CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement" or "Settlement") is made by and between Plaintiff Rocio Cortez-Duarte, as an individual on behalf of herself and other similarly situated and alleged aggrieved employees, and as a representative of the State of California and Defendant Bay Center Foods, LLC. The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Actions" means the actions, captioned *Rocio Cortez Duarte v. Bay Center Foods, LLC* pending in the Los Angeles County Superior Court, Case Nos. 25STCV02830 ("Class Action") and 25STCV10423 ("PAGA Action").

1.2. "Administrator" means ILYM Group, Inc. the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. "BCF" means Defendant Bay Center Foods, LLC.

1.5. "Class" means any and all non-exempt employees of Defendant who worked in California during the Class Period.

1.6. "Class Counsel" means Lavi & Ebrahimian, LLP, including Joseph Lavi, Vincent Granberry, Jeffrey D. Klein, Chloe J. Sykes, and Stephen M. Sloane, and all lawyers affiliated with this firm.

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts approved by the Court to pay Class Counsel for reimbursement of reasonable attorneys' fees (not to exceed 35% of the Gross Settlement Amount) and expenses, respectively, incurred to prosecute the Action.

1.8. "Class Data" means a confidential spreadsheet that includes for each Class Member the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as a PAGA Member).

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1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using reasonably available sources, methods and means including the national change of address database, skip traces, and, if needed, direct contact by the Administrator with Class Members.

1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT, to be mailed to Class Members in English in the form, without material variation unless ordered by the Court, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. "Class Period" means the period from January 31, 2021, to December 31, 2025.

1.13. "Class Representative" means Plaintiff Rocio Cortez-Duarte.

1.14. "Class Representative Service Payment" means the payment to the Class Representative approved by the Court and not to exceed $7,500 for initiating and prosecuting the Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of Los Angeles.

1.16. "Defendant" means named Defendant Bay Center Foods, LLC.

1.17. "Defense Counsel" means Lincoln O. Bisbee, John S. Battenfeld, Samuel S. Sadeghi, and Anahi Cruz of Morgan, Lewis & Bockius, LLP.

1.18. "Effective Date" means the date on which the Judgment becomes a Final Judgment. For purposes of this Agreement, the Final Judgment "becomes final" only after the Court grants the motion for final approval of the settlement and upon the later of (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Members object to the Settlement, the day after the deadline for filing a notice of appeal, writ, or other appellate proceeding challenging or opposing the Judgment (i.e., the sixty-first day after service of the Judgment); (iii) the date any appeal, writ or other appellate proceeding challenging or opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or (iv) the date any appeal, writ or other appellate proceeding has upheld the Court's final order with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective, and Defendant will not be obligated to fund this Settlement, until the Court's order approving the Settlement is completely final, and there is no further recourse by an appellant, objector, or intervenor who seeks to contest the Settlement.

1.19. "First Amended Complaint" means Plaintiff's First Amended Complaint filed in the Class Action (after the Court grants Plaintiff leave to amend the Class Action

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complaint that adds Plaintiff's PAGA cause of action, as asserted in the PAGA Action to the Class Action).

1.20. "Final Approval" means the Court's order granting final approval of the Settlement.

1.21. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.22. "Gross Settlement Amount" means $470,250.00, which is the total amount Defendant agrees to pay under the Settlement except 1) the employer-side payroll taxes owed by Defendant on the W-2 wage settlement checks and 2) as provided in Paragraph 3.2 below. The Gross Settlement Amount will be used to pay Individual Class Payments, employee-side payroll taxes on the portion of the Individual Class Payments treated as wages, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses, Class Representative Service Payment and the Administration Expenses Payment.

1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24. "Individual PAGA Payment" means the PAGA Member's pro rata share of 35% of the PAGA Payment calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.25. "Judgment" means the judgment entered by the Court based upon granting the Final Approval of the Settlement.

1.26. "LWDA" means the California Labor and Workforce Development Agency.

1.27. "LWDA PAGA Payment" means the 65% of the PAGA Payment paid to the LWDA under Labor Code section 2699, subd. (i), as amended.

1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments, minus required tax withholdings.

1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

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1.30. "Non-Wage Portion" means the 70% of each Participating Class Member's Individual Class Payment that will be allocated to the settlement of claims for interest, expenses, and penalties as described in Paragraph 3.3.4.1

1.31. "Objection" means a Participating Class Member's objection to the Settlement as described in Paragraph 6.9.

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

1.33. "PAGA Representative Group" and "PAGA Group Members" means all non-exempt employees of Defendant who worked in California at any time during the PAGA Period.

1.34. "PAGA Pay Period" means any Pay Period during the PAGA Period in which a PAGA Group Member was employed in California and worked for Defendant for at least one day.

1.35. "PAGA Period" means the period from February 3, 2024, to December 31, 2025.

1.36. "PAGA Notice" means Plaintiff's January 31, 2025, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.37. "PAGA Payment" means the $50,000 amount or other amount ordered by the Court to be paid in settlement of the claim for PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the PAGA Group Members and 65% to the LWDA.

1.38. "Participating Class Member" means a Class Member who does not opt out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.39. "Pay Period" means any biweekly pay period.

1.40. "Plaintiff" means Rocio Cortez-Duarte, the named Plaintiff in the Actions.

1.41. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.42. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.

1.43. "QSF" means a settlement fund that the Administrator shall establish and that meets the requirements of a Qualified Settlement Fund under U.S. Treasury Regulation section 468B-1.

1.44. "Released Class Claims" means any and all claims based on or arising out of the

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same facts and allegations in any of the complaints filed in the Class Action, and including all claims that were pled or reasonably could have been pled based on the facts and allegations in the Class Action during the Class Period. This includes but is not limited to claims for: (1) failure to pay wages for all hours worked at minimum wage in violation of Labor Code sections 1194 and 1197 and the applicable Wage Order(s) ; (2) failure to pay overtime wages for daily, weekly, and seventh-day overtime worked and/or overtime wages at the proper overtime rate of pay in violation of Labor Code sections 510, 1194, and 1198 and the applicable Wage Order(s); (3) failure to authorize or permit meal periods in violations of Labor Code sections 512 and 226.7 and the applicable Wage Order(s); (4) failure to authorize or permit rest periods in violations of Labor Code section 226.7 and the applicable Wage Order(s); (5) failure to indemnify employees for employment-related losses/ expenditures in violation of Labor Code Section 2802; (6) failure to provide complete and accurate wage statements in violation of Labor Code section 226; (7) failure to timely pay all earned wages during employment and final paychecks due at time of separation of employment in violation of Labor Code sections 201, 202, 203 and 204; (8) unfair business practices, in violation of business and professions code sections 17200 *et. Seq.;* and all claims for interest, penalties, attorneys' fees, costs and any other monetary relief based upon the claims described above and including, but not limited to, pursuant to Labor Code §§ 210, 218.5, 218.6, Code of Civil Procedure §1021.5, and/or Civil Code §§ 3287(b) and 3289, and related claims that could have been asserted under the Fair Labor Standards Act, costs, attorneys' fees, injunctive relief, declaratory relief, or accounting that accrue during the Class Period.

1.45. "Released PAGA Claims" means all claims for civil penalties under PAGA asserted in any of the complaints filed in the PAGA Action, as well as the PAGA Notice sent by Plaintiff to the LWDA in connection with the PAGA Action during the PAGA Period, and all claims that could have been asserted in the PAGA Action based on the same alleged facts, including but not limited to claims for penalties based on violations of the California Labor Code and IWC Wage Orders for: (1) failure to pay wages for all hours worked at the legal minimum wage; (2) failure to pay wages for overtime hours worked at the overtime rate of pay and/or failure to pay overtime wages at the proper rate of pay; (3) failure to pay wages to hourly non-exempt employees for workdays that Defendant failed to provide legally required and compliant meal periods and/or failure to pay meal period premium wages; (4) failure to pay wages to hourly non-exempt employees for workdays that Defendant failed to provide legally required and compliant rest periods and/or failure to pay rest period premium; (5) failure to indemnify for losses and expenditures incurred as part of employment; (6) failure to timely pay earned wages during employment; (7) secret payment of lower wages than designated by

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statute; (8) failure to provide complete and accurate wage statements; (9) failure to pay employees all wages due at time of termination/resignation; (10) violations of Labor Code sections 201, 202, 203, 204, 223, 226(a), 226.7, 246, 510, 512, 1194, 1197, 1198, 2802 and the applicable Wage Orders.

1.46. "Released Parties" means with respect to BCF, the following, either collectively or individually: any and all direct and indirect parent companies and subsidiary companies, and companies under common control with any of the foregoing, and its and their respective agents, servants, exempt employees, partners, shareholders, members, owners, predecessors, advisors, managers, trustees, representatives, officers, directors, attorneys, insurers, successors and assigns, and all persons and entities acting by, through, under, or in concert with them, or any of them.

1.47. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the class action portion of the Settlement signed by the Class Member.

1.48. "Response Deadline" means 45 calendar days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) mail Requests for Exclusion from the Settlement, (b) mail his or her written Objection to the Settlement, or (c) submit Challenges to Workweeks and/or PAGA Pay Periods. Class Members to whom Class Notice is resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days after the Response Deadline has expired.

1.49. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.50. "USPS" means United States Postal Service.

1.51. "Wage Portion" means the 30% of each Participating Class Member's Individual Class Payment that will be allocated to the settlement of wage claims as described in Paragraph 3.3.4.1.

1.52. "Weekly Report" means the reports that the Administrator shall provide to Class Counsel and Defense Counsel on a weekly basis as provided in Paragraph 6.11.2.

1.53. "Workweek" means any workweek during which a Class Member was employed by Defendant in California during the Class Period and worked for at least one day.

2. **RECITALS.**

2.1. On January 31, 2025, Plaintiff commenced the Class Action (Case No.

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25STCV02830) by filing a Complaint alleging causes of action against Defendant for (1) failure to pay wages for all hours worked at minimum wage in violation of Labor Code sections 1194 and 1197 and the applicable Wage Order(s); (2) failure to pay overtime wages for daily, weekly, and seventh-day overtime worked and failure to include all remuneration in calculating the regular rate of pay for purposes of paying overtime in violation of Labor Code sections 510, 1194, and 1198 and applicable Wage Order(s); (3) failure to authorize or permit meal periods and/or failure to pay meal period premium wages in violation of Labor Code sections 512 and 226.7 and Wage Order 1; (4) failure to timely pay earned wages during employment in violation of Labor Code section 204; (5) failure to authorize or permit rest periods and/or failure to pay rest period premium wages in violation of Labor Code section 226.7 and Wage Order; (6) failure to indemnify employees for employment-related losses/ expenditures in violation of Labor Code Section 2802; (7) failure to provide complete and accurate wage statements in violation of Labor Code section 226; (8) failure to timely pay all earned wages and final paychecks due at time of separation of employment in violation of Labor Code sections 201, 202, and 203; and (9) unfair business practices, in violation of business and professions code sections 17200 *et. Seq*.

2.2. On April 8, 2025, Plaintiff filed the PAGA Action (Case No. 25STCV10423) against Defendant for civil penalties pursuant to the PAGA.

2.3. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on January 31, 2025.

2.6. Prior to mediation, Plaintiff obtained, through informal discovery, relevant policies, time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to fully understand the nature and scope of the allegations in the Complaint, including the time and wage records of Class Members for the period of January 31, 2021 to June 8, 2025, which were analyzed by Plaintiff's counsel. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.

2.7. On July 14, 2025, Plaintiff and Defendant participated in an all-day mediation presided over by Lonnie Giamela, Esq. which led to this Agreement to settle the Action via a mediator's proposal.

2.8. Based on their own independent investigations and evaluation, Class Counsel is of

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the opinion that the Settlement with Defendant for the consideration and terms set forth herein, considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate in light of all known facts and circumstances, and is in the best interests of the Class. Class Counsel is also of the opinion that the total consideration and payment set forth in this Settlement is fair, reasonable, and adequate in light of the uncertainties surrounding the risk of further litigation, the possibility of losing class certification, and the defenses that Defendant has asserted and/or could assert as to the substantive merit of the claims.

2.9. Class Counsel has weighed the monetary benefit under the Settlement to the Settlement Class against the expenses and length of continued proceedings that would be necessary to prosecute the Actions against Defendant through class certification, through pre-trial motions, summary judgment, trial and possible appeals. Class Counsel has also taken into account the uncertain outcome and risk of any litigation, especially in complex actions such as class and representative actions, as well as the difficulties and delay inherent in such litigation. As a result, Class Counsel has determined that the settlement set forth in this Agreement is in the best interests of the Class.

2.10. Defendant specifically and generally denies any and all liability or wrongdoing of any sort with regard to the claims alleged in the Actions and makes no concessions or admissions of liability of any sort, and contends that for any purpose other than Settlement, the Actions are not appropriate for class or representative action treatment. Nonetheless, Defendant has concluded that further conduct of the Actions would be protracted, distracting, and expensive, and that it is desirable that the Actions be fully and finally settled in the manner and upon the terms and conditions set forth in this Agreement. Defendant has also taken into account the uncertainty and risks inherent in any litigation. Defendant has therefore determined that it is desirable and beneficial to it to settle the Actions in the manner and upon the terms and conditions set forth in this Agreement.

2.11. Neither this Agreement, nor any document referred to in it, nor any actions taken pursuant to this Agreement, is or should be construed as an admission by Defendant of any fault, wrongdoing, or liability whatsoever. Nor should the Agreement be construed as an admission that Plaintiff could meet any of the class action requirements or that any PAGA claims would be manageable for trial. Defendant specifically disclaims and denies any such liability or wrongdoing alleged in the Actions. Defendant maintains that the Released Class Claims and the Released PAGA Claims, and all other allegations are without merit. The Parties have entered into this Agreement to avoid further disputes and litigation with the attendant inconvenience, nuisance, expenses, and risks. This Agreement and any related

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Class Notice, PAGA Notice, Judgment and other court documents are not and may not be cited or admitted as evidence of liability or wrongdoing by Defendant or of any finding or determination that Defendant's policies or practices give rise to any alleged Labor Code violation or are otherwise unlawful. Notwithstanding the foregoing, nothing in this Agreement shall limit Defendant's use of the Approval Order, Judgment, Individual Class Payments, and PAGA Payments to establish res judicata and/or collateral estoppel in any other action.

3. **MONETARY TERMS.**

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 3.2 below, Defendant promises to pay $470,250.00 and no more as the Gross Settlement Amount and to separately pay the employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 8.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Group Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Escalator of Gross Settlement Amount or Truncation of Class Period. This settlement is based on Plaintiff's understanding (based on information supplied by Defendant) that Class Members worked approximately 17,000 Workweeks between the start of the Class Period and August 1, 2025, and that the number of Workweeks most likely will increase by the close of the Class Period. If it is determined that the number of workweeks during the Class Period exceeds 18,700 (17,000, plus 10% of 17,000), then, at Defendant's option, either (a) the Gross Settlement Amount will increase in proportion to the increased percentage over 10% - for example, if such increase in workweeks is 19,040, which is 12% over 17,000 Workweeks, the Gross Settlement Amount will increase by 2%, or (b) the final day of the Class Period shall be set on the day before the number of the Workweeks exceeds 18,700, provided that such date does not precede the date of mediation.

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

3.3.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than $7,500.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class

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Member and PAGA Group Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for the Class Representative Service Payment in accordance with the timing required under Code of Civil Procedure section 1005. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the Class Representative Service Payment.

3.3.2 To Class Counsel: A Class Counsel Fees Payment of not more than thirty-five percent (35%) of the Gross Settlement Amount, which is currently estimated to be $164,587.50, and a Class Counsel Litigation Expenses Payment of not more than $20,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts and that the expenses are documented. Plaintiff will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment in accordance with the timing required under Code of Civil Procedure section 1005. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Neither Class Counsel nor any other attorneys acting for, or purporting to act for, the Class, Class Members, or Plaintiff, may recover or seek to recover any amounts for fees, costs, or disbursements from the Defendant or the Released Parties except as expressly provided herein.

3.3.3 To the Administrator: An Administration Expenses Payment not to exceed $7,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than $7,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.3.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total

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number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. The Parties recognize that the Individual Class Payments to be paid to Participating Class Members reflect settlement of a dispute over claimed wages, interest, expenses, penalties, and other alleged damages.

3.3.4.1. Tax Allocation of Individual Class Payments. 30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims. The Wage Portions are subject to tax withholding by the Administrator and will be reported by the Administrator on an IRS W-2 Form. The other 70% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest, expenses, and penalties. The Non-Wage Portions are not subject to wage withholdings and will be reported by the Administrator on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Other than as set forth above, the Administrator will not make any deductions, withholdings, or additional payments, including without limitation, medical or other insurance payments or premiums, employee 401(k) contributions or matching employer contributions, wage garnishments to the extent permitted by law, or charity withholdings, from or with respect to the Individual Class Payments, and entry of the Order of Final Approval by the Court shall be deemed authority not to make any such deductions, withholdings, or additional payments.

3.3.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.3.5 To the LWDA and PAGA Representative Group: PAGA Payment in the amount of $50,000 or other amount ordered by the Court to be paid from the Gross Settlement Amount, with 65% allocated to the

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LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments.

3.3.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the PAGA Representative Group's 35% share of PAGA Payment ($17,500) by the total number of PAGA Pay Periods worked by all PAGA Group Members during the PAGA Period and (b) multiplying the result by each PAGA Group Member's PAGA Pay Periods. PAGA Group Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms if required by applicable tax law.

3.3.5.2. If the Court approves a PAGA Payment of more or less than the amount requested, the Administrator will readjust the Net Settlement Amount accordingly.

4. **RELEASES OF CLAIMS.**

4.1 Plaintiff's Release. Separate from any releases contained within this Agreement, Plaintiff and Defendant have entered into a confidential, individual agreement in which Plaintiff, in exchange for monetary consideration that is separate and apart from the consideration for this Settlement, expressly agrees to fully, finally, and forever settle and release any and all claims not covered by the releases contained in this Agreement, known or unknown, suspected or unsuspected, that she may have against the Released Parties, including, but not limited to, any and all claims relating to or arising from Plaintiff's relationship with Defendant or any other Released Party.

4.2. Release by Participating Class Members. Upon Defendant fully funding the Gross Settlement Amount and separately funding the settlement fund to allow the Administrator to pay the employer-side payroll taxes on the Wage Portion of each Participating Class Member's Individual Class Payment, all Participating Class Members, including Plaintiff, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, hereby fully and finally release and discharge the Released Parties from the Released Class Claims.

4.3. Release by PAGA Representative Group. Upon Defendant fully funding the Gross Settlement Amount, all PAGA Group Members are deemed to release, on behalf of

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themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims.

4.3.1 All PAGA Group Members, including Plaintiff, will be bound by the releases set forth in Paragraph 4.2 (unless the person submits a valid Request for Exclusion) and Paragraph 4.3 and may not opt out of the PAGA portion of the Settlement.

4.4. No Effect on Employee Benefits. Neither the Settlement nor any amounts paid under the Settlement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under the Released Parties' sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Agreement shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of the Released Parties' benefit plans, policies, or bonus programs. The Released Parties retain the right to modify the language of their benefit plans, policies and bonus programs to effectuate this intent, and to make clear that any amounts paid pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Agreement.

5. MOTION FOR PRELIMINARY APPROVAL.

5.1. First Amended Complaint . Following execution of this Agreement and prior to Plaintiff's filing its Motion for Preliminary Approval of Settlement, the Parties stipulate and agree for settlement purposes only, to :

5.1.1 The filing of a First Amended Complaint in the Class Action that adds the PAGA causes of action currently alleged in the PAGA Action. Following the Court's Order granting leave to amend the Class complaint and the filing of the amended Class complaint, Plaintiff will dismiss the PAGA Action without prejudice.

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5.1.2 Defendant will not be required to respond to the First Amended Complaint unless ordered by the Court. Defendant will not object to Plaintiff's filing on the basis of the statute of limitations. If, for any reason, the Court does not grant preliminary or final approval of the Settlement, or the Effective Date of the Agreement is not triggered, the First Amended Complaint shall be stricken, the prior PAGA complaint on file in the PAGA Action prior to the date of this Agreement shall be the operative PAGA complaint, and the Parties will return to the status quo in each court prior to the execution of this Agreement, without prejudice to Defendant seeking to stay the PAGA Action or consolidate it with the Class Action and with Defendant having 30 days from the date the Court orders reinstatement of the PAGA complaint in the PAGA Action to respond to the complaint.

5.2. Responsibilities of Plaintiff: Plaintiff shall submit to the Court this Agreement and exhibits thereto for preliminary approval by the Court, including but not limited to signed declarations from (a) the Administrator (attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel, or Defense Counsel), (b) Plaintiff (confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator), and (c) Class Counsel (attesting to its competency to represent the Class Members and timely submission to the LWDA of all necessary PAGA documents. Plaintiff will prepare and file the motion for preliminary approval and supporting papers, subject to Defendant's prior review and approval, that complies with the Los Angeles Superior Court, Complex Civil Department Checklist for Preliminary Approval of Class Action Settlement. Plaintiff will provide the motion for preliminary approval to Defendant for its review and approval at least fourteen (14) days before filing and Defendant shall return its comments at least seven (7) days before filing. The Parties will jointly prepare the proposed Preliminary Approval Order.

5.3. Submission to LWDA: Pursuant to California Labor Code § 2699(l), concurrently with the filing of the motion for Preliminary Approval, Class Representative will provide notice of the proposed Settlement to the LWDA.

5.4. Duty to Cooperate: If the Parties disagree on any aspect of the proposed Motion for

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Preliminary Approval and/or the supporting declarations and documents, the Parties will expeditiously work together in good faith to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, the Parties will expeditiously work together on behalf of the Parties and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns, except that if the Court conditions Preliminary Approval in any fashion that would require Defendant to pay more than the Gross Settlement Amount and any employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments, Defendant shall have the right to void the Agreement.

5.5. Preliminary Approval Order: The Court's preliminary approval of this Settlement shall be embodied in an order certifying the Class for settlement purposes only, preliminarily approving the Settlement and providing for Class Notice to be mailed to the Class in materially the same format attached hereto as **Exhibit A**, and which will also set the date for the Final Approval Hearing.

6. SETTLEMENT ADMINISTRATION AND CERTIFICATION.

6.1. Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, and subject to the Administrator signing a confidentiality agreement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Class Data should not be disclosed to Class Counsel, except (1) on an individual basis with advance notice to Defendant and only as needed to resolve an individual Settlement Class Member's questions and issues, (2) when disclosing the names of any Class Member who submits an Objection or Request for Exclusion to the Administrator, and (3) on an individual basis to confirm that the name of an individual is listed in the Class Data, provided that Class Counsel first provides the name of the individual to the Administrator and represents that the individual contacted Class Counsel. Otherwise, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to notify the Administrator if it discovers that the Class Data omitted material class member identifying information known to Defendant and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will use best efforts, in good faith, to resolve any issues related to material missing or omitted Class Data.

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

6.3. Employer Identification Number. The Administrator shall have and use its own employer identification number for the purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

6.4. Qualified Settlement Fund. The Administrator shall establish a QSF pursuant to the requirements of U.S. Treasury Regulation section 468B-1.

6.5. Class Notice to Class Members.

6.5.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify the Parties that the list has been received and state the number of Class Members, PAGA Group Members, Workweeks, and Pay Periods in the Class Data.

6.5.2 Using reasonable efforts to perform as soon as possible, and in no event later than 21 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. Before mailing Class Notices, the Administrator shall update Class Member addresses using the national change of address database.

6.5.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undeliverable, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

6.5.4 If the Administrator, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have

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been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the Response Deadline, whichever is later.

6.6. Requests for Exclusion (Opt-Outs).

6.6.1 Class Members who wish to exclude themselves (opt out of) the class action portion of the Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than the Response Deadline. A Request for Exclusion is a signed letter from a Class Member that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address, and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline.

6.6.2 The Class Representative, by signing this Agreement, is bound by the terms herein and further agrees not to request to be excluded from the Settlement and not to object to any terms of this Agreement. Any such request for exclusion or objection shall therefore be void and of no force or effect.

6.6.3 The Administrator may not reject a signed Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any signed Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may request additional proof of the Class Member's identity. The Administrator's determination of whether to accept or reject a Request for Exclusion shall be final.

6.6.4 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class

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Members' Release of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.6.5 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Non-Participating Class Members who are PAGA Group Members are deemed to release the claims identified in the Released PAGA Claims and are eligible for an Individual PAGA Payment.

6.7. Conflicting Exclusions and Objections. A Class Member cannot submit both a Request for Exclusion and an objection. If a Class Member submits both a valid and timely objection and Request for Exclusion, the Administrator will make reasonable efforts to contact the Class Member in order to determine which one he/she prefers; if the Administrator cannot contact the Class Member, or is otherwise unable to determine the Class Member's preference, then his/her Request for Exclusion will control and the objection will be deemed to be invalid.

6.8. Challenges to Calculation of Workweeks and Pay Periods. Each Class Member shall have until the Response Deadline to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via email or mail. The Administrator will ask the challenging Class Member to submit supporting documentation. For these challenges, Defendant's records will be presumed accurate. If a Class Member disputes Defendant's records, he or she will have the burden of proof to establish otherwise with documentary evidence. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel for their response, if any, prior to the Administrator's determination of the challenges.

6.9. Objections to Settlement.

6.9.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

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6.9.2 Participating Class Members may send written objections to the Administrator, by mail or e-mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline. The written objection should state the Participating Class Member's name and address and describe the reason(s) why the Participating Class Member objects to the Settlement and include or attach any documents upon which the objection is based.

6.9.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

6.10. No Solicitation. The Parties and their counsel agree that they will not solicit, encourage, counsel, or advise any individual to opt out of or object to the Settlement.

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

6.11.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Agreement; Motion for Preliminary Approval; the Preliminary Approval Order; the Class Notice; the Motion for Final Approval; the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment; the Final Approval Order; and the Judgment. The settlement website will have the URL www.CortezDuarteClassActionSettlement.com, or a substantially similar URL subject to the Parties' approval, and the website will only remain available until 30 days after the Effective Date at which time it will be taken down by the Administrator. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

6.11.2 Weekly Reports. The Administrator will, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether

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valid or invalid) received, written objections received, and challenges to Workweeks and/or Pay Periods received and/or resolved. The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and written objections received.

6.11.3 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid and invalid), and the number of written objections. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

6.11.4 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Plaintiff is responsible for filing the Administrator's declaration in Court.

6.11.5 Nullification of Settlement. Defendant shall have the sole right to void this Agreement and withdraw from this Settlement if: (a) within fourteen (14) calendar days after expiration of the Response Deadline Defendant exercises its option because more than seven and one-half percent (7.5%) of the Class Requests Exclusion from this Settlement; (b) the Court does not issue an order releasing all of the Released Class Claims, or does not approve the release of all of the Released PAGA Claims, or otherwise makes an order inconsistent with the Settlement's material terms concerning the releases or consideration, including but not limited to requiring Defendant to pay more than the Gross

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Settlement Amount (excluding any employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments) unless such additional payment is pursuant to Paragraph 3.2; or (c) Plaintiff or Class Counsel materially breach this Agreement. If Defendant nullifies the settlement under (a), it will pay administration costs to date; if Plaintiff or Class Counsel materially breach this Agreement, they will pay administration costs to date; otherwise, the Parties will split the costs.

6.11.6 Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Actions, except such proceedings necessary to implement and complete the Settlement. Further, without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

7. **MOTION FOR FINAL APPROVAL.**

7.1. Motion for Final Approval. Class Counsel will be responsible for drafting the Motion for Final Approval that includes a request for approval of the PAGA portion of the settlement under Labor Code section 2699, and approval of the requested Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment to be heard at the Final Approval Hearing. Plaintiff will provide the draft Motion for Final Approval and supporting papers to Defendant for its review and comment at least seven days before filing. The Parties will jointly prepare any proposed order granting final approval. Plaintiff shall request that the Court schedule the Final Approval Hearing no earlier than thirty (30) days after the expiration of the Response Deadline. Class Counsel will file the Motion before the calendared Final Approval Hearing in accordance with the timing required by Code of Civil Procedure section 1005.

7.2. Response to Objections. Each Party retains the right to respond to any objection raised to the Settlement, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

7.3. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval, except that if the Court conditions Final Approval in any fashion that would require Defendant to pay more

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than the Gross Settlement Amount (excluding any employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments) unless such additional payment is pursuant to Paragraph 3.2, Defendant shall have the right to void the Agreement. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment or to order a different allocation from the Gross Settlement Amount for the PAGA Payment shall not constitute a material modification to the Agreement.

7.4. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Actions, and the Settlement pursuant to Code of Civil Procedure section 664.6 and California Rules of Court, Rule 3.769 solely for purposes of: (a) enforcing this Agreement and/or Judgment; (b) addressing settlement administration matters; and (c) addressing such post-Judgment matters as are permitted by law.

7.5. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If a Class Member appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

7.6. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, except that if the appellate court conditions Final Approval in any fashion that would require Defendant to pay more than the Gross Settlement Amount (excluding any employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments) unless such additional payment is pursuant to Paragraph 3.2, Defendant shall have the right to void the Agreement. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative

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Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

7.7. Amended Judgment. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

8. **SETTLEMENT FUNDING AND PAYMENTS.**

8.1. Funding of Gross Settlement Amount. Defendant will fully fund the Gross Settlement Amount, and also the amounts necessary to fully pay Defendant's share of payroll taxes on the Wage Portion of each Participating Class Member's Individual Class Payment, by the later of thirty (30) calendar days after the Administrator provides all information necessary for Defendant to transfer funds to a QSF, including the amount of payroll taxes to be paid by Defendant, or thirty (30) calendar days after the Effective Date.

8.2. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

8.3. Payments to the Participating Class Members and PAGA Representative Group.

8.3.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all PAGA Group Members including Non-Participating Class Members who qualify as PAGA Group Members (including those for whom Class Notice was returned undelivered).

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The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment.

8.3.2 The Administrator must conduct a Class Member Address Search for all Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

8.4. Uncashed Checks. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member or PAGA Group Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

9. **ADDITIONAL PROVISIONS.**

9.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Actions have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval or Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class and to contest whether any PAGA claims can proceed or be tried on a representative basis for any reasons, and Defendant reserves all available defenses to the claims in the Actions. Similarly, Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or

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effectuate the Settlement and this Agreement).

9.2. No Press. The Parties agree that they will not, and will direct their counsel not to, issue a press release or otherwise issue any advertising related to this Settlement, or hold any press conferences or initiate contact with a member of the press, including on social media or any website, about this case and/or the fact, amount or terms of the Settlement. If the Parties are contacted by the press about the Settlement, they will respond only that "the matter was resolved," or words to that effect. Nothing in this paragraph shall prevent Class Counsel from communicating with the Class Members, the LWDA, or the court in which the Action is pending, as may be required to carry out the terms of this Settlement and/or fulfill their ethical responsibilities under the Settlement and to their respective clients, except that Class Counsel may put publicly available information about the Settlement in any description of their experience or the like in order to describe their experience to a court.

9.3. Confidentiality Prior to Preliminary Approval. The Parties separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter if there is such a matter; (3) in response to a court order or subpoena; or (4) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. The Parties separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

9.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party except with respect to Plaintiff's separate confidential, individual agreement with Defendant in which Plaintiff, in exchange for monetary consideration, will release

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any and all claims relating to or arising from Plaintiff's relationship with Defendant or any other Released Party.

9.5. Attorney Authorization. The Parties separately warrant and represent that they have authorized their respective Counsel to take all appropriate action required or permitted to be taken pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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

9.7. Privacy of Documents and Information. The Parties agree that none of the documents and information provided to Plaintiff and Class Counsel by Defendant in connection with the Action and this Settlement shall be used for any purpose (including in any other litigation) other than this Settlement of the Actions, and that any materials obtained for purposes of mediation shall be subject to all applicable privileges and restrictions.

9.8. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement. Class Counsel further represents and warrants that Class Counsel does not currently represent any other current or former employee of Defendant in connection with any dispute or potential dispute with Defendant.

9.9. No Tax Advice. 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 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for

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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.

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

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

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

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

9.14. Severability. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable. Should the Court deem any clause or provision of this Agreement to be invalid, illegal, or unenforceable, it shall first attempt to modify or reform it as minimally necessary to be valid, lawful, and enforceable.

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

9.16. Use and Return of Class Information. The Class Data shall not be disclosed to Class Counsel except as provided in Paragraph 6.1. Any other information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of any other confidential Class information provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection

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with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class information received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class information.

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

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

9.19. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after receipt, addressed as follows:

To Plaintiff:

Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
Jeffrey D. Klein, Esq.
Chloe J. Sykes, Esq.
Stephen M. Sloane, Esq.
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Blvd., Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
jklein@lelawfirm.com
csykes@lelawfirm.com
ssloane@lelafirm.com

To Defendant:

MORGAN, LEWIS & BOCKIUS LLP
Lincoln O. Bisbee
John S. Battenfeld
Samuel S. Sadeghi
300 South Grand Avenue
Twenty-Second Floor
Los Angeles, CA 90071-3132
Tel: +1.213.612.2500
Lincoln.bisbee@morganlewis.com
john.battenfeld@morganlewis.com
sam.sadeghi@morganlewis.com

9.20. Execution in Counterparts. This Agreement may be executed in one or more counterparts including execution electronically (i.e., DocuSign), which for purposes of this Agreement shall be accepted as an original. All executed

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counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterparts will be admissible in evidence to prove the existence and contents of this Agreement.

9.21. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 12/16/2025

ROCIO CORTEZ-DUARTE

RocioCortez

Dated: ___________________

BAY CENTER FOODS, LLC

____

Name: _______________________________

An authorized signatory

APPROVED AS TO FORM ONLY:

Dated: 12/16/2025

LAVI & EBRAHIMIAN, LLP

____

Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
Jeffrey D. Klein, Esq.
Chloe J. Sykes, Esq.
Stephen M. Sloane, Esq.
Attorneys for ROCIO CORTEZ-DUARTE, on behalf of herself and all others similarly situated

Dated: ___________________

MORGAN, LEWIS & BOCKIUS, LLP

____

Lincoln O. Bisbee
John S. Battenfeld
Samuel S. Sadeghi
Attorneys for Defendant BAY CENTER FOODS, LLC

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counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterparts will be admissible in evidence to prove the existence and contents of this Agreement.

9.21. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: ________________ **ROCIO CORTEZ-DUARTE**

____

Dated: 12/12/2025 | 1:54 PM PST **BAY CENTER FOODS, LLC**

Signed by:
Mike Hazelton
3EFA0A6021D2424...

Name: Mike Hazelton

An authorized signatory

APPROVED AS TO FORM ONLY:

Dated: ________________ **LAVI & EBRAHIMIAN, LLP**

____

Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
Jeffrey D. Klein, Esq.
Chloe J. Sykes, Esq.
Stephen M. Sloane, Esq.
Attorneys for ROCIO CORTEZ-DUARTE, on behalf of herself and all others similarly situated

Dated: December 16, 2025 **MORGAN, LEWIS & BOCKIUS, LLP**

John S Battenfeld

Lincoln O. Bisbee
John S. Battenfeld
Samuel S. Sadeghi
Attorneys for Defendant BAY CENTER FOODS, LLC

COURT APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Rocio Cortez Duarte v. Bay Center Foods, LLC | Case No. 25STCV02830

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class and representative action lawsuit entitled *Rocio Cortez Duarte v. Bay Center Foods, LLC* ("Action"), originally Case Nos. 25STCV02830 ("Class Action") and 25STCV10423 ("PAGA Action"), now combined in the Action as Case No. 25STCV02830, alleging wage and hour violations under California law and civil penalties. The Class Action and PAGA Action were filed by a former employee, Rocio Cortez-Duarte ("Plaintiff") against Bay Center Foods, LLC ("Defendant" or the "Company"). Plaintiff and Defendant have proposed that the Court, for settlement purposes only, create a Class and a PAGA Group and approve a settlement of the Actions that would result in the payment of (1) back wages and other relief for a class of any and all non-exempt employees of Defendant who worked during the "Class Period" (defined as the period from January 31, 2021 to December 31, 2025) (the "Class Members") and (2) civil penalties under the California Private Attorney General Act ("PAGA") for all non-exempt employees of Defendant who worked during the "PAGA Period" (defined as the period from February 3, 2024 to December 31, 2025) (the "PAGA Group Members").

A copy of the Settlement proposed by Plaintiff and Defendant and preliminarily approved by the Court is available at www.CortezDuarteClassActionSettlement.com. All capitalized terms in this Notice are defined in the Settlement. Some of those definitions are repeated here.

The proposed Settlement has two main parts: (1) settlement of the Released Class Claims for which the Company has agreed to fund Individual Class Payments, and (2) settlement of the Released PAGA Claims for which the Company has agreed to fund Individual PAGA Payments and the LWDA PAGA Payment, the last of which will be paid to the California Labor and Workforce Development Agency ("LWDA").

Based on the Company's records, and the Administrator's current calculations, **your Individual Class Payment is estimated to be $___________ (less withholding) and your Individual PAGA Payment is estimated to be $___________**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to the Company's records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.)

The above estimates are based on the Company's records showing that **you worked ___________ Workweeks** during the Class Period and **you worked ___________ Pay Periods** during the PAGA Period. If you believe that you worked more Workweeks or Pay Periods during either period, you can submit a challenge by the deadline date. See Section **5** of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that authorizes the Administrator to make payments from the Qualified Settlement Fund funded by the Company under the Settlement and requires Participating Class Members and PAGA Group Members to give up their rights to assert certain claims against the Company.

The Company will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

Do Nothing and Participate in the Settlement	If you do nothing, you will be a "Participating Class Member," (defined as Class Members who do not opt out of the class action portion of the Settlement), and you will be eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert any claims against the Company that are covered by this Settlement (Released Class Claims and Released PAGA Claims).
Opt Out of the Class Action Portion of the Settlement (but not the PAGA Portion of the Settlement) **The Opt-Out Deadline is ___________**	If you do not want to fully participate in the Settlement, you can opt out of only the class action portion of the Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **7** of this Notice. You cannot avoid settlement of the Released PAGA Claims if the Court enters Final Approval of the Settlement. The Administrator will send Individual PAGA Payments to all PAGA Group Members, and all PAGA Group Members will give up their rights to pursue Released PAGA Claims.
Participating Class Members Can Object to Only the Class Action Portion of the Settlement (but not the PAGA Portion of the Settlement) **Written Objections Must be Submitted by ___________**	All Participating Class Members can object to any aspect of only the class action portion of the Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section **8** of this Notice.

Participate in the ____________ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on ____________. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Class Settlement at the Final Approval Hearing. See Section **9** of this Notice.
Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by ____________**	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depends on how many Workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Workweeks during the Class Period and the number of PAGA Pay Periods you worked according to the Company's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by ____________. See Section **5** of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff, a former employee of the Company, filed the Class Action, alleging the Company violated California law by failing to pay overtime wages, minimum wages, wages due upon termination, timely payment of wages, and failing to provide compliant meal and rest periods, complete and accurate, itemized wage statements, and reimbursement for necessary work-related expenses. Based on the same claims, Plaintiff also filed the PAGA Action, asserting a representative action for civil penalties under the PAGA.

The Company denies Plaintiff's claims and contends that it complied with all applicable laws, including but not limited to paying all of its employees properly and providing them with all required breaks. The Company entered into the Settlement solely for purposes of avoiding the risk, uncertainty, and expenses of litigation.

This Settlement is the result of good-faith, arms-length negotiations between Plaintiff and Defendant, through their respective attorneys, with the assistance of a neutral mediator. Plaintiff and Defendant agree that in light of the risks and expense associated with continued litigation, this Settlement is fair, adequate, and reasonable.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination whether the Company or Plaintiff is correct on the merits. Plaintiff and the Company hired an experienced, neutral mediator in an effort to resolve the Actions by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation, with no admission or finding of liability or wrongdoing by the Company. The negotiations were successful. By signing a written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and the Company have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, the Company does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) the Company has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims, the strength of the Company's defenses to those claims, and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and PAGA Group Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

a. <u>The Company Will Pay $470,250,00 as the Gross Settlement Amount</u>. Subject to the Court's Final Approval, the Company has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement after the Effective Date. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments, employee-side taxes on the Wage Portion of the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and the LWDA PAGA Payment. Assuming the Court grants Final Approval, the Company will transfer the Gross Settlement Amount funds to the QSF by the later of 30 calendar days after the Effective Date of the Settlement or 30 calendar days after the Administrator provides all information necessary for the Company to fund the QSF.

b. <u>Court Approved Deductions from Gross Settlement Amount</u>. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

   i. Up to $164,587.50 (Thirty-Five Percent of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to $20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Actions without payment.

   ii. Up to $7,500 as a payment to Plaintiff (called the "Class Representative Service Payment") for filing the Actions, working with Class Counsel and representing the Class. The Class Representative Service Payment will be the only monies Plaintiff will receive under this Settlement other than Plaintiff's Individual Class Payment and any Individual PAGA Payment, but Plaintiff and the Company have also entered into a separate, confidential, individual settlement agreement as to other potential individual claims by Plaintiff that are not part of the Actions (see Section **4**).

iii. Up to $7,000 to the Administrator for services administering the Settlement.

iv. Up to $50,000.00 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the PAGA Group Members based on their PAGA Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

c. Net Settlement Amount Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the Net Settlement Amount by making Individual Class Payments to Participating Class Members based on the number of their Workweeks during the Class Period.

d. Taxes Owed on Payments to Class Members. The Settlement shall be broken down as follows: 30% ("Wage Portion") of each Individual Class Payment to taxable wages and 70% ("Non-Wage Portion") to penalties and interest. The Wage Portion is subject to withholding and will be reported by the Administrator on an I.R.S. Form W-2 for each Participating Class Member. The Company will separately fund the employer-side payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report on an I.R.S. Form 1099 the Individual PAGA Payments for each PAGA Group Member if required by applicable tax law and the Non-Wage Portion of the Individual Class Payment to each Participating Class Member.

Although Plaintiff and the Company have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

e. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check are sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

f. Requests for Exclusion from the Class Action Portion of the Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the class action portion of the Settlement, unless you notify the Administrator with a written and signed Request for Exclusion sent by U.S. mail, not later than ____________ (the "Response Deadline") that you wish to opt out. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class

Member's name, present address, email address or telephone number, and a simple statement electing to be excluded from the Settlement, and it must be postmarked by the Response Deadline. If you submit a timely and valid Request for Exclusion, you will be a Non-Participating Class Member and will not receive an Individual Class Payment but will preserve your right to personally pursue wage and hour claims (except for Released PAGA Claims) against the Company.

g. You cannot opt out of settling any Released PAGA Claims. Non-Participating Class Members will still receive an Individual PAGA Payment, if eligible for one, and will be bound by the PAGA-related terms of the Settlement, including the Released PAGA Claims per Paragraph 1.45 (a duplicate of which is in Section **3(k)** below) and Paragraph 4.3 of the Settlement.

h. <u>The Proposed Settlement Will be Void if the Court Denies Final Approval</u>. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and the Company have agreed that, in either case, if the Parties cannot revise the terms of the Settlement and obtain approval, the Settlement will be void, meaning the Company will not pay any money, there will be no Class, and you will not release any claims against the Company.

i. <u>Administrator</u>. The Court has appointed a neutral company, ILYM Group, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges over Workweeks during the Class Period or Pay Periods during the PAGA Period, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section **10** of this Notice.

j. <u>Participating Class Members' Release</u>. After the Judgment is final and the Company has fully funded the Gross Settlement Amount and separately funded the QSF with an amount calculated by the Administrator as needed to pay the employer-side payroll taxes on the Wage Portion of each Participating Class Member's Individual Class Payment, all Participating Class Members, including Plaintiff, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, will fully and finally release and discharge the "Released Parties" from the Released Class Claims" as those terms are defined in the Settlement and repeated below.

"Released Parties" means with respect to the Company, the following, either collectively or individually: any and all direct and indirect parent companies and subsidiary companies, and companies under common control with any of the foregoing, and its and their respective agents, servants, exempt employees, partners, shareholders, members, owners, predecessors, advisors, managers, trustees, representatives, officers, directors, attorneys, insurers, successors and assigns, and all persons and entities acting by, through, under, or in concert with them, or any of them.

"Released Class Claims" means any and all claims based on or arising out of the same facts and allegations in any of the complaints filed in the Class Action, and including all claims that were pled or reasonably could have been pled based on the facts and allegations in the Class Action during the Class Period. This includes but is not limited to claims for: (1) failure to pay wages for all hours worked at minimum wage in violation of Labor Code sections 1194 and 1197 and the applicable Wage Order(s); (2) failure to pay overtime wages for daily, weekly, and seventh-day overtime worked and/or overtime wages at the proper overtime rate of pay in violation of Labor Code sections 510, 1194, and 1198 and the applicable Wage Order(s) ; (3) failure to authorize or permit meal periods in violations of Labor Code sections 512 and 226.7 and the applicable Wage Order(s); (4) failure to authorize or permit rest periods in violations of Labor Code section 226.7 and the applicable Wage Order(s); (5) failure to indemnify employees for employment-related losses/ expenditures in violation of Labor Code Section 2802; (6) failure to provide complete and accurate wage statements in violation of Labor Code section 226; (7) failure to timely pay all earned wages during employment and final paychecks due at time of separation of employment in violation of Labor Code sections 201, 202, 203 and 204; (8) unfair business practices, in violation of business and professions code sections 17200 *et. Seq.;* and all claims for interest, penalties, attorneys' fees, costs and any other monetary relief based upon the claims described above and including, but not limited to, pursuant to Labor Code §§ 210, 218.5, 218.6, Code of Civil Procedure §1021.5, and/or Civil Code §§ 3287(b) and 3289, and related claims that could have been asserted under the Fair Labor Standards Act, costs, attorneys' fees, injunctive relief, declaratory relief, or accounting that accrue during the Class Period.

k. <u>PAGA Group Members' PAGA Release</u>. After the Judgment is final, and the Company has fully funded the Gross Settlement Amount, all PAGA Group Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the "Released PAGA Claims," as defined in the Settlement and repeated below.

"Released PAGA Claims" means all claims for civil penalties under PAGA asserted in any of the complaints filed in the PAGA Action, as well as the PAGA Notice sent by Plaintiff to the LWDA in connection with the PAGA Action during the PAGA Period, and all claims that could have been asserted in the PAGA Action based on the same alleged facts, including but not limited to claims for penalties based on violations of the California Labor Code and IWC Wage Orders for: (1) failure to pay wages for all hours worked at the legal minimum wage; (2) failure to pay wages for overtime hours worked at the overtime rate of pay and/or failure to pay overtime wages at the proper rate of pay; (3) failure to pay wages to hourly non-exempt employees for workdays that Defendant failed to provide legally required and compliant meal periods and/or failure to pay meal period premium wages; (4) failure to pay wages to hourly non-exempt employees for workdays that Defendant failed to provide legally required and compliant rest periods and/or failure to pay rest period premium; (5) failure to indemnify for losses and expenditures incurred as part of employment; (6) failure to timely pay earned wages during employment; (7) secret payment of lower wages than designated by statute; (8) failure to provide complete and accurate wage statements; (9) failure to pay employees all wages due at time of termination/resignation; (10) violations of Labor Code sections 201, 202, 203, 204, 223, 226(a), 226.7, 246, 510, 512, 1194, 1197, 1198, 2802 and the applicable Wage Orders.

4. DO PLAINTIFF AND DEFENDANT HAVE ANY OTHER AGREEMENTS?

Separate from the releases described above, Plaintiff and Defendant have entered into a confidential, individual agreement in which Plaintiff, in exchange for monetary consideration that is separate and apart from the consideration for this Settlement, expressly agrees to fully, finally, and forever settle and release any and all claims not covered by the releases contained in this Agreement, known or unknown, suspected or unsuspected, that she may have against the Released Parties, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant or her termination.

5. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

a. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of each Participating Class Member's Workweeks.

b. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $17,500.00 by the total number of PAGA Pay Periods worked by all PAGA Group Members during the PAGA Period, and (b) multiplying the result by the number of each PAGA Group Member's PAGA Pay Periods.

c. Workweek/Pay Period Challenges. The number of Workweeks and the number of PAGA Pay Periods you worked, as recorded in the Company's records, are stated on the first page of this Notice. You have until __________ to challenge the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail or email. Section **10** of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept the Company's calculation of Workweeks and/or PAGA Pay Periods based on the Company's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or PAGA Pay Period challenges based on your submission and on input from both Class Counsel and the Company's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

6. HOW WILL I GET PAID?

a. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who does not opt out) including those who also qualify as PAGA Group Members. The single check will combine the Individual Class Payment and the Individual PAGA Payment (if any).

b. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Non-Participating Class Member.

Your check will be sent to the same address as in this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 10 of this Notice has the Administrator's contact information.

7. HOW DO I OPT OUT OF THE CLASS ACTION PORTION OF THE SETTLEMENT?

Submit a written and signed letter by the Response Deadline with your name, present address, telephone number or email address, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you from the class action portion of the Settlement based on any writing clearly communicating your request be excluded from the *Rocio Cortez Duarte v. Bay Center Foods, LLC* Settlement that is personally signed by you and includes your identifying information (full name, address, and telephone number or email address). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must receive your request to be excluded, postmarked by ___________, or it will be invalid. Section **10** of the Notice has the Administrator's contact information.

8. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. This means that if you opt out of the Settlement, you cannot object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and the Company are asking the Court to approve. At least 16 court days before ___________, which is the date of the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Class Representative Service Payment stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 10 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website ___________ or the Court's website ___________.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Class Representative Service Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections by U.S. mail or email to the Administrator is the Response Deadline, ___________, which means the objection must be postmarked, if sent by U.S. mail, or time-stamped, if sent by email, by the Response Deadline. Be sure to tell the Administrator what you object to and why you object, and include or attach any facts or documents that support your objection. Make sure you identify the Action *Rocio Cortez Duarte v. Bay Center Foods, LLC*, include your name and current address, and sign the objection. Section **10** of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section **9** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

9. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on __________ at ____________ in Department 10 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comments from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (https://www.lacourt.org/lacc/). Check the Court's website for the most current information.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website (____________) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

10. HOW CAN I GET MORE INFORMATION?

The settlement agreement sets forth everything the Company and Plaintiff have promised to do under the Settlement. The easiest way to read the settlement agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at ____________. You can also call or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to http://www.lacourt.org/casesummary/ui/index.aspx) and entering the Case Number for the Action, Case No. 25STCV02830. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

The Contact information for the Settlement Administrator is as follows:

Email Address:
Mailing Address:
Telephone:

The addresses for the Parties' counsel are as follows:

Class Counsel	Counsel for Defendant
Joseph Lavi Vincent C. Granberry Stephen M. Sloane Lavi & Ebrahimian, LLP 8889 W. Olympic Blvd., Suite 200 Beverly Hills, CA 90211 Tel.: (310) 432-0000 Fax: (310) 432-0001 E-Mail: jlavi@lelawfirm.com vgranberry@lelawfirm.com ssloane@lelawfirm.com	Lincoln O. Bisbee John S. Battenfeld Samuel S. Sadeghi Morgan, Lewis & Bockius LLP 300 South Grand Avenue, Twenty-Second Floor Los Angeles, CA 90071-3132 Tel: +1.213.612.2500 sam.sadeghi@morganlewis.com

11. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check became void before you cashed it, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

12. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.