintiff's claims and it has raised several defenses that presented risk. Defendant contends that Defendant contends that class members could easily determine the missing information via "simple math." Moreover, Defendant maintains that Plaintiff cannot prove willfulness or injury, both of which are required for any assignment of penalties under Labor Code Section 226(e). Defendant further maintains that it would be unjust for the Court to award maximum PAGA penalties as it has made good faith efforts to comply with the Labor Code.

22. Although Plaintiff believes in the merits of the alleged claims and maintains that there is no reason for reducing PAGA penalties, Plaintiff is aware that Defendant may raise defenses to the wage statement claims and that with respect to the reduction of PAGA penalties, it could be persuasive to the Court. Thus, even if Plaintiff were to successfully prove her claims at

1 trial, there is a possibility that the Court may only award a small percentage of PAGA penalties, as
2 the Court has discretion to do so. Pursuant to Labor Code § 2699(e)(2), the Court can decline to
3 award PAGA penalties where “if, based on the facts and circumstances of the particular case, to do
4 otherwise, would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”

5 23. Under the facts of this case, I appreciate the risk that Defendant could present a
6 persuasive argument to reduce the amount of PAGA penalties at trial. For example, in *Fleming v.*
7 *Covidien, Inc.*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. Aug. 12, 2011), while the plaintiff
8 ultimately prevailed in a PAGA trial predicated on a violation of Labor Code section 226(a), *i.e.*,
9 inaccurate wage statements, the Court assessed only 17% of the maximum penalties— and this
10 was after finding liability at trial. Similarly, Judge Carville of the Alameda Superior Court in the
11 matter of *Parr v. Golden State Overnight*, Alameda Superior Court Case No. RG12618103,
12 assessed PAGA penalties upon Defendant of approximately 7% of the total maximum penalties—
13 again, this was only after plaintiff had prevailed at trial. In one recent California Court of Appeal
14 case, a trial court’s reduction of PAGA penalties by 90% was upheld. *Carrington v. Starbucks*, 30
15 Cal. App. 5th 504, 529 (2018).

16 24. The Gross Settlement Amount was premised with these risks above in mind,
17 associated with the possibility of the Court significantly reducing Plaintiff’s PAGA penalties,
18 along with other attendant risks, even if Plaintiff were to prevail at trial.

19 25. Although Plaintiff believes that a class can be certified, Plaintiff also believes in the
20 fairness of the settlement that is based on factoring in the uncertainty and risks to Plaintiff involved
21 in not prevailing on one or more of the causes of action or theories alleged in the operative
22 Complaint, the possibility of non-certification, and the potential for appeals.

23 26. Here, the Gross Settlement Amount is fair and reasonable as it is approximately
24 **20%** of the potential recovery of Plaintiff’s class and PAGA claims if Plaintiff were to fully
25 succeed at trial.

26 27. Based on my own independent investigation and evaluation, I am of the opinion
27 that settlement for the consideration and on the terms set forth in the Joint Stipulation of Class
28 Action and PAGA Settlement is fair, reasonable, and adequate and is in the best interests of the

Class and Defendant in light of all known facts and circumstances, and the uncertainty and risks to Plaintiff involved in not prevailing on one or more of the causes of action or theories alleged in the operative Complaint, the possibility of non-certification, and the potential for appeals.

THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

28. From the inception of the case, Class Counsel has zealously represented the interests of the Class. The settlement was obtained for the benefit of the Class, as opposed to the individual Class Representative.

29. The Settlement Agreement calls for the Net Settlement Amount (calculated after deduction of attorneys' fees, costs, Class Representative Service Award, payment of PAGA penalties to the LWDA, and Settlement Administration Costs) to be paid to Participating Class Members. Based on an estimated Net Settlement Amount of \$216,667.00, Participating Class Members will be entitled to recover, based on a raw average, approximately \$619.04.

30. The amount any Class Member will be entitled to recover will be greater or lower, depending on the number of pay periods each respective Participating Class Member worked during the Covered Period, with some entitled to receive more, and others less. This is fair, as it directly allocates greater recovery to individual Class Members who have allegedly suffered greater harm. The amount may also vary depending on the number of timely Requests for Exclusion received by the Settlement Administrator.

31. Additionally, the scope of the release is appropriately limited. As a condition of participating in this settlement, Class Members release "all claims, including penalties, interest, costs, and attorneys' fees related thereto, that were or could have been brought under the facts and allegations made in the operative First Amended Complaint for violation of Labor Code section 226(a) during the Class Period" ("Released Class Claims"). Settlement Agreement ¶ A-27. This release is appropriately limited, as it only applies during the time period of April 26, 2021, through February 17, 2023, and only applies to the claims alleged.

32. In addition, Settlement Aggrieved Employees (or Class Members who submit a valid Request for Exclusion) shall waive and release "all claims for penalties under the California Private Attorneys General Act, including interest, costs and attorneys' fees related thereto,

1 predicated on the violation of Labor Code section 226(a) that accrued during the PAGA Period and
2 were alleged in the PAGA Notice and operative First Amended Complaint” (“Settled PAGA
3 Claims”). Settlement Agreement ¶ A-28.

4 33. I believe that Plaintiff and the Class could prevail at trial. However, I also believe in
5 the fairness of the settlement, which is based on factoring in the inherent risks in drawn-out
6 litigation and the specific risks that a class might not be certified and/or that Plaintiff could fail to
7 establish liability. Moreover, as Defendant adamantly denies that it should be liable for the full
8 extent of the penalties, there is a possibility that Plaintiff and the Class would be awarded fewer or
9 no penalties at trial.

10 34. Thus, after taking into account sharply disputed legal issues involved in this
11 litigation, the risks associated with further prosecution, delays caused by potential appeals, and the
12 substantial benefits to be received pursuant to the Settlement Agreement, I believe that the
13 proposed settlement is fair, reasonable, and adequate and is in the best interests of the Class.

14 **ATTORNEY EXPERIENCE**

15 35. Class Counsel has a great deal of experience in wage and hour class action litigation
16 and has been approved as class counsel in a number of class actions. My co-counsel and I can and
17 will adequately represent the Class Members in this action. I have no conflicts with the Class and
18 will adequately represent the Class.

19 36. I have spent significant time researching and pursuing the claims that have been
20 alleged in this action. Based on my review of all the information, and based on my experience in
21 class action litigation, I believe this settlement to be fair, adequate, and reasonable.

22 37. Any remaining monies from uncashed settlement checks will be distributed to
23 Legal Aid At Work. Plaintiff’s counsel does not have any relationship or connection with or to the
24 Legal Aid At Work.

25 38. I am one of the primary attorneys on this matter. My qualifications are as follows: I
26 received my JD from University of Southern California Gould School of Law in 2009. Upon
27 graduation, I practiced law as an associate at Seyfarth Shaw LLP, representing corporate clients in
28 both single-plaintiff and wage hour class actions. In 2014, I began as an associate at Diversity Law

1 Group.

2 39. I have handled a number of wage and hour matters including class actions and
3 multiple-plaintiff actions. I have been named as Class Counsel in a number of class actions that
4 have been granted certification or preliminary or final approval by the Superior Courts of Los
5 Angeles County, Orange County, Alameda County, and Monterey County, the United States
6 District Court for the Central District of California, and the United States District Court for the
7 Northern District of California. These cases include, but are not limited to: *Diller v. Under Armour*
8 *Retail, Inc.*, Santa Clara County Superior Court Case No. 114-CV-265729, *Lopez v. Imperial Body*
9 *Shop, Inc.*, Orange County Superior Court Case No. Case No. 30-2015-00816193-CU-OE-CXC,
10 *Hughes v. Lincare, Inc., et al.*, Monterey County Superior Court Case No. M124764, *Pittman v.*
11 *Martinez Steel Corporation*, San Bernardino County Superior Court Case No. CIVDS1823132,
12 *Della Maggiora v. Watsonville Community Hospital*, Santa Cruz County Superior Court Case No.
13 18CV00191, *Randolph v. Pacific Racing Association*, Alameda County Superior Court Case No.
14 RG18908139, *Morones v. Bimbo Bakeries USA, Inc.*, Sacramento County Superior Court Case No.
15 34-2018-00245481-CU-OE-GDS *Foaad Hanna v. Equinix, LLC*, Santa Clara County Superior
16 Court Case No. 18CV339365; *Alicia Harris v. 24 Seven LLC*, Los Angeles County Superior Court
17 Case No. BC720144; *Markham v. Quik Stop Markets, Inc.*, Santa Clara Superior Court Case
18 No.19CV341582; *Siron v. Raypak, Inc.*, Ventura Superior Court Case No. 56-2019-005279959-
19 CU-OE-VTA; *Carter v. Kline Services, Inc.*, San Bernardino Superior Court Case No.
20 CIVDS1828867, *Pascual v. Satellite Healthcare, Inc.*, Santa Clara County Superior Court Case
21 No. 19CV345211; *Carrillo v. New Balance Athletics, Inc.*, Santa Clara County Superior Court
22 Case No. 19CV352469; *Vogel v. Veolia North America, LLC*, Monterey County Superior Court
23 Case No. 19CV001443; *Holman v. American Sugar Refining, Inc.*, Contra Costa County Superior
24 Court Case No. MSC18-00415; *Chavez v. Converse, Inc.*, United States District Court – Northern
25 District of California Case No. 15-cv-03746-NC, *Rodriguez v. Nike Retail Services, Inc.*, United
26 States District Court – Northern District of California Case No. 5:14-CV-1508 BLF, *Gutierrez v.*
27 *Spa Havens, LP*, San Diego Superior Court Case No. 37-2019-00057065-CU-OE-NC, *Cruzado v.*
28 *Ontario T, Inc.*, San Bernardino Superior Court Case No. CIVSB2027249, *Diaz v. Acuity Brands*

1 *Lighting, Inc.*, San Bernardino Superior Court Case No. CIVDS2015583, *Dunn v. Universal Plant*
2 *Services, Inc.*, Solano County Superior Court Case No. FCS056134, *Martinez v. COGIR*
3 *Management USA, Inc.*, San Joaquin County Superior Court Case No. STK-CV-UOE-2020-
4 0001215, *O'Connor v. Schwan's Consumer Brands, Inc.*, Sacramento County Superior Court Case
5 No. 34-2019-00250574, and *Ray v. C&W Facility Services, Inc.*, San Bernardino Superior Court
6 Case No. CIVSB2101321.

7 40. My co-counsel and I will adequately represent the Class Members in this action.
8 Plaintiff's Counsel have and will zealously represent Plaintiff and the Class and pursue this lawsuit
9 to its conclusion.

10 41. I have no conflicts with the Class and will adequately represent the Class.

11 **NOTICE TO THE LWDA**

12 42. Concurrent with the filing of the Motion for Preliminary Approval of Class Action
13 Settlement, my office uploaded the Motion and Settlement Agreement to the LWDA's website.

14 I declare under penalty of perjury under the laws of the State of California that the
15 foregoing is true and correct.

16 Executed on this 6th day of October 2023, at Los Angeles, California.

17
18 
19 _____
Nicholas Rosenthal

EXHIBIT A

Larry W. Lee (State Bar No. 228175)
Kristen M. Agnew (State Bar No. 247656)
Nicholas Rosenthal (State Bar No. 268297)
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Attorneys for Plaintiff and the Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA
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SABRINA GILBERT, as an individual and
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CENTRAL CALIFORNIA BAKING
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DOES 1 through 50, inclusive,

Defendants.

Case No.: VCU291467

(Assigned to the Honorable John P. Bianco Dept.
C-2)

**JOINT STIPULATION OF CLASS AND
REPRESENTATIVE ACTION SETTLEMENT**

1 **JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT**

2 This Joint Stipulation of Class and Representative Action Settlement (“Agreement” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiff Sabrina Gilbert
4 (“Plaintiff”) and Defendant Central California Baking Company (“Defendant”). Plaintiff and
5 Defendant collectively are referred to in the Agreement as “the Parties.”

6 **A. DEFINITIONS**

7 The following definitions are applicable to this Agreement. Definitions contained
8 elsewhere in this Agreement shall also be effective:

9 1. “Action” means *Sabrina Gilbert v. Central California Baking Company*, filed on
10 March 10, 2021, in the Superior Court of the State of California, County of Tulare, Case No.
11 VCU291467 as alleged in the First Amended Complaint filed on August 21, 2023.

12 2. “Aggrieved Employee(s)” means all non-exempt employees who worked for
13 Central California Baking Company at any time in the State of California during the PAGA Period
14 and who received any wage statements containing the following information: (1) FLSA Overtime
15 and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime,
16 variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA
17 overtime pay; or (6) only variance pay.

18 3. “Agreement” or “Settlement Agreement” means this Joint Stipulation of Class and
19 Representative Action Settlement.

20 4. “Class” or “Class Member(s)” means all non-exempt employees who worked for
21 Central California Baking Company at any time in the State of California during the Class Period
22 and who received any wage statements containing the following information: (1) FLSA Overtime
23 and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime,
24 variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA
25 overtime pay; or (6) only variance pay.

26 5. “Class Counsel” means Larry W. Lee, Kristen M. Agnew, and Nicholas Rosenthal
27 of Diversity Law Group, P.C. and William L. Marder of Polaris Law Group.

28 6. “Class Counsel Award” means such award of fees and costs and expenses as the

1 Court may authorize to be paid to Class Counsel for the services they have rendered and will render
2 to Plaintiff and the Class in the Action. Defendant agrees not to oppose Class Counsel Award of
3 up to one-third of the Gross Settlement Amount (\$400,000.00), *i.e.*, the sum of One Hundred
4 Thirty-Three Thousand Three Hundred Thirty Three Dollars (\$133,333.00), and costs in the
5 amount of up to Fifteen Thousand Dollars (\$15,000.00), subject to the Court finally approving this
6 Settlement.

7 7. "Class Data and List" means a true and complete list of all Aggrieved Employees
8 and Class Members that Defendant will compile, based on its business records, and provide to the
9 Settlement Administrator within twenty eight (28) days after the Court grants preliminary approval
10 of the Settlement. The Class List shall be formatted in Microsoft Office Excel and shall include
11 each employee's full name, his or her last known home address, telephone number, Social Security
12 Number, beginning and ending dates of employment, number of wage statements reflecting the
13 payment of FLSA Overtime and/or variance pay during the Class Period, and number of wage
14 statements reflecting the payment of FLSA Overtime and/or variance pay during the PAGA
15 Period.

16 8. "Class Representative" or "Plaintiff" means Plaintiff Sabrina Gilbert.

17 9. "Complaint" means the First Amended Class and Representative Action Complaint
18 to be filed by Plaintiff in this Action.

19 10. "Counsel for Defendants" or "Defense Counsel" means Ryan L. Eddings and
20 Caroline Lutz of Littler Mendelson, P.C.

21 11. "Court" means the Superior Court for the State of California, County of Tulare, or
22 any other court taking jurisdiction of the Action.

23 12. "Class Period" means the period from April 26, 2021 through February 17, 2023.

24 13. "Defendant" means Central California Baking Company.

25 14. "Effective Date" shall be the latest of the following dates: (a) the Court's final
26 approval of the Settlement, if no objections by or on behalf of Class Members have been filed and
27 not withdrawn; (b) if an objection is filed, the time for appeal has expired and no appeal has been
28 filed or withdrawn; or (c) if a timely appeal is filed, the final resolution of that appeal (including

any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement/

15. “Enhancement Payment” or “Service Payment” means the amount that the Court authorizes to be paid to Plaintiff, in addition to his Individual Settlement Payment, in recognition of his efforts and risks in assisting with the prosecution of the Action. Subject to the Court granting final approval, the Parties agree that Plaintiff shall be paid up to Ten Thousand Dollars (\$10,000.00) from the Gross Settlement Amount.

16. “Final Approval” means that the Final Approval Order and Judgment have been entered by the Court.

17. “Individual PAGA Payment” means each Aggrieved Employee’s portion of the PAGA Payment calculated in accordance with the calculations described in Paragraph C.8 of this Settlement.

18. “Individual Settlement Payment” means the amount payable from the Net Class Settlement Amount to each Settlement Class Member.

19. “Gross Settlement Amount” means the Gross Settlement Amount of Four Hundred Thousand Dollars (\$400,000.00) to be paid by Defendant as a result of this Agreement. The Gross Settlement Amount includes all Individual Settlement Payments, the Enhancement Payment to Plaintiff, Settlement Administration Costs to the Settlement Administrator, the PAGA Payment, and Class Counsel Award.

20. “Net Settlement Amount” means the balance of the Gross Settlement Amount remaining after deduction of the approved Enhancement Payment to Plaintiff, Settlement Administration Costs, the PAGA Payment, and Class Counsel Award. The entire Net Settlement Amount is the maximum amount that will be available for distribution to Settlement Class Members.

21. “Notice of Objection” means a Class Member’s valid and timely written objection to the Settlement. For the Notice of Objection to be valid, it must include: (a) the objector’s full name, signature, address, and telephone number; (b) a written statement of basis for the objection; and (c) any copies of papers, briefs, or documents upon which the objection is based. The Notice

of Objection must be returned by mail to the Settlement Administrator at the specified address indicated in the Notice Packet and must be postmarked by the Response Deadline.

22. “Notice Packet” means the Notice of Proposed Class Action Settlement, substantially in the form attached as Exhibit A.

23. “PAGA Payment” means the portion of the Gross Settlement Amount that the Parties have agreed will be allocated to resolve all claims, penalties, and remedies under the Private Attorneys General Act of 2004 (Cal. Lab. Code § 2698, *et seq.*, “PAGA”). Subject to Court approval pursuant to California Labor Code § 2699(l), the Parties agree that the PAGA Payment shall be Twenty Thousand Dollars and Zero Cents (\$20,000.00).

24. “PAGA Period” means the period from April 18, 2021, through February 17, 2023.

25. “Parties” means Plaintiff, on behalf of herself and Settlement Class Members, and Defendant collectively.

26. “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.

27. “Released Class Claims” means all claims, including penalties, interest, costs, and attorneys’ fees related thereto, that were or could have been brought under the facts and allegations made in the operative First Amended Complaint for violation of Labor Code section 226(a) during the Class Period.

28. “Released PAGA Claims” means all claims for penalties under the California Private Attorneys General Act, including interest, costs and attorneys’ fees related thereto, predicated on the violation of Labor Code section 226(a) that accrued during the PAGA Period and were alleged in the PAGA Notice and operative First Amended Complaint.

29. “Released Parties” means Defendant, and its parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, and all of its employees, officers, agents, attorneys, stockholders, fiduciaries, clients, other service providers, and assigns.

30. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (1) clearly state that the Class Member does not wish to be included in the Settlement; (2) set forth the

1 name, address, telephone number, and last four digits of the Social Security Number of the Class
2 Member requesting exclusion; (3) be signed by the Class Member; (4) be returned by mail to the
3 Settlement Administrator at the specified address indicated in the Notice Packet; and (5) be
4 postmarked on or before the Response Deadline.

5 31. "Response Deadline" means forty-five (45) days after the Settlement Administrator
6 initially mails the Notice Packet to Class Members, and the last date on which Class Members may
7 submit Requests for Exclusion or Notices of Objections to the Settlement.

8 32. "Settlement" means the agreement among the Parties to resolve the Action, as set
9 forth in this Stipulation.

10 33. "Settlement Administration Costs" means the fees and expenses reasonably
11 incurred by the Settlement Administrator as a result of the procedures and processes expressly
12 required by this Agreement, which are estimated at Ten Thousand Dollars (\$10,000.00). Any
13 portion of the Settlement Administration Costs not used or approved by the Court shall be added
14 to the Net Class Settlement Amount.

15 34. "Settlement Administrator" means Phoenix Settlement Administrators.

16 35. "Settlement Class" or "Settlement Class Members" means all Class Members who
17 do not submit valid and timely Requests for Exclusion.

18 36. "Settlement Payment Check" means the payment of the Individual Settlement
19 Payment to Settlement Class Members and Individual PAGA Payment to Aggrieved Employees.

20 **B. FACTUAL BACKGROUND**

21 1. On April 18, 2022, Plaintiff filed a written notice to the California Labor &
22 Workforce Development Agency ("LWDA") alleging that Defendant violated Labor Code section
23 226(a), pursuant to Labor Code section 2699 ("PAGA Notice").

24 2. On April 26, 2022, Plaintiff initiated this action in Tulare County Superior Court.
25 The initial complaint asserted a single class claim for violation of Labor Code section 226(a).

26 3. On June 22, 2022, Plaintiff filed a related representative action lawsuit (Tulare
27 County Superior Court Case No. VCU292216) against Defendant, asserting a cause of action for
28 violation of California's Private Attorneys General Act, Labor Code section 2698, et seq.

1 (“PAGA”), predicated on an underlying violation of Labor Code section 226(a) (the “PAGA
2 Action”)

3 4. In or about August 2022, the Parties agreed to participate in private mediation. In
4 connection with the mediation, Defendant produced data relating to the number of Aggrieved
5 Employees and Class Members who received a wage statement reflecting shift differential or
6 weighted overtime wages, and the number of such wage statements issued to Aggrieved
7 Employees and Class Members during the liability period.

8 5. On November 8, 2022, the Parties participated in an all-day mediation presided
9 over by Dan Turner, Esq. of Judicate West. While the Parties were unable to reach an agreement
10 at mediation, the Parties continued settlement negotiations and ultimately agreed to settle the
11 Action and entered into a Memorandum of Understanding.

12 6. The Parties recognize the risk, expense, and delay in continuing the Action, and
13 therefore believe the Settlement to be fair, reasonable, and adequate. Accordingly, the Parties
14 desire to settle, compromise, and discharge all disputes and claims arising from or relating to the
15 Action.

16 **C. PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF SETTLEMENT**

17 1. Amendment of the Complaint and Dismissal of PAGA Action. In order to
18 efficiently effectuate the Settlement, Plaintiff agrees to file a First Amended Complaint in the
19 Action to add a cause of action for violation of Labor Code section 2698, et seq., file a request for
20 dismissal of the PAGA Action without prejudice, and make such other amendments as necessary
21 to effectuate the terms of this Settlement Agreement

22 2. Settlement Consideration. Defendant shall pay the sum of the Gross Settlement
23 Amount as specified in this Agreement, which shall be used to pay: (1) Individual Settlement
24 Payments; (2) Class Counsel Award; (3) Enhancement Payment; (4) Settlement Administration
25 Costs; and (5) the PAGA Payment. The Parties agree that this is a non-reversionary Settlement
26 and that no portion of the Gross Settlement Amount shall revert to Defendant. In no event shall
27 Defendant be required to pay more than the Gross Settlement Amount as specified in this
28 Agreement.

1 3. Funding of the Gross Settlement Amount. Within twenty eight (28) calendar days
2 of the Effective Date, Defendant shall make a one-time deposit of the Gross Settlement Amount
3 into a Qualified Settlement Fund to be established by the Settlement Administrator.

4 4. Class Counsel Award. Defendant agrees not to oppose or impede any application
5 or motion by Class Counsel for attorneys' fees of up to one-third (33.33%) of the Gross Settlement
6 Amount (\$400,000.00), *i.e.*, the sum of One Hundred Thirty-Three Thousand Three Hundred
7 Thirty Three Dollars (\$133,333.00), and costs in the amount of up to Fifteen Thousand Dollars
8 (\$15,000.00), which shall be paid from the Gross Settlement Amount. It is understood by Class
9 Counsel that the Court has final discretion in any fee award. The Settlement Administrator shall
10 issue an IRS Form 1099 to Class Counsel reflecting the awarded attorneys' fees, costs, and
11 expenses. Any portion of the Class Counsel Award not awarded to Class Counsel shall be added
12 to the Net Class Settlement Amount and shall be distributed to Settlement Class Members as
13 provided in this Agreement. Notwithstanding any other provision of this Agreement, if the Court
14 should fail to award attorneys' fees to Class Counsel in the full amount provided for in this
15 Agreement, no order of the Court or modification of any order of the Court concerning the amount
16 of any attorneys' fees to be paid by Defendant to Class Counsel pursuant to this settlement shall
17 constitute grounds for cancellation or termination of the Agreement or grounds for limiting any
18 other provision of the Judgment. It is agreed that no order of the Court, including any order
19 concerning attorneys' fees, may alter or otherwise increase the Gross Settlement Amount.

20 5. Class Representative Enhancement Payment. Defendant agrees not to oppose or
21 impede any application or motion by Plaintiff for an Enhancement Payment of up to Ten Thousand
22 Dollars (\$10,000.00). The Enhancement Payment shall be paid from the Gross Settlement Amount,
23 and shall be paid in addition to Plaintiff's Individual Settlement Payment as a Settlement Class
24 Member and Individual PAGA Payment as an Aggrieved Employee. It is understood by Class
25 Counsel and Plaintiff that the Court has final discretion in any Enhancement Payment. The
26 Settlement Administrator shall issue an IRS Form 1099 to Plaintiff reflecting the Enhancement
27 Payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on
28 his Enhancement Payment and shall hold harmless Defendant from any claim or liability for

1 taxes, penalties, or interest arising as a result of the Enhancement Payment. Any portion of the
2 Enhancement Payment not awarded to Plaintiff shall be added to the Net Class Settlement Amount
3 and shall be distributed to Class Members as provided in this Agreement.

4 6. Settlement Administration Costs. The Settlement Administrator shall be paid for
5 the reasonable costs of administration of the Settlement from the Gross Settlement Amount,
6 currently estimated at Ten Thousand Dollars (\$10,000.00). These costs, which shall be paid from
7 the Gross Settlement Amount, shall include, *inter alia*, the required tax reporting on the Individual
8 Settlement Payments and Individual PAGA Payments, the issuing of 1099 IRS Forms, establishing
9 a Qualified Settlement Fund, administering and distributing the Gross Settlement Amount, and
10 providing necessary reports and declarations. Any portion of the Settlement Administration Costs
11 not allowed shall be added to the Net Class Settlement Amount and shall be distributed to Class
12 Members as provided in this Agreement.

13 7. PAGA Payment. Subject to Court approval, the Parties agree that the amount of
14 Twenty Thousand Dollars (\$20,000.00) of the Gross Settlement Amount shall be designated for
15 satisfaction of claims for civil penalties under the PAGA. The Settlement Administration shall pay
16 seventy-five percent (75%) of the PAGA Payment, *i.e.*, the sum of Fifteen Thousand Dollars
17 (\$15,000.00), to the LWDA. The remaining twenty-five percent (25%), *i.e.*, the sum of Five
18 Thousand Dollars (\$5,000.00), shall be distributed to Aggrieved Employees (“Aggrieved
19 Employee Amount”).

20 8. Individual PAGA Payment Calculation. The Aggrieved Employee Amount shall be
21 allocated proportionally to Aggrieved Employees on a pro rata basis, based on the number of wage
22 statements reflecting the payment of: (1) FLSA Overtime and shift differential pay; or (2) FLSA
23 Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift
24 differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay issued by
25 Defendant during the PAGA Period. The Settlement Administrator will allocate the Individual
26 PAGA Payments by first dividing the Aggrieved Employee Amount by the total number of
27 number of wage statements reflecting the payment of: (1) FLSA Overtime and shift differential
28 pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift

differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay to all Aggrieved Employees during the PAGA Period. That value will then be multiplied by the number of wage statements containing: (1) FLSA Overtime and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay that each respective Aggrieved Employee received during the PAGA Period. Aggrieved Employees are entitled to 100% of the Aggrieved Employee Amount. Defendant maintains no reversionary right to any portion of the Aggrieved Employee Amount.

9. Net Settlement Amount. The Net Settlement Amount shall be allocated proportionally to Class Members on a pro rata basis, based on the number of wage statements reflecting the payment of: (1) FLSA Overtime and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay issued by Defendant during the Class Period. The Settlement Administrator will allocate the Individual Settlement Payments by first dividing the Net Settlement Amount by the total number of number of wage statements reflecting the payment of: (1) FLSA Overtime and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay issued to all Class Members during the Class Period. That value will then be multiplied by the number of wage statements reflecting: (1) FLSA Overtime and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay that each respective Class Member received during the Class Period. If there are any timely submitted Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payments for each Settlement Class Member so that the amount actually distributed to Settlement Class Members equals 100% of the Net Settlement Amount.

10. Calculation of Gross Settlement Amount. The Gross Settlement Amount was calculated with, and is premised on, Defendant's estimate that Class Members received 10,065

wage statements reflecting: (1) FLSA Overtime and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay.g during the Class Period. Should the actual number of wage statements reflecting: (1) FLSA Overtime and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay issued to Class Members during the Class Period increase by more than ten percent (10%), then Defendant shall have the option of either (i) withdrawing from this Settlement Agreement or (ii) increasing the Gross Settlement Amount on a pro-rata basis equal to the percentage increase of Paystubs above 10%. For example, if the number of Paystubs increases by 18%, Defendant shall increase the Gross Settlement Amount by 8%

11. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Settlement Class Members, the Individual PAGA Payments made to Aggrieved Employees, the Enhancement Payment made to Plaintiff, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Class Members and Aggrieved Employees may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plans. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

12. Settlement Administration Process. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in the administration of the Settlement. The Settlement Administrator shall provide the following services:

- a. Establish and maintain a Qualified Settlement Fund account;
- b. Calculate the amount of the Settlement each Class Member/Aggrieved Employee is eligible to receive;
- c. Verify the last known address for each Class Member through a generally

utilized, national address update database prior to mailing the Notice Packet;

d. Print and mail the Notice Packet;

e. Establish and maintain a toll-free informational telephone support line to assist Class Members who have questions regarding the Notice Packet;

f. Conduct additional address searches for mailed Notice Packets that are returned as undeliverable and, to the extent new and more current addresses are found, also reprint and re-mail Notice Packets accordingly;

g. Calculate Settlement Class Members/Aggrieved Employees' settlement share, field inquiries from Class Members, and administer any Requests for Exclusion. This service will include settlement proceed calculations, printing and issuance of checks, and preparation of 1099 Forms; and

h. Provide declarations and/or other information to the Court as requested.

13. Delivery of the Class Data and List. Within twenty eight (28) business days of Preliminary Approval, Defendant shall provide the Class Data and List to the Settlement Administrator.

14. Notice by First-Class U.S. Mail. Within ten (10) business days after receiving the Class Data and List from Defendant, the Settlement Administrator shall mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

15. Confirmation of Contact Information in the Class List. Prior to mailing, the Settlement Administrator shall perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes.

16. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (1) information regarding the nature of the Action; (2) a summary of the Settlement's principal terms; (3) the Class definition; (4) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments, if they do not request to be excluded; (5) each Aggrieved Employee's estimated Individual PAGA Payment and the formula for calculating Individual PAGA Payments; (6) the dates that comprise

1 the Class Period and PAGA Period; (7) instructions on how to submit valid Requests for Exclusion,
2 or objections; (8) the deadlines by which the Class Member must submit a Request for Exclusion
3 or Notice of Objection to the Settlement; (9) the date for the final approval hearing; and (10) the
4 claims to be released. The Notice Packet will also inform Class Members that, in order to receive
5 the Individual Settlement Payment and Individual PAGA Payment, they do not need to do anything
6 except keep the Settlement Administrator apprised of their current mailing addresses.

7 17. Re-Mailing of Returned Notices. Any Notice Packets returned to the Settlement
8 Administrator as non-deliverable on or before the Response Deadline shall be re-sent promptly via
9 regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
10 Administrator shall indicate the date of such re-mailing on the Notice Packet. If no forwarding
11 address is provided, the Settlement Administrator shall promptly attempt to determine the correct
12 address using a skip-trace, or other search using the name, address and/or Social Security Number
13 of the Class Member involved and shall then perform a re-mailing. Those Class Members who
14 receive a re-mailed Notice Packet shall have their Response Deadline extended fifteen (15) days
15 from the original Response Deadline.

16 18. Request for Exclusion Procedures. Any Class Member, other than Plaintiff, may
17 opt-out from the Settlement by submitting a written Request for Exclusion to the Settlement
18 Administrator postmarked by the Response Deadline. A Request for Exclusion must: (1) clearly
19 state that the Class Member does not wish to be included in the Settlement; (2) set forth the name,
20 address, telephone number, and last four digits of the Social Security Number of the Class Member
21 requesting exclusion; (3) be signed by the Class Member; (4) be returned by mail to the Settlement
22 Administrator at the specified address indicated in the Notice Packet; and (5) be postmarked on or
23 before the Response Deadline. The date of the postmark shall be the exclusive means to determine
24 whether a Request for Exclusion is timely. By submitting such a Request for Exclusion, a Class
25 Member shall be deemed to have exercised his or her option to opt out of the Settlement and not
26 be bound by this Agreement. Provided, however, that no Class Member may opt out of or be
27 excluded from participating in the settlement of the Released PAGA Claims. At no time shall any
28 of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit a

1 Request for Exclusion. Class Counsel shall not represent any Class Members with respect to any
2 such request.

3 19. No PAGA Opt-Out. No Aggrieved Employee may opt out of or be excluded from
4 participating in the settlement of the Released PAGA Claims. All Aggrieved Employees shall be
5 bound by the judgment entered herein and will have released the Released PAGA Claims upon the
6 final approval of this Settlement and the payment of the Gross Settlement Amount.

7 20. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
8 Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely
9 Request for Exclusion shall be bound by all terms of the Settlement to the fullest possible extent,
10 including those pertaining to the Released Class Claims and Released PAGA Claims, as well as
11 any Judgment that may be entered by the Court.

12 21. Objection Procedures. Any Class Member who does not opt-out of this Settlement
13 shall be entitled to object to the Settlement. To object to the Settlement, a Class Member must
14 return by mail a written statement of objection to the Settlement Administrator at the specified
15 address by the Response Deadline. The Notice of Objection must include: (1) the objector's full
16 name, signature, address, and telephone number; (2) a written statement of the basis for the
17 objection; and (3) any copies of papers, briefs, or documents upon which the objection is based.
18 At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class
19 Members to submit written objections to the Settlement or appeal from the Order and Judgment.
20 Class Counsel shall not represent any Class Members with respect to any such objections to this
21 Settlement. Any Class Member who submits a valid Request for Exclusion shall not be allowed to
22 object to this Settlement. No later than five (5) days after the Response Deadline, the Settlement
23 Administrator shall provide Defense Counsel with a complete list of all Class Members who have
24 timely and properly requested exclusion from the Class.

25 22. Defendant's Right to Rescind. If more than ten percent (10%) of Class Members
26 submit a timely and valid Request for Exclusion, Defendant will have the right, but not the
27 obligation, to revoke and void this Agreement at its discretion. Defendant must exercise the option
28 to rescind within ten (10) business days of Defense Counsel receiving notification from the

1 Settlement Administrator that more than five percent (5%) of Class Members have submitted
2 timely and valid Requests for Exclusion from the Settlement. If Defendant exercises this right to
3 void the Agreement, then the Parties will have no further obligations under the Agreement,
4 including, without limitation, any obligation by Defendant to pay the Gross Settlement Amount,
5 or any amounts that otherwise would have been owed under this Agreement, except that Defendant
6 shall pay all Settlement Administration Costs incurred by the Settlement Administrator up to the
7 date of Defendant's notice to rescind. In the event the Settlement is terminated, the Parties shall
8 proceed in all respects as if this Agreement had not been executed. The Parties agree that they will
9 not encourage any Class Member to object to the Settlement or to opt out.

10 23. Settlement Administrator's Reports of Information. The Settlement Administrator
11 shall provide Defense Counsel and Class Counsel a weekly report which certifies the number of
12 Class Members who have submitted valid Requests for Exclusion. Additionally, the Settlement
13 Administrator will provide to counsel for both Parties any updated reports regarding the
14 administration of the Settlement as needed or requested. The Settlement Administrator shall also
15 forward to Parties' counsel any Notices of Objection received immediately upon receipt. Further,
16 the Settlement Administrator shall immediately forward any Request for Exclusion to the Parties'
17 counsel so that they can determine whether the Request for Exclusion is valid and timely.

18 24. Distribution of Payments. Within fifteen (15) calendar days of Defendant funding
19 the Gross Settlement Amount, the Settlement Administrator shall pay: (1) the Individual
20 Settlement Payments to Settlement Class Members; (2) the Individual PAGA Payments to
21 Aggrieved Employees; (3) seventy-five percent (75%) of the PAGA Payment to the Labor and
22 Workforce Development Agency; (4) the Enhancement Payment to Plaintiff; and (5) Class
23 Counsel Award to Class Counsel. The Settlement Administrator shall also issue a payment to itself
24 for services performed in connection with the Settlement.

25 25. Non-Negotiated Settlement Checks. Any checks issued by the Settlement
26 Administrator to Settlement Class Members and Aggrieved Employees shall be negotiable for one
27 hundred and eighty (180) calendar days. Those funds represented by settlement checks returned as
28 undeliverable and the funds which correspond with the settlement checks that are not negotiated

1 within one hundred and eighty (180) calendar days after issuance shall be paid out pursuant to
2 California Code of Civil Procedure section 384 to the following *cy pres* recipient: Legal Aid at
3 Work.

4 26. Certification of Completion. Upon completion of administration of the Settlement,
5 the Settlement Administrator shall provide a written declaration under oath to certify such
6 completion to the Court and counsel for all Parties.

7 27. Administration Costs if Settlement Fails or is Delayed. If an objection to the
8 Settlement is filed with the Court, regardless of the ultimate outcome of any appeals taken, or if
9 the Settlement is voided or rescinded, any costs incurred by the Settlement Administrator shall be
10 borne equally by Defendant and Plaintiff, unless otherwise specified in this Agreement.

11 28. Tax Allocation of Individual Settlement Shares and Individual PAGA Payments.
12 All Individual Settlement Payments and Individual PAGA Payments shall be allocated as 100%
13 as penalties. The amount of payment shall be reported on IRS Form 1099, as appropriate, by the
14 Settlement Administrator.

15 29. Administration of Taxes by the Settlement Administrator. The Settlement
16 Administrator shall be responsible for issuing to Plaintiff, Settlement Class Members, Aggrieved
17 Employees, and Class Counsel, 1099 Forms or other tax forms as may be required by law for all
18 amounts paid pursuant to this Agreement.

19 30. Tax Liability. Defendant, Defense Counsel, the Settlement Administrator, and
20 Class Counsel make no representation as to the tax treatment or legal effect of the payments called
21 for hereunder, and Plaintiff, Settlement Class Members and Aggrieved Employees are not relying
22 on any statement, representation, or calculation by Defendant, Defense Counsel, Class Counsel,
23 or by the Settlement Administrator in this regard. Plaintiff, Settlement Class Members and
24 Aggrieved Employees understand and agree that they will be solely responsible for the payment
25 of any and all taxes and penalties assessed on their respective payments described herein and will
26 defend, indemnify, and hold Defendant, Defense Counsel, Class Counsel, and the Settlement
27 Administrator free and harmless from and against any claims resulting from treatment of such
28 payments as non-taxable penalties/damages.

1 31. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
2 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
3 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
4 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
5 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
6 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
7 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
8 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
9 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR
10 PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
11 EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL
12 FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT,
13 (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
14 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
15 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
16 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
17 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
18 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
19 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
20 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF
21 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
22 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
23 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
24 AGREEMENT.

25 32. No Prior Assignments. The Parties and their counsel represent, covenant, and
26 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
27 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
28 action, cause of action, or right herein released and discharged.

1 33. Release of Claims by Plaintiff. As a condition to obtaining the Enhancement
2 Payment provided for herein, Plaintiff (on behalf of herself and her spouse, heirs, executors,
3 administrators, trustees, and/or permitted assigns) also agrees to a general release of any and all
4 claims against the Released Parties (as defined above)—which shall include without limitation any
5 and all claims which in any way relate to her employment with Defendant, under State or Federal
6 law, in tort, common law, statute, contract, or equity, whether pled in the Complaint or not,
7 including but not limited to any claims under the FLSA, Title VII, ADA, FEHA, ADEA, PAGA,
8 California Labor Code, or any Industrial Welfare Commission Wage Order—now existing or
9 arising in the future, based on any act, omission, event, occurrence, or nonoccurrence from the
10 beginning of time to the date of execution hereof, except for those claims that may be prohibited
11 by law, such as claims for workers’ compensation benefits. Plaintiff further expressly waives and
12 relinquishes, to the fullest extent permitted by law, the provisions, rights and benefits of Section
13 1542 of the California Civil Code, which provides: “**A general release does not extend to claims**
14 **that the creditor or releasing party does not know or suspect to exist in his or her favor at**
15 **the time of executing the release and that, if known by him or her, would have materially**
16 **affected his or her settlement with the debtor or released party.”**

17 34. Release of Claims by Settlement Class Members. Upon the payment of the Gross
18 Settlement Amount, Plaintiff and all Settlement Class Members, as well as their spouses, heirs,
19 executors, administrators, trustees, and/or permitted assigns, hereby do and shall be deemed to
20 have fully, finally and forever released, settled, compromised, relinquished and discharged, to the
21 fullest extent possible, any and all of the Released Parties of and from any and all Released Class
22 Claims.

23 35. Release of Claims by Aggrieved Employees. Upon the payment of the Gross
24 Settlement Amount, Plaintiff and all Aggrieved Employees, as well as their spouses, heirs,
25 executors, administrators, trustees, and/or permitted assigns, hereby do and shall be deemed to
26 have fully, finally, and forever released, settled, compromised, relinquished, and discharged, to the
27 fullest extent possible, any and all of the Released Parties of and from any and all Released PAGA
28 Claims.

1 36. Nullification of Settlement. In the event that the Settlement does not become final
2 for any reason, then this Agreement, and any documents generated to bring it into effect, shall be
3 null and void. Any order or judgment entered by the Court in furtherance of this Agreement shall
4 likewise be treated as void from the beginning.

5 37. Disputes Regarding Individual Settlement Payments. In the event that Class
6 Members have a dispute as to the data provided by the Defendant, Class Members will have the
7 opportunity to provide documentation and/or an explanation. If there is a dispute, the Settlement
8 Administrator will consult with the Parties to determine whether an adjustment is warranted. The
9 Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual
10 Settlement Payments or Individual PAGA Payments under the terms of this Agreement, and that
11 determination shall be binding.

12 38. Disputes Regarding Administration of Settlement. Any disputes not resolved by the
13 Settlement Administrator concerning the administration of the Settlement will be resolved by the
14 Court under the laws of the State of California. Prior to any such involvement of the Court, counsel
15 for the Parties will confer in good faith to resolve the disputes without the necessity of involving
16 the Court.

17 39. Preliminary Approval Hearing. Plaintiff shall obtain a hearing before the Court to
18 request the Preliminary Approval of the Settlement, conditional certification of the Class, and the
19 entry of a Preliminary Approval Order: (i) approving of the proposed Settlement, and (ii) setting a
20 date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order shall
21 provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction
22 with the Preliminary Approval hearing, Plaintiff shall submit this Agreement, which sets forth the
23 terms of this Settlement, and will include the proposed Notice Packet, attached to this Agreement
24 as Exhibit A.

25 40. Final Settlement Approval Hearing. Upon expiration of the deadlines to submit
26 Requests for Exclusion or Notices of Objections to the Settlement, and with the Court's
27 permission, a Final Approval/Settlement Fairness Hearing shall be conducted to determine the
28 Final Approval of the Settlement along with the amounts properly payable for (i) Individual

1 Settlement Payments; (ii) the PAGA Payment; (ii) the Class Counsel Award; (iii) the Enhancement
2 Payment; and (iv) Settlement Administration Costs. Class Counsel will be responsible for drafting
3 all documents necessary to obtain final approval. Class Counsel will also be responsible for
4 drafting the attorneys' fees and costs application to be heard at the Final Approval Hearing.

5 41. Entry of Judgment and Continued Jurisdiction of the Court. Concurrent with the
6 Motion for Final Approval, the Parties shall also jointly seek the entry of Judgment consistent with
7 the terms of this Agreement. After entry of the Judgment, the Court shall have continuing
8 jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms
9 of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as
10 may be appropriate under court rules or as set forth in this Agreement.

11 42. Exhibits Incorporated by Reference. The terms of this Agreement include the terms
12 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
13 herein. Any Exhibits to this Agreement are an integral part of the Settlement.

14 43. Confidentiality Preceding Preliminary Approval. The Parties and their counsel
15 agree that they will not issue any press releases, initiate any contact with the press, respond to any
16 press inquiry, post information on any social media or website, or have any communication with
17 the press about the fact, amount, or terms of the Settlement.

18 44. Entire Agreement. This Agreement and any attached Exhibits constitute the entirety
19 of the Parties' Settlement terms. No other prior or contemporaneous written or oral negotiations
20 or agreements may be deemed binding on the Parties.

21 45. Disputes Regarding Language of Final Settlement Agreement. If the Parties have a
22 dispute with regard to the language of the Agreement, the Parties agree to attempt to informally
23 resolve the dispute by engaging Dan Turner Esq. to mediate such dispute.

24 46. Amendment or Modification. This Agreement may be amended or modified only
25 by a written instrument signed by the Parties or their respective counsel.

26 47. Authorization to Enter into Agreement. Counsel for all Parties warrant and
27 represent they are expressly authorized by the Parties whom they represent to negotiate this
28 Agreement and to take all appropriate actions required or permitted to be taken by the Parties

pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best and good-faith efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

48. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors, heirs, or assigns of the Parties hereto, as previously defined.

49. California Law Governs. All terms of this Agreement and Exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

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

51. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations, mediation, and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement.

52. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable. Any invalid, illegal, or unenforceable provision determined by the Court shall in no way affect any other provision if Defendant and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable

1 provision had never been included in this Agreement.

2 53. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however,
3 that Plaintiff or Class Counsel may appeal any reduction in the Class Counsel Award below the
4 amount Class Counsel requests, and either Party may appeal any order that materially alters the
5 Agreement's terms.

6 54. Class Action Certification. The Parties are agreeing to class certification for
7 settlement purposes only. This Agreement shall not constitute, in this or any other proceeding, an
8 admission of any kind by Defendant, including without limitation, that certification of a class for
9 trial or any other purpose is appropriate or proper or that Plaintiff or any Class Member can
10 establish any of the requisite elements for class treatment of any of the claims in this Action. If,
11 for any reason, the Settlement is not finally approved, this Agreement will be void and the Parties
12 will be restored to their respective positions in the lawsuit as if they had not entered into this
13 Agreement. The Parties further agree that this Agreement or any documents or orders issued
14 related to this Settlement will not be admissible, other than according to the Settlement's terms, in
15 this or any other proceeding as evidence that either: (i) a class action should be certified, or (ii)
16 Defendant is liable to Plaintiff or any Class Member.

17 55. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
18 dispute that has arisen between them and to avoid the burden, expense, and risk of continued
19 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that
20 it has violated any federal, state, or local law; violated any regulations or guidelines promulgated
21 pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached
22 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
23 engaged in any other unlawful conduct with respect to its employees. Neither this Agreement, nor
24 any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as
25 an admission or concession by Defendant of any such violations or failures to comply with any
26 applicable law, regulation, or legal requirement. Except as necessary in a proceeding to enforce
27 the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or
28 received as evidence in any action or proceeding to establish any liability or admission of any

1 nature on the part of Defendant, or to establish the existence of any condition constituting a
2 violation of, or a non-compliance with, federal, state, local, or other applicable law.

3 56. Captions. The captions and section numbers in this Agreement are inserted for the
4 reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the
5 provisions of this Agreement.

6 57. Waiver. No waiver of any condition or covenant contained in this Agreement or
7 failure to exercise a right or remedy by any of the Parties hereto shall be considered to imply or
8 constitute a further waiver by such party of the same or any other condition, covenant, right, or
9 remedy.

10 58. Enforcement Actions. In the event that one or more of the Parties institutes any
11 legal action or other proceeding against any other Party or Parties to enforce the provisions of this
12 Settlement, or to declare rights and/or obligations under this Settlement, the prevailing Party or
13 Parties shall be entitled to recover from the non-prevailing Party or Parties reasonable attorneys'
14 fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

20 60. Representation by Counsel. The Parties acknowledge that they have been
21 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
22 and that this Agreement has been executed with the consent and advice of counsel. Further,
23 Plaintiff and Class Counsel warrant and represent that there are no liens on the Agreement.

24 61. Cooperation and Execution of Necessary Documents. All Parties shall cooperate in
25 good faith and execute all documents to the extent reasonably necessary to effectuate the terms of
26 this Agreement.

27 62. Binding Agreement. The Parties warrant that they understand and have full
28 authority to enter into this Agreement, and further intend that this Agreement shall be fully

enforceable and binding on all Parties, and agree that it shall be admissible and subject to disclosure in any proceeding to enforce its terms.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and Representative Action Settlement Between Plaintiff and Defendant as of the date(s) set forth below:

SIGNATURES

READ CAREFULLY BEFORE SIGNING

DATED: 8/21/2023

PLAINTIFF SABRINA GILBERT

DocuSigned by:

Sabrina Gilbert

Plaintiff Sabrina Gilbert

DATED: _____

**DEFENDANT CENTRAL CALIFORNIA
BAKING COMPANY**

Please Print Name of Authorized Signatory

APPROVED AS TO FORM

DATED: 8/21/23

DIVERSITY LAW GROUP, P.C.

[Signature]

Larry W. Lee
Kristen M. Agnew
Nicholas Rosenthal
Attorneys for Plaintiff and the Class

1 enforceable and binding on all Parties, and agree that it shall be admissible and subject to
2 disclosure in any proceeding to enforce its terms.

3 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this
4 Joint Stipulation of Class and Representative Action Settlement Between Plaintiff and Defendant
5 as of the date(s) set forth below:

6 **SIGNATURES**

7
8 **READ CAREFULLY BEFORE SIGNING**

9
10 DATED: _____ **PLAINTIFF SABRINA GILBERT**

11
12 _____
13 Plaintiff Sabrina Gilbert

14
15 DATED: 9/5/23 _____ **DEFENDANT CENTRAL CALIFORNIA
16 BAKING COMPANY**

17 Michael R. Pettit
18 Michael R. Pettit
19 Please Print Name of Authorized Signatory

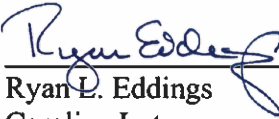
20
21 **APPROVED AS TO FORM**

22
23 DATED: _____ **DIVERSITY LAW GROUP, P.C.**

24
25 _____
26 Larry W. Lee
27 Kristen M. Agnew
28 Nicholas Rosenthal
Attorneys for Plaintiff and the Class

1
2 DATED: September 5, 2023

LITTLER MENDELSON, P.C.

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4 

5 Ryan L. Eddings

6 Caroline Lutz

7 Attorneys for Defendant Central California
8 Baking Company
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EXHIBIT A

Sabrina Gilbert v. Central California Baking Company
SUPERIOR COURT OF CALIFORNIA, COUNTY OF TULARE
(CASE NO. VCU291467)

NOTICE OF CLASS ACTION SETTLEMENT (“NOTICE”)

IF YOU ARE A:

- CURRENT OR FORMER CALIFORNIA EMPLOYEE OF CENTRAL CALIFORNIA BAKING COMPANY IN THE STATE OF CALIFORNIA AT ANY TIME FROM APRIL 26, 2021, THROUGH FEBRUARY 17, 2023 (the “Covered Period”), AND RECEIVED ONE OR MORE WAGE STATEMENTS DURING THIS TIME CONTAINING THE FOLLOWING INFORMATION: (1) FLSA OVERTIME AND SHIFT DIFFERENTIAL PAY; OR (2) FLSA OVERTIME AND VARIANCE PAY; OR (3) FLSA OVERTIME, VARIANCE, AND SHIFT DIFFERENTIAL PAY; OR (4) SHIFT DIFFERENTIAL AND VARIANCE PAY; OR (5) ONLY FLSA OVERTIME PAY; OR (6) ONLY VARIANCE PAY (the “Class”);

YOU MAY BE ELIGIBLE TO RECEIVE MONEY AS PART OF A SETTLEMENT

The Tulare County Superior Court (“Court”) authorized this Notice to be sent by Phoenix Settlement Administrators (“Settlement Administrator”). This is not an advertisement. This is not a solicitation from a lawyer.

«BarcodeString»
SIMID «SIMID»

ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

**YOU ARE ESTIMATED TO RECEIVE
APPROXIMATELY
\$«MERGED_EstSettAmnt_CALC»
THROUGH THIS CLASS ACTION
SETTLEMENT**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

You Can DO NOTHING

You will receive a payment from the settlement. If you do nothing, you continue your participation in this lawsuit, and you will be impacted by the outcome of this case. You will receive a settlement payment; however, you will **lose** any rights to sue Central California Baking Company (“CCBC”), (“Defendant”) separately for the same legal claims made in the lawsuit. The estimated amount of your settlement payment is shown above. To receive your settlement payment, all you need to do is keep the Settlement Administrator informed of your current mailing address. Once the Court grants final approval of the settlement, the Settlement Administrator will mail your check to the address on file for you.

**You Can ASK TO BE
EXCLUDED FROM THE
SETTLEMENT**

(Deadline: _____, 2023)

If you ask to be excluded from the settlement, you will get no payment from the settlement, aside from the “PAGA Amount” (described below), but you will keep any rights to sue Defendant separately for the same legal claims made in this lawsuit other than penalty claims premised on California’s Private Attorneys General Act, Labor Code § 2698, *et seq.*

You Can OBJECT TO THE SETTLEMENT

(Deadline: _____, 2023)

If you do not like the settlement, you can send a written objection to the Settlement Administrator by the deadline or personally appear at the final approval hearing. If your objection is overruled by the Court, you will still be bound by the terms of the settlement and will receive a settlement payment. **Important: If you object to the settlement, you cannot also ask to be excluded.**

THESE RIGHTS AND OPTIONS—AND THE DEADLINES TO EXERCISE THEM—ARE EXPLAINED IN THIS NOTICE.

The Court is in charge of this lawsuit and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. **Please be patient.**

1. Why Should You Read this Notice?

You should read this Notice because you may be entitled to money from a class action settlement.

2. What is this Lawsuit About?

On April 18, 2022, Plaintiff notified the Labor Workforce Development Agency (“LWDA”) of her intent to file an action under California’s Private Attorneys General Act, California Labor Code § 2698 et seq. (“PAGA”) against CCBC. Plaintiff allowed the LWDA an opportunity investigate her claim as required by the Labor Code. The LWDA took no action in response to Plaintiff’s notice.

On April 26, 2022, Plaintiff filed a lawsuit on behalf of herself and all allegedly similarly situated individuals against Central California Baking Company in the Superior Court of the State of California, County of Tulare (Case No.VCU291467) asserting a cause of action for penalties under California Labor Code section 226(a) on the grounds that Central California Baking Company allegedly failed to provide accurate wage statements to employees. On August 21, 2023, Plaintiff filed a First Amended Complaint alleging an additional cause of action on behalf of herself and all allegedly similarly situated individuals asserting an additional cause of action for penalties under PAGA on the grounds that Central California Baking Company allegedly failed to provide accurate wage statements to employees. This lawsuit, including the Complaint and First Amended Complaint, are the “Action.”

Defendants deny and dispute all such claims. Specifically, Defendants contend that they complied with California’s wage statement requirements; that Defendants are not liable for any of the penalties claimed or that could be claimed in the Action; and that the Action cannot be maintained as a class action.

3. Why is There a Settlement?

The Court did not decide in favor of Plaintiff or Defendants. Plaintiff thinks she could have won at trial. Defendants thinks that they would have won at trial. But there was no trial. Instead, both parties agreed to a settlement. That way, they avoid the risks and cost of litigation, and the individuals potentially affected will get compensation. The class representative and the attorneys think the settlement is best for class members.

4. How Do I Know If I Am Part of the Settlement?

The Court has decided that the following individuals are class members: all non-exempt employees who worked for Central California Baking Company at any time in the State of California during the Class Period and who received any wage statements containing the following information: (1) FLSA Overtime and shift differential pay; or (2) FLSA Overtime and variance pay; or (3) FLSA Overtime, variance, and shift differential pay; or (4) shift differential and variance pay; or (5) only FLSA overtime pay; or (6) only variance pay (the “Class”). If you received this Notice you are a member of the Class.

5. What Does the Settlement Provide?

The proposed settlement provides for a cash payment by CCBC in the amount of \$400,000.00 to fully and finally resolve all claims in the lawsuit (referred to as the “Gross Settlement Amount”). The total amount to be distributed to class members who can be located, and who do not exclude themselves from the settlement, will be the Gross Settlement Amount minus the following (the “Net Settlement Amount”): (a) settlement administration costs not to exceed \$10,000.00; (b) class representative enhancement award to Plaintiff not to exceed \$10,000.00 for her work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome was not favorable); (c) Class Counsel’s attorneys’ fees not to exceed \$133,333.00; (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$15,000.00; and (e) payment of \$15,000.00 to the Labor and Workforce Development Agency (“LWDA”). **Class Counsel’s attorneys’ fees and costs remain subject to Court approval.**

The proposed settlement also provides that a portion of the penalties allocated to the claims brought under the Private Attorneys General Act (“PAGA”), Cal. Labor Code § 2698, *et seq.*, will be distributed to class members even if they request exclusion. The “PAGA Amount” will be 25% of the total amount allocated for the satisfaction of claims for civil penalties under the PAGA, currently estimated to total Five Thousand Dollars (\$5,000.00).

No portion of the Net Settlement Amount will be returned to CCBC under any circumstances. Instead any unclaimed portions will be distributed to a court approved charitable organization.

6. How Much Will My Payment Be?

Your estimated share of the settlement is shown on the first page of this notice. The amount you are to receive is based on the number of Qualifying Pay Periods you worked during the period of April 26, 2021, through February 17, 2023. Qualifying Pay Periods” means (1) pay periods in which former and current employees of CCBC, in the state of California received one or more wage statements during the Covered Period.

According to the records, the number of Qualifying Pay Periods you worked during the relevant time period is determined to be ***. If this information appears correct, you do not need to do anything further to receive your settlement payment. If you disagree with the number of pay periods, see below (Question 8).]

7. How Do I Receive a Payment?

To qualify for payment, you need not do anything. The Settlement Administrator will mail you a check within approximately one hundred days after the Court enters a judgment based on this settlement, but possibly later depending on whether there is any appeal of the judgment entered by the Court.

8. What If I Believe the Information is Inaccurate?

If you believe the number of Qualifying Pay Periods you worked is inaccurate, you may dispute it by sending a letter to [Settlement Administrator] [ADMINISTRATOR'S ADDRESS] no later than [REDACTED], 2023. Be sure to include your name, address, telephone number, last four digits of your Social Security Number, and a statement as to what and why you are disputing. Also attach a copy of any documentation you want to include to support your dispute.

9. What Am I Giving Up to Receive a Settlement Payment?

Unless you request to be excluded from the settlement, you remain a part of the settlement class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against CCBC or the other Released Parties for any legal claims based on the subject matter of this settlement. Specifically, you will be giving up or “releasing” the claims summarized below, as fully defined within the Parties’ Settlement Agreement.

Settled Class Claims

- All claims, including penalties, interest, costs, and attorneys' fees related thereto, that were or could have been brought under the facts and allegations made in the operative First Amended Complaint for violation of Labor Code section 226(a) during the Class Period.

Settled PAGA Claims

- All claims for penalties under the California Private Attorneys General Act, including interest, costs and attorneys' fees related thereto, predicated on the violation of Labor Code section 226(a) that accrued during the PAGA Period and were alleged in the PAGA Notice and operative First Amended Complaint.

The Released Parties are defined as: Defendant, and its parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, and all of its employees, officers, agents, attorneys, stockholders, fiduciaries, clients, other service providers, and assigns.

10. How Do I Exclude Myself from the Settlement?

To exclude yourself from the settlement (also referred to as a “Request for Exclusion” or an “opt-out”), you must mail a letter to the Settlement Administrator saying that you want to be excluded from the *Sabrina Gilbert v. Central California Baking Company* settlement.

Be sure to include your name, address, telephone number, last four digits of your Social Security Number, and your signature. You must mail your exclusion letter postmarked no later than [REDACTED], 2023, to the Settlement Administrator at *****.

If you submit a timely and valid Request for Exclusion” request, you will no longer be a member of the class and you will not receive any money from the settlement (except for that portion of the settlement allocated to PAGA penalty payments – *i.e.*, the PAGA Settlement Amount), or be able to object to the settlement, but you will not be legally bound by anything that happens in this lawsuit. You will keep any rights to sue (or continue to sue) CCBC or any of the other Released Parties in the future for the same legal claims made in this lawsuit, at your own expense, with the exception of the Settled PAGA Claims (below).

- All claims for penalties under the California Private Attorneys General Act, including interest, costs and attorneys' fees related thereto, predicated on the violation of Labor Code section 226(a) that accrued during the PAGA Period and were alleged in the PAGA Notice and operative First Amended Complaint.

11. How Do I Tell the Court that I Don't Believe that the Settlement is Fair?

As a class member, you can object to the settlement if you believe that the settlement is unfair or inadequate. You can give reasons why you think the Court should not approve the settlement. If you object and follow the procedures set out in this section, your objection will be considered.

If you decide to object to the proposed settlement, you may do so in writing to the Settlement Administrator. You may also object by appearing at the final approval hearing for the settlement, either in person or through an attorney at your own expense. (See Question 14.) Regardless of whether you submitted a timely written objection to the Settlement Administrator, you may appear in person at the final approval hearing in order to object.

All written objections should be signed by you and should include: (1) your full name, address, and telephone number; (2) a written statement of the basis for your objection; and (3) any copies of papers, briefs, or documents upon which the objection is based. You must mail your objection postmarked no later than [REDACTED], 2023, to the Settlement Administrator at Settlement Administrator at [REDACTED].

12. What is the Difference Between Objecting and Excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the class. Excluding yourself, on the other hand, is telling the Court that you don't want to be part of the class. If you exclude yourself, you have no basis to object because the case no longer affects you. However, if you file an objection, you will still receive settlement benefits under the settlement if it is approved by the Court. If the Court approves the settlement, you will receive your portion of the PAGA Settlement Amount regardless of whether you object or exclude yourself.

13. Do I Have a Lawyer in this Case?

The Court decided that the law firms of Diversity Law Group and Polaris Law Group, both of which represent the Plaintiff, are also qualified to represent you and all class members. You will not be charged for these lawyers. These law firms are referred to as "Class Counsel." If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How Will the Attorneys for the Class and the Class Representatives be Paid?

The attorneys for the Plaintiff and the class will be paid from the Gross Settlement Amount. Class Counsel will ask for up to \$133,333.00 in attorneys' fees and for actual litigation costs incurred up to a maximum of \$15,000.00, the actual amount of which will be determined by the Court at the final approval hearing (see Question 16 below for details as to when this hearing will take place). Class members (like you) do not have to pay the fees and costs of Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

If approved by the Court, an enhancement payment for the Plaintiff of an amount up to \$10,000.00 will be paid from the Gross Settlement Amount for her work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome of this lawsuit was not favorable).

15. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

The Court has preliminarily approved the settlement and will hold a final approval hearing to decide whether to give final approval to the settlement. This hearing will be held before the Honorable John P. Bianco on [REDACTED],

2024, at _____ a.m., in Department 2 of the Superior Court of California for the County of Tulare, located at 221 S. Mooney Blvd., Visalia, California 93291, to determine whether the proposed settlement is fair, reasonable, and adequate, and whether it should be finally approved by the Court. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The final approval hearing may be continued without further notice. The Court may adjourn or continue the hearing from time to time, without further notification, as the Court may direct. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

16. How Do I Receive More Information?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by calling the Settlement Administrator at _____ or writing to *Sabrina Gilbert v. Central California Baking Company*. Settlement Administrator, c/o _____; or contacting Class Counsel.

17. What is the Contact Information for Class Counsel?

The addresses for Class Counsel are as follows:

DIVERSITY LAW GROUP, P.C.
Larry W. Lee
Kristen M. Agnew
Nicholas Rosenthal
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Telephone: (213) 488-6555
Fax: (213) 488-6554

POLARIS LAW GROUP
William L. Marder
501 San Benito Street, Suite 200
Hollister, CA 95023
Telephone: (831) 531-4214
Fax: (831) 634-0333

WHAT IF I HAVE QUESTIONS?

If you have any questions about the settlement, you may contact the Settlement Administrator:

Sabrina Gilbert v. Central California Baking Company
c/o Phoenix Settlement Administrators
Address
City, CA, Zip
Toll-Free Phone Number: [insert]

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE COURT CLERK FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.