SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF YOLO

MARIAN JONES, individually and on behalf of others similarly situated, Plaintiff, vs. DAVIS FOOD COOPERATIVE, INC., a California corporation; and DOES 1 through 50, inclusive, Defendants.	Case No.: CV2022-0779 *Assigned for All Purposes to: Superior Court of the State of California, County of Yolo* **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT** Complaint Filed: May 13, 2022 FAC Filed: May 19, 2023 Trial Date: None Set

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Marian D. Jones, individually and on behalf of the Class and as a Private Attorney General and Defendant Davis Food Cooperative, Inc. This Agreement is intended by the Parties to fully, finally, and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

DEFINITIONS

1. "Action" means the court action entitled *Jones v. Davis Food Cooperative, Inc.* Yolo County Superior Court Case No. CV2022-0779.

2. "Agreement" or "Settlement Agreement" means this Joint Stipulation of Class Action and PAGA Settlement.

3. "Class" or "Class Members" means all current and former non-exempt employees of Defendant employed in the State of California at any time during the Class Period.

4. "Class Counsel" means Protection Law Group, LLP.

5. "Class Counsel's Fees and Costs" means attorneys' fees for Class Counsel's litigation and resolution of the Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys' fees not to exceed Thirty-Five Percent (35%) of the Gross Settlement Amount, i.e. Two Hundred Fifty-Three Thousand Seven Hundred Fifty Dollars ($253,750.00) and the reimbursement of reasonable costs and expenses associated with the litigation and settlement of the Action, not to exceed Fifty Thousand Dollars ($50,000.00), subject to the Court's approval. Defendant has agreed not to oppose Class Counsel's request for fees and reimbursement of reasonable costs and expenses in the amount set forth above.

6. "Class List" means a complete list of all Class Members that Defendant will diligently and in good faith compile from their records and provide to the Settlement Administrator within fourteen (14) days after the date on which the Court enters an order granting Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include, to the extent available, each Class Member's: (1) full name; (2) last

known home address; (3) social security number; (4) start and end dates of active employment as a non-exempt employee of Defendant in the State of California; (5) total Workweeks during the Class Period; (6) total Pay Periods during the PAGA Period; and (7) any other reasonable information required by the Settlement Administrator in order to effectuate the terms of the Settlement. This information shall be kept confidential from Plaintiff and Class Counsel.

7. "Class Period" means the period from May 13, 2018, through March 31, 2025.

8. "Class Representative" means Plaintiff Marian D. Jones in her capacity as a representative of the Class Members.

9. "Class Representative Service Payment" means the amount that the Court authorizes to be paid to Plaintiff, in addition to her Individual Settlement Payment, in recognition of the efforts and risks she has taken in assisting with the prosecution of the Action and in exchange for a General Release of her claims as provided herein, at no additional cost to Defendant.

10. "Court" means the Superior Court of the State of California for the County of Yolo.

11. "Defendant" means Davis Food Cooperative, Inc.

12. "Effective Date" means the later of: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed; or (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.

13. "Final Approval" means the date the Court enters an Order and Judgment granting final approval of this Settlement Agreement.

14. "General Release" means the broader release of all claims by Plaintiff in the Action, which is in addition to Plaintiff's release of claims as a Participating Class Member.

15. "Gross Settlement Amount" means the sum of Seven Hundred and Twenty-Five Thousand Dollars ($725,000.00). The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will return to Defendant. The Gross Settlement Amount is exclusive of the employer's share of any applicable payroll taxes, and any such employer-side payroll taxes shall be paid by Defendant separately and in addition to the Gross Settlement

Amount. The Gross Settlement Amount plus any applicable employer-side payroll taxes shall be the maximum amount that Defendant is required to pay under the Settlement.

16. "Individual Settlement Payment" means the amount payable from the Net Settlement Amount to each Participating Class Member and any payment a PAGA Member is eligible to receive from the employee portion of the PAGA Payment.

17. "Net Settlement Amount" means the funds available for payments to the Class, which shall be the amount remaining after the following amounts are deducted from the Gross Settlement Amount: (1) Class Counsel's Fees and Costs, (2) Settlement Administration Costs, (3) Class Representative Service Payment to Plaintiff; and (4) the PAGA Payment.

18. "Notice" means the Notice of Proposed Class and Representative Action Settlement in a form substantially similar to the form attached hereto as **Exhibit A**, that will be mailed to Class Members' last known addresses, and which will provide Class Members with information regarding the Action and information regarding the settlement of the Action.

19. "Objection" means a Class Member's valid and timely written objection to the Settlement Agreement. For an Objection to be valid, it must include: (a) the objector's full name, address, telephone number, last four digits of the Class Member's social security number or employee ID number; (b) the name of the case and case number; and (c) a written statement of all grounds for the objection accompanied by legal support, if any, for such objection.

20. "PAGA" means the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

21. "PAGA Members" means Class Members who were employed by Defendant during the PAGA Period.

22. "PAGA Payment" means the amount that the Parties have agreed to allocate in order to settle claims arising under the PAGA. The Parties have agreed that Forty Thousand Dollars ($40,000.00) of the Gross Settlement Amount will be allocated to penalties under the PAGA and the resolution of Plaintiff's PAGA Claims. Seventy-Five Percent (75%) of this amount ($30,000.00) will be paid to the California Labor and Workforce Development Agency ("LWDA") in accordance with Labor Code §§ 2698 *et seq*. Twenty-Five Percent (25%) of this amount

($10,000.00), will be distributed to PAGA Members on a *pro rata* basis, based on the total number of Pay Periods worked by each PAGA Member during the PAGA Period. PAGA Members will receive payment from the employee portion of the PAGA Payment and will be deemed to have released any claims arising out of PAGA regardless of their decision to participate in the class action if the PAGA Payment is approved by the Court.

23. "PAGA Period" means the period from May 13, 2021, through March 31, 2025.

24. "Participating Class Members" means all Class Members who do not submit valid and timely Requests for Exclusion.

25. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall mean either Plaintiff or Defendant, individually.

26. "Pay Period" means any pay period during which a PAGA Member worked for Defendant for at least one day during the PAGA Period.

27. "Plaintiff" means Marian D. Jones.

28. "Preliminary Approval" means the Court order granting preliminary approval of the Settlement Agreement.

29. "Released Class Claims" means all claims, rights, demands, liabilities and causes of actions that are alleged, or reasonably could have been alleged, based on the facts alleged in the operative complaint in the Action, including factual claims regarding Defendant's alleged: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to provide complete, accurate wage statements; (v) failure to pay wages timely at time of termination or resignation; (vi) failure to pay wages timely during employment; (vii) failure to reimburse necessary business expenses; and (viii) unfair business practices. This release shall apply to claims arising during the Class Period.

30. "Released PAGA Claims" means all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts alleged in Plaintiff's May 13, 2022 PAGA Letter to the LWDA and in the operative complaint including but not limited to penalties that could have been awarded pursuant to Labor Code

sections 210, 225.5, 226, 226.3, 1174.5, 1197.1, 558, and 2699.

31. "Released Parties" means Defendant and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

32. "Request for Exclusion" means a valid and timely written statement submitted by a Class Member requesting to be excluded from the Action. To be effective, the Request for Exclusion must contain (a) the Class Member's name, address, telephone number, and the last four digits of the Class Member's Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims. To be effective, the Request for Exclusion must be post-marked by the Response Deadline and received by the Settlement Administrator. The Request for Exclusion shall not be effective as to the Released PAGA Claims as Class Members have no right to exclude themselves from the PAGA component of the Settlement.

33. "Response Deadline" shall be sixty (60) days after the Settlement Administrator mails Notice to Class Members and the last date on which Class Members may submit Requests for Exclusion, Objections to the Settlement, or Workweek Disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion or Objections will be extended fifteen (15) days for any Class Member who is re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant's counsel.

34. "Settlement" means the disposition of the Action pursuant to this Agreement.

35. "Settlement Administration Costs" mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement,

calculating/confirming the class member Workweeks from the information contained in the Class List, calculating each Participating Class Member's Individual Settlement Payment, tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. Settlement Administration Costs shall not exceed Nine Thousand Three Hundred Ninety Dollars ($9,390.00).

36. "Settlement Administrator" means Apex Class Action LLC. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

37. "Workweek" shall mean any week during the Class Period where a Class Member performed work on at least one (1) day for Defendant.

TERMS OF AGREEMENT

38. Settlement Consideration: Defendant shall fund the Gross Settlement Amount and all applicable employer-side payroll taxes following Final Approval by the Court and the occurrence of the Effective Date. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments, the Class Representative Service Payment, Class Counsel's Fees and Costs, the PAGA Payment, and the Settlement Administration Costs, as specified in this Agreement. Except for any employer-side taxes due on the Individual Settlement Payments, or as a result of an increase in the number of Workweeks as set forth below in paragraph 39, Defendant shall not be required to pay more than the Gross Settlement Amount plus any applicable employer-side payroll taxes. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendant.

39. Potential Increase to the Gross Settlement Amount or Revision of Class Period: Defendant has represented there are approximately 33,581 Workweeks (worked by 542 Class Members) between May 13, 2018, and December 31, 2024. Should the actual number of Workweeks in the Class Period increase by more than ten percent (10%) (i.e. by more than 3,358 Workweeks above 36,939) Defendant shall have the option to either (1) increase the Gross Settlement Amount on a *pro-rata* basis equal to the percentage increase in the number of

Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks increases by 11%, the Gross Settlement Amount will increase by 1%; or (2) end the Class Period on the date on which the number of Workweeks reaches 36,939. In the event this provision is triggered, the Parties shall advise the Court of the revised settlement terms and obtain an order granting approval of the revised terms prior to sending Notice to the proposed settlement class.

40. Funding of the Gross Settlement Amount: Within fourteen (14) days of the Effective Date, Defendant will deposit the Gross Settlement Amount and all applicable employer-side payroll taxes into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than seven (7) days of the Effective Date. This information shall be kept confidential from Plaintiff and Class Counsel.

41. Distribution of the Gross Settlement Amount: Within fourteen (14) days of the funding of the Settlement, the Settlement Administrator will issue payments for: (a) Individual Settlement Payments; (b) the PAGA Payment to the LWDA; (c) the Class Representative Service Payment; (d) Class Counsel's Fees and Costs; and (e) Settlement Administration Costs.

42. Attorneys' Fees and Costs: Defendant agrees not to oppose any application or motion by Class Counsel for attorneys' fees of up to Thirty-Five Percent (35%) of the Gross Settlement Amount i.e. Two Hundred Fifty-Three Thousand Seven Hundred Fifty Dollars ($253,750.00) plus the reimbursement of reasonable costs and expenses associated with the litigation and settlement of the Action of up to Fifty Thousand Dollars ($50,000.00), both of which will be paid from the Gross Settlement Amount. Any portion of the requested fees or costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

43. Class Representative Service Payment: Defendant agrees not to oppose or object to any application or motion by Plaintiff for a Class Representative Service Payment of Ten Thousand Dollars ($10,000.00). The Class Representative Service Payment is in exchange for the

General Release of the Plaintiff's individual claims and for her time and effort in bringing and prosecuting the Action. The Class Representative Service Payment is in addition to whatever monetary settlement Plaintiff is entitled to recover from the Net Settlement Amount as a Class Member. Any portion of the requested Class Representative Service Payment that is not awarded to Plaintiff shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement. Any amount of the Class Representative Service Payment not approved by the Court shall become part of the Net Settlement Amount.

44. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs, in the amount of Nine Thousand Three Hundred Ninety Dollars ($9,390.00), subject to court approval, shall be paid to Apex Class Action LLC from the Gross Settlement Amount.

45. PAGA Payment: Forty Thousand Dollars ($40,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment, i.e. Thirty Thousand Dollars ($30,000.00), to the LWDA. Twenty-five percent (25%) of this amount, i.e. Ten Thousand Dollars ($10,000.00), will be distributed to PAGA Members on a *pro rata* basis based on the total number of Pay Periods worked by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of the PAGA Payment and will be deemed to have released any claims arising out of PAGA regardless of their decision to opt-out of the class settlement.

46. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount will be used to satisfy the class portion of Participating Class Members Individual Settlement Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount	$	725,000.00
Service Payment:	$	10,000.00
Class Counsel's Fees:	$	253,750.00

Class Counsel's Costs:	$	50,000.00
PAGA Payment	$	40,000.00
Settlement Administration Costs:	$	9,390.00
Estimated Net Settlement Amount	$	361,860

47. Individual Settlement Payment Calculations: Individual Settlement Payments will be paid from the Net Settlement Amount and the 25% portion of the PAGA Payment allocated for PAGA Members and shall be paid pursuant to the formula set forth herein:

a) Calculation of Class Portion of Individual Settlement Payments: The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the Payment Ratio for each Participating Class Member. Each Participating Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Participating Class Member's estimated share of the Net Settlement Amount.

b) Calculation of PAGA Portion of Individual Settlement Payments: The Settlement Administrator will calculate the total Pay Periods for all PAGA Members by adding the number of Pay Periods worked by each PAGA Member during the PAGA Period. The respective Pay Periods for each PAGA Member will then be divided by the total Pay Periods for all PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate each PAGA Member's estimated share of the PAGA Payment. PAGA Members shall receive this portion of their Individual Settlement Payment and will be deemed to have released any claims arising out of PAGA regardless of whether they opt out of participation regarding the class claims.

c) Allocation of Individual Settlement Payments: The class portion of each Individual Settlement Payment will be allocated as follows: twenty percent (20%) of each Individual Settlement Payment will be allocated as wages, forty percent (40%) shall be allocated as interest, and forty percent (40%) shall be allocated as penalties. The PAGA Portion of each Individual Settlement Payment will be allocated 100% as penalties. The portion of the Individual Settlement Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement Administrator.

48. <u>No Credit Toward Benefit Plans</u>: The Individual Settlement Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members 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 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

49. <u>Settlement Administration Process</u>: 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 administration of the Settlement. Without prejudice to any other remedies, the Settlement Administrator shall hold Defendant harmless from and against all liabilities, claims, causes of action, costs, and expenses (including legal fees and expenses) arising out of any failure to timely or properly compensate Participating Class Members as provided for in this Agreement. No person shall have any claim against any of the Released Parties, counsel for Defendant, Plaintiff, the Class Members, Class Counsel, or the Settlement Administrator based on mailings, distributions, and payments made in accordance with or pursuant to this Agreement. The Settlement Administrator will provide the following services:

a) Establish and maintain a Qualified Settlement Fund.

b) Calculate the Individual Settlement Payment each Participating Class

Member is eligible to receive and the portion of the PAGA Payment each PAGA Member shall receive.

c) Print and mail the Notice.

d) Conduct additional address searches for mailed Notices that are returned as undeliverable.

e) Process Requests for Exclusion, field inquiries from Class Members.

f) Print and issue and issue Settlement Payment Checks, prepare IRS W-2 and 1099 Tax Forms and any other filings required by any governmental taxing authority.

g) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court regarding the settlement administration process.

h) Provide weekly status reports to counsel for the Parties.

i) Post settlement documents and a notice of final judgment online at Settlement Administrator's website.

50. Delivery of the Class List: Within fourteen (14) days after the date on which the Court enters an Order granting Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. The information Defendant provides to the Settlement Administrator shall be used solely to administer the terms of the Agreement as described herein, and shall be kept confidential from Plaintiff and Class Counsel. Nothing in this provision shall prohibit or prevent the Settlement Administrator from providing the Parties, as part of the standard settlement administration process, with settlement status reports, including preliminary and final settlement calculations, so the Parties can review and approve the distribution of the Gross Settlement Amount.

51. Notice by First-Class U.S. Mail: Within fourteen (14) days after receiving the Class List from Defendant, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

52. Confirmation of Contact Information in the Class List: Prior to mailing, the

Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing. If any notice sent to a Class Member by the Settlement Administrator is returned as undeliverable to a current employee, then Defendant shall make all reasonable efforts to obtain the current address from the Class Member and provide the same within seven (7) days of notice from the Settlement Administrator. Those Class Members who receive a re-mailed Notice, whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15) days or (b) the Response Deadline to postmark a Request for Exclusion, Objection, or workweek dispute. If the Response Deadline for any Class Member is later than the original 60-day notice period, the Settlement Administrator shall include a letter with the Notice advising the Class Member of the adjustment to the Response Deadline.

53. <u>Notice</u>: All Class Members will be mailed a Notice. Each Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked for Defendant during the Class Period; (e) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class Period; (g) the total number of Pay Periods each respective PAGA Member worked for Defendant during the PAGA Period; (h) the dates which comprise the PAGA Period; (i) information regarding disputing Workweeks or Pay Periods, Requests for Exclusion, and Objections; (j) instructions on how to opt-out of and object to the Settlement; (h) the deadlines by which the Class Member must postmark Requests for Exclusion, Objections to the Settlement, or Workweek or Pay Period Disputes; (i) the claims to be released, as set forth herein; and (j) the date

for the final approval hearing.

54. Disputed Information on Notice: Class Members will have an opportunity to dispute the information provided in their Notice. To the extent Class Members dispute the number of Workweeks with which they have been credited or the amount of their Individual Settlement Payment, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Class Member produces evidence to the contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class Member regarding the number of eligible Workweeks that should be applied and/or the Individual Settlement Payment to which the Class Member may be entitled. If the Parties and the Class Member do not agree, the dispute will be submitted to the Court.

55. Defective Submissions: If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) days from the date of the cure letter, whichever date is later, to postmark a revised Request for Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the Settlement Administrator will have no further obligation to give notice of a need to cure. If the revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

56. Request for Exclusion Procedures: Any Class Member wishing to opt-out from the Class Settlement must postmark a written Request for Exclusion to the Settlement Administrator by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name, address, telephone number, and the last four digits of the Class Member's Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims. The date of the postmark on the return mailing envelope receipt confirmation will be the exclusive means to determine whether a Request for Exclusion has been

timely submitted. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted. All Class Members who do not request exclusion from the Class Settlement will be bound by all terms of the Settlement Agreement if the Settlement is granted final approval by the Court. The Request for Exclusion shall not be effective as to the release of claims arising under the Private Attorneys General Act.

57. Defendant's Right to Rescind: If ten percent (10%) or more of the Class Members (rounded to the next whole number) elect not to participate in the Settlement, Defendant may, at its election, rescind the Settlement Agreement and all actions taken in furtherance of it will be thereby null and void. Defendant must meet and confer with Class Counsel prior to exercising this right and must make clear its intent to rescind the Agreement within fourteen (14) business days of the Settlement Administrator notifying the Parties that ten percent (10%) of the Class Members have opted-out of the Settlement. If Defendant exercises its right to rescind the Agreement, Defendant shall be responsible for all Settlement Administration Costs incurred to the date of rescission, not to exceed the amount approved by the Court in the Preliminary Approval Order. In such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, and no term of this Agreement or any draft thereof, or the negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall have any effect or be admissible as evidence for any purpose in the Action, or in any other proceeding.

58. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the occurrence of the Effective Date, any Class Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement. Class Members who opt-out of the Settlement shall not be bound by such Judgment or the Class Release. However, the opt-out shall not be effective as to the Released PAGA Claims. The entry of a final order approving

settlement of this Action and Judgment which discharges Defendant and Released Parties from liability for any and all of the Released Class Claims shall have a *res judicata* effect and bar Plaintiff and Class Members who did not submit a timely and valid Request for Exclusion from bringing any actions or claims asserting the Released Class Claims. The names of Class Members who have opted-out of the settlement shall be disclosed to the Counsel for both Plaintiff and Defendant and noted in the proposed Judgment submitted to the Court.

59. <u>Objection Procedures</u>: To object to the Settlement, a Participating Class Member must postmark a valid Objection to the Settlement Administrator on or before the Response Deadline. The Objection must contain all information required by this Settlement Agreement including the Participating Class Member's full name, address, telephone number, the last four digits of their social security number and/or Employee ID number, and the specific reason including any legal grounds for the Participating Class Member's objection. The postmark date will be deemed the exclusive means for determining that the Notice of Objection is timely. Participating Class Members who fail to object in the manner specified above will be foreclosed from making a written objection, but shall still have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to submit written objections to the Settlement or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any objections to this Settlement.

60. <u>Certification Reports Regarding Individual Settlement Payment Calculations</u>: The Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member has submitted a challenge to any information contained in the Notice. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

61. <u>Uncashed Settlement Checks</u>: Any checks issued by the Settlement Administrator to Participating Class Members and PAGA Members will be negotiable for at least one hundred

eighty (180) days. If a Participating Class Member or PAGA Member does not cash his or her Settlement check or PAGA Payment check within 180 days, such remaining funds shall be distributed to Legal Services of Northern California, 619 North Street, Woodland, California 95695. The Parties agree that this disposition results in no "unpaid residue" under California Code of Civil Procedure § 384, as all payments to the Participating Class Members and PAGA Members will be paid out, whether or not these individuals cash their Settlement checks. Therefore, Defendant will not be required to pay any interest on such amounts. The Individual Settlement Payments provided to Participating Class Members and to PAGA Members shall prominently state the expiration date or a statement that the Settlement check will expire in one hundred eighty (180) days, or alternatively, such a statement may be made in a letter accompanying the Individual Settlement Payment. Expired Individual Settlement Payments will not be reissued, except for good cause and as mutually agreed by the Parties in writing. The Parties agree no unclaimed funds will result from the Settlement.

62. <u>Administration of Taxes by the Settlement Administrator</u>: The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

63. <u>Tax Liability</u>: Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. Plaintiff and Participating Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein. Defendant's share of any employer payroll taxes and other required employer withholdings due on the Individual Settlement Payments, including, but not limited to, Defendant's FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement Amount.

64. <u>Circular 230 Disclaimer:</u> Each Party to this Agreement (for purposes of this section,

the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

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

66. Release by Participating Class Members: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes by Defendant, Participating Class Members shall fully and finally release and discharge the Released Parties from the Released Class Claims that arose during the Class Period. This release shall be binding on all Participating Class Members. The release of Released Class Claims will have a *res judicata* effect against any Class Members who make a claim against any of the Released Parties for any of the Released Class Claims, file any actions, claims, complaints or proceedings regarding the Released Class Claims with the California Division of Labor Standards Enforcement, initiate any other proceedings against any of the Released Parties regarding any of the Released Class Claims, or

seek to participate in any judgment or settlement of claims that are the subject of the Released Class Claims in any other class, collective, or representative action against any of the Released Parties.

67. Release by Plaintiff, PAGA Members, the State of California and LWDA: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes by Defendant, the LWDA and the State of California, through Plaintiff as its agent and/or proxy, any another representative, proxy, or agent thereof, including but not limited to any and all PAGA Members, shall fully and finally release and discharge the Released Parties from the Released PAGA Claims that arose during the PAGA Period. The Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or otherwise bar a representative action to the broadest extent possible by law if an aggrieved employee were to bring a subsequent claim on behalf of the LWDA based on the same factual predicate as the Released PAGA Claims and covering the same time period. The Parties agree that there is no statutory right for any PAGA Member to object to, opt out of, or otherwise exclude themselves from the settlement of the Released PAGA Claims. Accordingly, any timely Objection or Request for Exclusion from the Settlement submitted by a Class Member shall have no effect whatsoever on the settlement of the Released PAGA Claims.

68. Release of Additional Claims & Rights by Plaintiff: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes by Defendant, Plaintiff—on behalf of herself, her heirs, her successors, and her assigns—agrees to the additional following General Release: In consideration of Defendant's promises and agreements as set forth herein, Plaintiff on behalf of herself, her heirs, and her assigns hereby fully and finally releases the Released Parties from any and all Released Class Claims and Released PAGA Claims and also generally releases and discharges the Released Parties from any and all claims, demands, obligations, causes of action, rights, charges, complaints, promises, agreements, controversies, damages, actions, suits, demands, costs, losses, debts, penalties, expenses, or liabilities of any kind arising out of Plaintiff's employment with Defendant, payment of wages during that employment, and the cessation of that employment, which have been or could have been asserted by Plaintiff,

or Plaintiff's heirs, successors and/or assigns, against Defendant and/or any of the Released Parties arising at any time prior to the execution of this Agreement, including but not limited to claims arising under federal, state, or local laws for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment, such as, by way of example only, 42 U.S.C. §1981(as amended), Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), the Age Discrimination in Employment Act (ADEA), the California Fair Employment and Housing Act (FEHA), and the law of contract and tort. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, lost wages and benefits, emotional distress, punitive damages, and attorneys' fees and costs (except those provided by this Settlement Agreement) relating to or in any way connected with the matters referred to herein, whether in tort, contract, equity, or otherwise, and/or violation of any federal, state or local statute, rule, ordinance or regulation, whether or not known or suspected to exist, asserted or that might have been asserted, and whether or not specifically or particularly described herein. Plaintiff's General Release includes all claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different from those she now knows or believes to be true with respect to the subject matter of Plaintiff's General Release, those claims will remain released and forever barred. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

This release specifically excludes the release of claims not permitted by law, such as claims for unemployment insurance, disability, social security, and workers compensation (with the exception of claims arising pursuant to California Labor Code Sections 132(a) and 4553). Plaintiff does not waive or release any claim which cannot be waived or released by private agreement.

Further, nothing in this Agreement shall prevent Plaintiff from filing a charge or complaint with, or from participating in, an investigation or proceeding conducted by the SEC, OSHA, EEOC, CRD, NLRB or any other federal, state or local agency charged with the enforcement of any employment or other applicable laws. Plaintiff, however, understands that by signing this Agreement, she waives the right to recover any damages or to receive other relief in any claim or suit brought by or through the EEOC, the CRD or any other state or local deferral agency on their behalf to the fullest extent permitted by law, but expressly excluding any monetary award or other relief available from the SEC/OSHA, including an SEC/OSHA whistleblower award, or other awards or relief that may not lawfully be waived.

69. Neutral Employment Reference: Defendant agrees that it will adopt a neutral reporting policy regarding any future employment references related to Plaintiff. In the event that any potential or future employers of Plaintiff request a reference regarding Defendant's employment of Plaintiff, Defendant shall only provide Plaintiff's dates of employment, job titles during employment, and final rate of pay. Defendant shall not refer to the Action or this Settlement. However, Plaintiff acknowledges that the Action and this Settlement is publicly available, and she shall not seek to hold Defendant responsible for any potential or future employers learning of the existence of either.

70. Nullification of Settlement Agreement: In the event that: (a) the Court does not finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any material term of this Settlement Agreement; (c) Defendant exercises its option to rescind the Settlement Agreement as set forth above in paragraph 57; or (d) the Settlement does not become final as written and agreed to by the Parties for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, all amounts deposited into the QSF will be returned to Defendant, and the Parties shall be returned to their original respective positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning and the terms contained herein shall be of no force or effect and shall not be treated as an admission by the Parties or their counsel. Should the Court fail to approve this settlement for any reason, the Parties agree that they will work together

cooperatively in an effort to reach a settlement that may be approved by the Court.

71. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Class for settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the Settlement, and will include the proposed Notice attached as Exhibit A. Defendant agrees that it will not oppose Plaintiff's motion for Preliminary Approval. Any failure by the Court to fully and completely approve the Agreement as to the Action will result in this Settlement Agreement entered into by the Parties, and all obligations under this Settlement Agreement being nullified and voided.

72. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) Class Counsel's Fees and Costs; (c) the Class Representative Service Payment; and (d) the Settlement Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Any failure by the Court to fully and completely approve the Settlement Agreement as to all of the Actions, or the entry of any Order by another Court with regard to any of the Actions which has the effect of modifying material terms of this Agreement or preventing the full and complete approval of the Settlement Agreement as written and agreed to by the Parties, will result in this Agreement and all obligations under this Agreement being null and void. Defendant agrees it shall not oppose the granting of the Motion for Final Approval, provided Defendant has not exercised its right to rescind pursuant to the terms of this Agreement.

73. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by

the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment and Effective Date of this Agreement, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement. The Memorandum of Understanding and the Settlement Agreement shall be admissible and subject to disclosure in any action brought to enforce the terms and conditions of this Settlement, notwithstanding the confidentiality provision as set forth below in paragraph 93.

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

75. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

76. Amendment or Modification: This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

77. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect 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.

78. Binding on Successors and Assigns: This Settlement Agreement will be binding

upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

79. California Law Governs: All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

80. Execution and Counterparts: This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument.

81. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after arm's-length negotiations 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 Settlement.

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

83. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that either party may appeal any court order that materially alters the Settlement Agreement's terms.

84. Class Action Certification for Settlement Purposes Only: The Parties agree to stipulate to class action certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved by the Court, the stipulation to certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Agreement will not be admissible in this or any other proceeding as evidence that either: (a) a class

action should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

85. Non-Admission of Liability: The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

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

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

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

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

90. Representation By Counsel: The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Agreement.

91. All Terms Subject to Final Court Approval: All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

92. Cooperation and Execution of Necessary Documents: The Parties agree to cooperate to promote participation in the Settlement, and in seeking court approval of the Settlement. The Parties and their counsel agree not to take any action to encourage any Class Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any settlement agreement waivers or Pick Up Stix agreements from any Class Member prior to the funding of the Gross Settlement Amount concerning claims released via this Agreement, and that the Parties will work in good faith to reach an agreement approved by the Court.

93. Confidentiality: The Parties and their counsel agree to keep the terms of the Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff, Class Counsel, Defendant and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the amount or terms of the Settlement Agreement. Nothing in this Settlement Agreement shall limit Defendant's ability to fulfill disclosure obligations reasonably required by law or in furtherance of business purposes, including the fulfillment of obligations stated in this Settlement Agreement or limit Class Counsel's communications with the Class Members in furtherance of approval of this Settlement.

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

Dated: 11/05/2026

PLAINTIFF

By: Marian Denise Jones (May 11, 2026 18:12:38 PDT)

Marian D. Jones

Dated: 6/2/2026

DEFENDANT

DAVIS FOOD COOPERATIVE, INC.

Signed by:

By: Laura Sanchez

064FE6E43DC24FE...

Name: Laura Sanchez

Title: General Manager

APPROVED AS TO FORM

Dated: 5/28/2026

PROTECTION LAW GROUP, LLP.

By:

Amir Nayebdadash, Esq.
D. Luke Clapp. Esq.
Attorney for Plaintiff

Dated: 6/3/2026

BOUTIN JONES INC.

Signed by:

By:

CA7978E0BB1F43D...

James D. McNairy, Esq.
Errol C. Dauis, Esq.
Attorneys for Defendant

EXHIBIT A

NOTICE OF PROPOSED CLASS AND REPRESENTATIVE ACTION SETTLEMENT

Jones v. Davis Food Cooperative, Inc.
Yolo County Superior Case No. CV2022-0779

THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.

To:	**All current and former non-exempt employees of Davis Food Cooperative, Inc. who were employed by Davis Food Cooperative, Inc. in the State of California at any time from May 13, 2018, through March 31, 2025.**

BASIC INFORMATION

1. What is this settlement about?

Marian D. Jones ("Plaintiff") filed a class action lawsuit against her former employer, Davis Food Cooperative, Inc. ("Defendant") on May 13, 2022. This case, *Jones v. Davis Food Cooperative, Inc.*, is currently pending in the Yolo County Superior Court, Case No. CV2022-0779. The lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendant failed to provide compliant meal and rest periods or pay meal and rest period premiums, did not properly pay employees overtime or minimum wages for all time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, and maintained unfair business practices. The lawsuit also seeks to recover penalties under the Private Attorneys General Act ("PAGA").

Defendant denies all alleged violations, denies violating any laws or failing to pay any wages to any current or former employee, and contends it complied with all applicable laws at all times alleged in Plaintiff's lawsuit. The Court has not made a ruling on the merits of the case. However, Plaintiff and Defendant (the "Parties") have entered into a proposed settlement to resolve the alleged claims.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case Plaintiff Marian D. Jones) sues on behalf of people who appear to have similar claims. All these people are referred to as Class Members. In a class action, one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Yolo County Superior Court (the "Court") is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement ("Settlement Agreement" or "Settlement"). On [DATE OF PRELIMINARY APPROVAL], the Court granted preliminary approval of the Settlement, appointed Plaintiff the Class Representative, and appointed her attorneys at Protection Law Group, LLP, as counsel for the Class ("Class Counsel"). The Court has not made a final ruling on whether the settlement is fair, adequate, and reasonable. Instead, the Court has only determined that the Settlement is within the range of reasonableness that could ultimately be approved, and therefore, notice should be provided to the Class Members. The Court will make a final determination on whether to approve the Settlement at the Final Approval Hearing on __________.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the Settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendant as a non-exempt employee in California at any time between May 13, 2018, and March 31, 2025.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the Settlement provide?

The Settlement provides that Defendant will pay a maximum of Seven Hundred Twenty-Five Thousand Dollars ($725,000.00) ("Gross Settlement Amount"). This includes all costs and attorneys' fees for Class Counsel.

The "Net Settlement Amount" is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

A. **Attorneys' Fees to Class Counsel** not to exceed thirty-five percent (35%) of the Gross Settlement Amount or Two Hundred Fifty-Three Thousand Seven Hundred Fifty Dollars ($253,750.00);

B. **Litigation Costs/Expenses to Class Counsel** not to exceed Fifty Thousand Dollars ($50,000.00);

C. **Class Representative Service Payment** in an amount not to exceed Ten Thousand Dollars ($10,000.00);

D. **Settlement Administration Costs** which are currently estimated to be Nine Thousand Three Hundred Ninety Dollars ($9,390); and

E. **PAGA Payment** in the amount of Forty Thousand Dollars ($40,000.00) for the settlement of claims arising under the Private Attorney's General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount, Thirty Thousand Dollars ($30,000.00), shall be paid to the California Labor & Workforce Development Agency ("LWDA"). The remaining twenty-five percent (25%), Ten Thousand Dollars ($10,000.00), will be distributed to non-exempt employees who worked for Defendant at any time between May 13, 2021, and March 31, 2025, for the release of their claims arising under PAGA.

The amount you are eligible to receive from the Settlement, your "Individual Settlement Payment," will be determined on a *pro rata* basis, based on the number of weeks you worked in California as a non-exempt employee of Defendant from May 13, 2018, through March 31, 2025 ("Workweeks"). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment based on the number of pay periods you worked.

The Class Portion of your Individual Settlement Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest, and forty percent (40%) penalties. The PAGA Portion of your Individual Settlement Payment will be apportioned one hundred percent (100%) as penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of the Individual Settlement Payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked XXX Workweeks during the Class Period. The Class Portion of your Individual Settlement Payment is $XXX.XX. This amount is an estimate and may change depending on the number of requests for exclusions submitted in the Settlement.

You worked XXX pay periods during the PAGA Period. The PAGA Portion of your Individual Settlement Payment is $XXX.XX. This amount is an estimate and subject to change.

This amount was determined based on Defendant's record of your employment between May 13, 2018, and March 31, 2025, and is presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Class Period or pay periods worked during the PAGA Period, you must contact the Settlement Administrator and provide any documentation (i.e., payroll or time keeping records, and paycheck stubs) you have supporting such dispute by [DATE]. All disputes regarding your workweeks and pay periods will be resolved and decided by the Parties or if you and the Parties cannot agree, the Court, after you submit evidence to the Settlement Administrator. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone No].

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the final approval by the Court of the Settlement and funding of the Gross Settlement Amount by Defendant to the Settlement Administrator, Class Members who do not submit a timely request for exclusion will release and discharge the "Released Parties" from the "Released Class Claims" that accrued during the "Class Period."

The "Released Parties" include Defendant Davis Food Cooperative, Inc. and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The "Released Class Claims" means all claims, rights, demands, liabilities and causes of actions that are alleged, or that reasonably could have been alleged, based on the contentions in the operative complaint including factual claims regarding Defendant's alleged: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to provide complete, accurate wage statements; (v) failure to pay wages timely at time of termination or resignation; (vi) failure to pay wages timely during employment; (vii) failure to reimburse necessary business-related expenses; and (viii) unfair business practices related to the alleged Labor Code violations.

The "Class Period" during which the release of Released Class Claims pertains is from May 13, 2018, through March 31, 2025.

Additionally, all current and former non-exempt employees of Defendant who were employed by Defendant in

California between May 13, 2021, and March 31, 2025, shall release the Released PAGA Claims that arose during the PAGA Period. You cannot opt-out of the release of the claims alleged under PAGA.

The "Released PAGA Claims" means all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts alleged in Plaintiff's May 13, 2022 PAGA Letter to the LWDA, and in the operative complaint including, but not limited to, penalties that could have been awarded pursuant to Labor Code sections 210, 225.5, 226, 226.3, 1174.5, 1197.1, 558, and 2699.

The "PAGA Period" during which the release of the Released PAGA Claims pertains is from May 13, 2021, through March 31, 2025.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Class Claims, then you must submit a request for exclusion in conformity with the requirements set forth herein. <u>If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to this claim.</u>

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Class Claims you must submit a written request for exclusion. Your written request must include your name, address, telephone number and the last four digits of your Social Security number and/or Employee ID number.

You must mail a letter requesting to be excluded from the Settlement to the Settlement Administrator at the address listed below, post-marked by [DATE]. <u>You cannot exclude yourself by phone</u>.

[Settlement Administrator]
[Address]
[Telephone No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will <u>not</u> be legally bound by the release of Released Class Claims.

9. If I don't exclude myself, can I sue Defendant for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendant and Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this Settlement?

No, unless you worked between May 13, 2021, and March 31, 2025, in which case you will still receive the portion of your Individual Settlement Payment for claims that arose under PAGA. If you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against Released Parties for Released Class Claims.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved Protection Law Group, LLP as Class Counsel. The firm's contact information is:

PROTECTION LAW GROUP LLP
Heather Davis Esq.
Amir Nayebdadash, Esq.
D. Luke Clap, Esq.
149 Sheldon Street
El Segundo, California 90245
Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys' fees of up to $253,750.00 and reimbursement of litigation cost/expenses of up to $50,000.00. These amounts are subject to Court approval, and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don't like the Settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your full name, address, telephone number, the last four digits of your Social Security number or employee ID number, and the specific reason for your objection. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object to the Settlement because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

14. When and where will the Court decide whether to approve the Settlement?

The Court will hold the Final Approval Hearing at _______ a.m./p.m. on [_______________], in Department 8 of the Superior Court of the State of California, County of Yolo, located at 1000 Main Street, Woodland, California 95695. The Final Approval Hearing date may be continued without further notice to Class Members.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I have to come to the hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf.

16. How will I learn if the Settlement was approved?

A notice of final judgment will be posted on the Settlement Administrator website located at www.__________com.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or Released Parties about the Released Class Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your Settlement Payment check within 180 days from the date on the check, these funds will be distributed to Legal Services of Northern California. If you lose your check or it is damaged in the mail, contact the Settlement Administrator.

GETTING MORE INFORMATION

18. How do I get 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 viewing the settlement located on the Settlement Administrator's website at ______________ or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE