

John G. Yslas (SBN 187324)
jyslas@wilshirelawfirm.com
Jeffrey C. Bills (SBN 301629)
jbills@wilshirelawfirm.com
Aram Boyadjian (SBN 334009)
aboyadjian@wilshirelawfirm.com
Andrew Sandoval (SBN 346996)
andrew.sandoval@wilshirelawfirm.com

WILSHIRE LAW FIRM

3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SUTTER**

ISMAEL VILLEGAS-SANCHEZ, individually,
and on behalf of all other aggrieved persons,

Plaintiff,

v.

COE ORCHARD EQUIPMENT, INC., a
California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: CVCS22-0002261

CLASS ACTION

*[Assigned for all purposes to Hon. Perry
Parker, Dept. 1]*

**DECLARATION OF JOHN G. YSLAS IN
SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

*[Filed with the Notice of Motion and Motion for
Preliminary Approval, Declaration of Plaintiff
Villegas-Sanchez, and Proposed Order]*

PRELIMINARY APPROVAL HEARING

Date: April 29, 2024

Time: 9:00 a.m.

Judge: Hon. Perry Parker

Dept: 1

Complaint Filed: August 1, 2023

Trial Date: Not set

DECLARATION OF JOHN G. YSLAS

I, John G. Yslas, declare as follows:

1. I am admitted, in good standing, to practice as an attorney in the State of California, the Ninth Circuit Court of Appeals, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. I am a Senior Partner at Wilshire Law Firm, PLC, counsel of record for Plaintiff Ismael Villegas-Sanchez (“Plaintiff”). I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness. This Declaration is submitted in support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement.

CASE BACKGROUND

2. This is a wage and hour class and Labor Code Private Attorneys General Act (“PAGA”) (Cal. Lab. Code §§ 2699, *et seq.*) representative action. Plaintiff and putative class members worked in California as hourly-paid or non-exempt employees for COE Orchard Equipment, Inc. (“Defendant”) during the class period. Defendant is based in Sutter County, California and operates a factory where is manufactures equipment to harvest tree fruit, nuts and olive crops.

3. Plaintiff alleges that Defendant’s wage and hour practices resulted in Labor Code violations. Plaintiff alleges that Defendant failed to provide legally required meal and rest breaks and failed to pay for all hours worked. Plaintiff further alleges that Defendant failed to provide employees with legally compliant meal and rest periods, and Defendant failed to reimburse business expenses. Based on these allegations, Plaintiff asserts related claims for failure to provide accurate wage statements, failure to pay all final wages at termination, unfair business practices, and civil penalties under PAGA.

4. Plaintiff sent a notice to Defendant and the California Labor & Workforce Development Agency (“LWDA”) alleging similar wage and hour violations pursuant to the PAGA (Labor Code §§ 2699, *et seq.*) on March 23, 2023. On December 30, 2022, Plaintiff commenced this Action by filing the class action Complaint in Sutter County Superior Court,

Case No. CVCS22-0002261, alleging causes of action against COE for failure to pay minimum and straight time wages, failure to pay overtime wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to timely pay final wages at termination, failure to provide accurate itemized wage statements, and unfair business practices. On August 1, 2023, Plaintiff filed the PAGA representative Action in Sutter County Superior Court, Case No. CVCS23-0001484, seeking civil penalties stemming from Defendant’s failure to pay for all hours worked (minimum, straight, and overtime wages), failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages, failure to furnish accurate wage statements, failure to indemnify employees for expenditures, and failure to produce requested employment records. Defendant will stipulate to the consolidation of the PAGA action and the class action, with the class action as the lead case, for the purpose of having the Settlement filed in one combined action. Both the class action and PAGA representative action Complaints are the operative complaints in the Action (the “Operative Complaints”).

DISCOVERY AND INVESTIGATION

5. Following the filing of the Complaint, the Parties exchanged documents and information before mediating this action. Prior to mediation, Plaintiff obtained, through informal discovery, personnel records pertaining to Plaintiff; class data including total number of current and former hourly paid and non-exempt employees during the statutory period; total number of workweeks and pay periods; average and median hourly rates of pay; all timekeeping and payroll records for Class Members; employee handbooks; and other wage and hour policy documents.

6. After reviewing documents regarding Defendant’s wage and hour policies and practices, and analyzing Defendant’s timekeeping and payroll records, Class Counsel was able to evaluate the probability of class certification, success on the merits, and Defendant’s maximum monetary exposure for all claims. Class Counsel also investigated the applicable law

1 regarding the claims and defenses asserted in the Litigation. Class Counsel reviewed these
2 records and utilized an expert to prepare a damages analysis prior to mediation.

3 SETTLEMENT NEGOTIATIONS

4 7. On August 4, 2023, the parties participated in private mediation with experienced
5 class action mediator Russ J. Wunderli. The settlement negotiations were at arm's length and,
6 although conducted in a professional manner, were adversarial. The Parties went into the mediation
7 willing to explore the potential for a settlement of the dispute, but each side was also prepared to
8 litigate their position through trial and appeal if a settlement had not been reached.

9 8. After extensive negotiations and discussions regarding the strengths and
10 weaknesses of Plaintiff's claims and Defendant's defenses, the Parties were able to reach a
11 resolution, the material terms of which are encompassed within the Settlement Agreement. Attached
12 as **Exhibit 1** is a true and correct copy of the Class Action and PAGA Settlement Agreement
13 and Class Notice ("Settlement Agreement").

14 9. The Parties used the Los Angeles Superior Court's Form Class Notice. A true and
15 correct document showing edits the parties made to the template in redline is attached as **Exhibit 2**.

16 10. Class Counsel submitted the proposed Settlement to the LWDA before filing the
17 Motion for Preliminary Approval. A true and correct copy of the confirmation of this submission is
18 attached as **Exhibit 4**.

19 11. I caused my office to request a bid from ILYM Group, Inc., an experienced class
20 action settlement administrator, to handle the responsibilities of the Settlement Administrator under
21 this Settlement. Plaintiff accepted the bid of ILYM Group, Inc ("ILYM"). ILYM has multiple
22 years of experience in the field of Class Action Administration, particularly in the wage- and-hour
23 arena. In its bid, ILYM agreed to cap its costs at \$8,750.00 if there are 307 class members. ILYM's
24 bid also accounts for Notice in English and Spanish. A true and correct copy of the bid is attached
25 hereto as **Exhibit 3**.

26 12. Plaintiff does not have any interest, financial or otherwise, in the proposed third- party
administrator, ILYM.

///

1 13. No one at Wilshire Law Firm, PLC (meaning the law firm itself and anyone employed
2 at the law firm) has any interest, financial or otherwise, in the proposed third-party administrator,
3 ILYM.

4 14. Wilshire Law Firm, PLC does not have a fee-splitting agreement with any other
5 counsel in this case.

6 15. Class Counsel is not aware of any other pending matter or action asserting claims that
7 will be extinguished or affected by the Settlement.

8 THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

9 16. Class Counsel has conducted a thorough investigation into the facts of this case.
10 Based on the foregoing discovery and their own independent investigation and evaluation, Class
11 Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and is in the best
12 interests of the Settlement Class Members considering all known facts and circumstances, the
13 risk of significant delay, the defenses that could be asserted by Defendant both to certification and
14 on the merits, trial risk, and appellate risk.

15 17. Plaintiff and Defendant have agreed to settle the Lawsuit in exchange for the
16 Gross Settlement Amount of \$450,000.00. The Gross Settlement Amount includes: (1)
17 attorneys' fees of not more than 33 1/3 percent, currently estimated to be in the amount of
18 \$150,000 and reimbursement of reasonable litigation costs and expenses in the amount of up
19 to \$12,500.00 to Class Counsel; (2) Class Representative Service Payment to Plaintiff in the
20 amount of up to \$10,000.00 in addition to his normal disbursement by the administrator under
21 the settlement as a class member; (3) fees and expenses of administration of the Settlement to
22 the Settlement Administrator in an amount not to exceed \$8,750.00; (4) \$20,000.00 to the
23 LWDA for PAGA civil penalties with twenty-five percent (25%) share of the PAGA Penalties
24 to be a part of the Net Settlement Sum that will be distributed to Class Members in the PAGA
25 Group in the amount of \$5,000; and (5) the seventy-five percent (75%) share of PAGA
26 penalties ("LWDA Payment") in the amount of \$15,000.00 to the LWDA. (See Settlement
Agreement generally).

1 18. Based on a comprehensive review of the facts and legal contentions in this case, as
2 well as the documents and information provided by the Defendant, I assessed the maximum exposure
3 for the Defendant. This assessment considered the potential risks associated with the certification of
4 claims and the likelihood of prevailing at trial, even in the event of certification inherent litigation
5 risks persist. Utilizing the data provided by the Defendant, which includes class member
6 timekeeping, payroll records, and class member demographics (such as the number of class
7 members, workweeks, and average total compensation of the class), in conjunction with input from
8 a statistics expert, I developed a damages model to ascertain the realistic range of potential recovery
9 for the class. The damages model was constructed based on the following key metrics derived from
10 the settlement agreement:

- 11 - Total Class Members: 303
- 12 - Terminated Class Members during the 3-year statute: 145
- 13 - Total Workweeks: 28,952
- 14 - Total Shifts Worked by the Class: 152,543
- 15 - PAGA Pay Periods: 4,864
- 16 - Average Hourly Rate: \$18.81

17 19. Based on Plaintiff's discovery and investigation, Class Counsel reached the
18 conclusion that Defendant violated the Labor Code in three significant ways: (1) Defendant failed to
19 pay class members for all hours worked for approximately, on average, five minutes per shift; (2)
20 Defendant had a policy and practice of not providing its employees with California Code-compliant
21 meal periods; and (3) Defendant had a policy and practice of not authorizing and permitting
22 California Code-compliant rest breaks. With the meal periods and rest breaks, Defendant never paid
23 a premium for any meal and rest break violations as required by the California Labor Code.
24 Defendant denied these claims.

25 20. Plaintiff alleges that Defendant failed to compensate for all hours worked,
26 including minimum wages, straight time wages, and overtime wages, by mandating that class
members work off-the-clock without pay. For purposes of calculating Defendant's liability

1 based on a best-case scenario for Plaintiff and the Class, I estimated Defendant's maximum
2 potential exposure by assuming, based on Plaintiff's experience, that four out of five shifts
3 (80%) had an average of five minutes of unpaid wages. I also took into consideration our
4 expert's analysis of Defendant's data evidencing that 91.5% of the shifts were longer than eight
5 hours and therefore eligible for overtime. This results in an estimated potential liability of
6 \$348,504.50 for unpaid wages (calculated as [152,543 shifts * 91.5% eligible for overtime *
7 \$18.81 hourly rate * 1.5 overtime * 5/60 minutes] + [152,543 shifts * 8.5% regular time * \$18.81
8 hourly rate * 5/60 minutes]). However, I discounted this figure by 80% to account for the risks
9 of failing to achieve certification and prevailing on the merits, because liability depends on
10 whether Defendant knew or should have known that class members were working off the clock.
11 This discount yields a realistic damage estimate of \$69,700.

12 21. With respect to the meal period claim, Plaintiff alleges that Defendant required
13 him and similarly situated class members to either work in lieu of taking meal periods, or their
14 meal periods were untimely or interrupted. Based on our investigation and the data from
15 Defendant, Plaintiff's expert determined that 7.1% of all shifts had a meal period violation. As
16 such, potential liability for the meal period claim is \$203,723 (calculated as 152,543 total shifts
17 * 7.1% * \$18.81 hourly rate for premium owed). However, I discounted this figure by 80% to
18 account for the difficulty in certifying and proving individual meal period claims, as well as
19 Defendant's contention that the claim lacks merit resulting in a realistic damage estimate for
20 meal period violations is \$40,745.

21 22. With respect to the rest period claim, Plaintiff alleges that Defendant required them
22 and similarly situated class members to work in lieu of taking rest periods, or their rest periods were
23 untimely or interrupted. Conservatively assuming an 80% violation rate for the class period based
24 on Plaintiff's personal experience, Defendant's potential liability for the rest period claim is
25 \$2,295,467 (calculated as 152,543 total shifts * 80% * \$18.81 average hourly rate for premium
26 owed); however, I discounted this figure by 90% to account for the particular difficulty of certifying
and proving rest period claims since the law does not mandate that they be recorded, and to account

1 for the possibility of class members voluntarily choosing to forego rest period, yielding a realistic
2 damage estimate for rest period violations is \$229,547.

3 23. In summary, I estimated that Defendant's maximum possible exposure for the
4 off-the-clock claim, meal period violations, and rest period violations is \$2,857,857 (calculated
5 as \$358,667 in unpaid wages + \$203,723 for meal period violations + \$2,295,467 for rest break
6 violations), but after factoring in the risk and uncertainty of prevailing at certification and trial,
7 I discounted each category by either 80% or 90% for Plaintiff's realistic estimated recovery for
8 the non-penalty claims is \$342,025 (\$71,733 for unpaid wages + \$40,745 for meal period
9 violations + \$229,547 for rest break violations).

10 24. With respect to Plaintiff's claims for statutory and civil penalties, Plaintiff
11 estimates that Defendant's realistic potential liability is \$166,133.21, which accounts for
12 waiting time penalties pursuant to Labor Code section 203, inaccurate wage statement penalty
13 pursuant to Labor Code section 226, and Labor Code Private Attorney General Act ("PAGA")
14 penalties pursuant to Labor Code section 2699. Defendant's maximum exposure for waiting
15 time penalties is \$728,233.50 (assuming 8.6 average hours per day at \$18.81 average rate per
16 hour [8 hours at \$18.81 and 0.6 hours at x1.5 OT rate = \$167.41 per day] x 30 days = \$5,022.30
17 x 145 terminated employees). Defendant's maximum exposure for inaccurate wage statements
18 is \$471,250 (calculated as (303 class members x \$50 for the first violations = \$15,150, with a
19 \$4,000 employee maximum). Defendant's maximum exposure for PAGA penalties is \$486,400
20 (based on a \$100 penalty for initial violations for all 4,864 pay periods within the one-year
21 statute). Thus, Defendant's maximum exposure for statutory and civil penalties is
22 \$1,661,332.10. However, it is unlikely that the Court would award the full \$1,661,332.10 in
23 penalties. Defendant's defenses, the contested nature of Plaintiff's claims, and the discretionary
24 nature of penalties necessitates a discount of the penalties to ascertain a realistic estimate of
25 Plaintiff's recovery. Considering that the underlying claims are realistically estimated to be
26 \$395,612.98, an award of \$1.66 million in penalties would also raise due process concerns.
Weighing these factors and applying a discount of 90% to account for the risk of certification,

1 the uncertainty of trial, and due process concerns, the realistic potential liability for statutory
2 and civil penalties is \$166,133 (calculated as 10% of \$1,661,332).

3 25. Using these estimated figures, class counsel estimated that Plaintiff's realistic
4 maximum recovery for all claims, including penalties, would be \$508,158 (calculated as
5 \$71,733 for off-the-clock hours + \$40,745 for meal period violations + \$229,547 for rest break
6 violations + \$166,133 for penalties). This means that the \$450,000 settlement figure represents
7 88.6% of the realistic maximum recovery ($\$450,000 / \$508,158 = 88.6\%$). Considering the risk
8 and uncertainty of prevailing at class certification and at trial, this is an excellent result for the
9 Class. Indeed, because of the proposed Settlement, class members will receive timely,
10 guaranteed relief and will avoid the risk of an unfavorable judgment.

11 26. While Plaintiff is confident in the merits of his claims, a legitimate controversy
12 exists as to each cause of action. Plaintiff also recognizes that proving the amount of wages
13 due to each Class Member would be an expensive, time-consuming, and uncertain proposition.

14 27. This Settlement avoids the risks and the accompanying expense of further
15 litigation. Although the Parties had engaged in a significant amount of investigation, informal
16 discovery and class-wide data analysis, the Parties had not yet completed formal written
17 discovery. Plaintiff intended to depose corporate officers and managers of Defendant. Moreover,
18 preparation for class certification and a trial remained for the Parties as well as the prospect of
19 appeals in the wake of a disputed class certification ruling for Plaintiff and/or adverse summary
20 judgment ruling. Had the Court certified any claims, Defendant could move to decertify the
21 claims. As a result, the Parties would incur considerably more attorneys' fees and costs through
22 trial.

23 28. The Net Settlement Amount available for Class Member settlement payments
24 is estimated to be \$268,750.00, for a class of 303 persons.¹ As a result, each Settlement

25 ² The Net Settlement Amount is: \$450,000 minus \$150,000 for Class Counsel's attorneys' fees,
26 minus \$12,500 for Class Counsel's Litigation Expenses, minus \$8,750.00 in class administration
costs, minus \$15,000.00 for the PAGA payment, and minus \$10,000.00 for the class representative
service award to Plaintiff.

1 Class Member is eligible to receive an average net payment of approximately \$886.94, before
2 taxes.

3 29. The proposed Settlement of \$450,000.00, therefore, represents a substantial
4 recovery when compared to Plaintiff's reasonably forecasted recovery. When considering the risks
5 of litigation, the uncertainties involved in achieving class certification, the burdens of proof
6 necessary to establish liability, the probability of appeal of a favorable judgment, the settlement
7 amount of \$450,000.00 is well within the "ballpark" of reasonableness, and preliminary settlement
8 approval is appropriate.

9 ENHANCEMENT AWARD FOR PLAINTIFF IS REASONABLE

10 30. Class Counsel represents that Plaintiff devoted a great deal of time and work
11 assisting counsel in the case, communicated with counsel very frequently for litigation and to
12 prepare for mediation, and was frequently in contact with Class Counsel during the mediation.
13 Plaintiff's requested enhancement award is reasonable particularly in light of the substantial
14 benefits Plaintiff generated for all class members.

15 31. Throughout this Litigation, Plaintiff, who is a former employee of Defendant, has
16 cooperated immensely with my office and has taken many actions to protect the interests of the
17 class. Plaintiff provided valuable information regarding the off-the-clock, meal period, and rest
18 period claims. Plaintiff also informed my office of developments and information relevant to this
19 action, participated in decisions concerning this action, made themselves available to answer
20 questions during the mediation, and provided my office with the names and contact information of
21 potential witnesses in this action. Before we filed this case, Plaintiff provided my office with
22 documents regarding the claims alleged in this action. The information and documentation
23 provided by Plaintiff was instrumental in establishing the wage and hour violations alleged in this
24 action, and the recovery provided for in the Settlement Agreement would have been impossible to
25 obtain without Plaintiff's participation.

26 32. At the same time, Plaintiff faced many risks in adding himself as the class
representatives in this matter. Plaintiff faced actual risks with his future employment, as putting

1 himself on public record in an employment lawsuit could also very well affect his likelihood for
2 future employment. Furthermore, as part of this Settlement, Plaintiff is executing a general release
3 of all claims against Defendant.

4 33. In turn, class members will now have the opportunity to participate in a settlement,
5 reimbursing them for alleged wage violations they may have never known about on their own or
6 been willing to pursue on their own. If these class members would have each tried to pursue their
7 legal remedies on their own, that would have resulted in each having to expend a significant amount
8 of their own monetary resources and time, which were obviated by Plaintiff putting himself on the
9 line on behalf of these other class members.

10 34. In the final analysis, this class action would not have been possible without the aid
11 of Plaintiff, who put his own time and effort into this Litigation, sacrificed the value of his own
12 individual claims, and placed himself at risk for the sake of the class members. The requested
13 enhancement award for Plaintiff for his service as the class representative and for his general
14 release of all individual claims is a relatively small amount of money when the time and effort put
15 into the Litigation are considered and in comparison to enhancements granted in other class actions.
16 The requested incentive award is therefore reasonable to compensate Plaintiff for his active
17 participation in this lawsuit.

18 THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

19 35. The Settlement provides for attorney's fees payable to Class Counsel in an amount
20 up to one-third (33 1/3%) of the Settlement Amount, for a maximum fees award of \$150,000, plus
21 actual costs and expenses not to exceed \$12,500.00. The proposed award of attorneys' fees to Class
22 Counsel in this case can be justified under either method – lodestar or percentage recovery. Class
23 Counsel, however, intend to base the proposed award of fees, costs and expenses on the
24 percentage method as many of the entries in the time records will have to be redacted to preserve
25 attorney-client and attorney work product privileges.

26 36. I am informed and believe that the fee and costs provision is reasonable. The fee
percentage requested is less than that charged by my office for most employment cases. My office

1 invested significant time and resources into the case, with payment deferred to the end of the case,
2 and then, of course, contingent on the outcome.

3 37. It is further estimated that my office will need to expend at least another 50 to 100
4 hours to monitor the process leading up to the final approval and payments made to the class. My
5 office also bears the risk of taking whatever actions are necessary if Defendant fails to pay.

6 38. The risk to my office has been very significant, particularly if we would not be
7 successful in pursuing this class action. In that case, we would have been left with no compensation
8 for all the time taken in litigating this case. Indeed, our firm has taken on a number of class action
9 cases that have resulted in thousands of attorney hours being expended and ultimately having
10 certification denied or the defendant company going bankrupt. The contingent risk in these types of
11 cases is very real and they do occur regularly. Furthermore, we were precluded from focusing on,
12 or taking on, other cases which could have resulted in a larger, and less risky, monetary gain.

13 39. Because most individuals cannot afford to pay for representation in litigation on an
14 hourly basis, Wilshire Law Firm, PLC represents virtually all of its employment law clients on a
15 contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless
16 we prevail at trial or successfully settle our clients' cases. Because Wilshire Law Firm, PLC is
17 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or
18 her case, we cannot afford to represent an individual employee on a contingency basis if, at the
19 end of our representation, all we are to receive is our regular hourly rate for services. It is essential
20 that we recover more than our regular hourly rate when we win if we are to remain in practice so
21 as to be able to continue representing other individuals in civil rights employment disputes. While
22 Plaintiff is confident in the merits of his claims, a legitimate controversy exists as to each cause
23 of action. Plaintiff also recognizes that proving the amount of wages due to each Class Member
24 would be an expensive, time-consuming, and uncertain proposition.

25 MY EXPERIENCE AND QUALIFICATIONS

26 40. Wilshire Law Firm, PLC was selected by Best Lawyers and U.S. News & World
Report as one of the nation's Best Law Firms since 2020 and is comprised of more than 55 attorneys

1 and over 400 employees. Wilshire Law Firm, PLC is actively and continuously practicing in
2 employment litigation, representing employees in both individual and class actions in both state and
3 federal courts throughout California.

4 41. Wilshire Law Firm, PLC is qualified to handle this Litigation because its attorneys
5 are experienced in litigating Labor Code violations in both individual, class action, and representative
6 action cases. Wilshire Law Firm, PLC has handled, and is currently handling, numerous wage and
7 hour class action lawsuits, as well as class actions involving consumer rights and data privacy
8 litigation.

9 42. I graduated from the University of California, Santa Barbara with High Honors in
10 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
11 School in 1996.

12 43. Upon graduating from law school in 1996, I worked for a boutique law
13 firm practicing general litigation which included employment law matters. Since 2000 (that is,
14 the last 23 years) my practice has been exclusively focused on labor and employment matters
15 including handling wage and hour class, collective and representative actions (including the
16 California Private Attorneys General Act, or “PAGA”), including in the international law firms
17 of Morgan, Lewis & Bockius LLP (where I was a senior associate), Foley & Lardner LLP
18 (where I was a partner and a national Vice Chair of the Labor and Employment Group), Norton
19 Rose Fulbright LLP (where I was a partner) and Seyfarth Shaw (where I was a partner and
20 member of the Wage and Hour Practice Group). During my time at these law firms, I was the
21 primary attorney or took a major leading role in defending employers on numerous wage and
22 hour class, collective and representative actions.

23 44. In 2022, I left Seyfarth Shaw and joined my current firm, The Wilshire Law
24 Firm, P.C., to represent plaintiff employees. I have been and am handling many wage and hour
25 class and representative actions litigating such matters on behalf of plaintiff employees in
26 numerous Superior Courts and District Courts. From matters representing both plaintiffs
and defendants, I have successfully mediated the resolution of many wage and hour class,
collective, and representative actions. Just since last year after joining Wilshire Law Firm, P.C.

(and thus joining the plaintiff's bar) I have already successfully mediated matters in which I have been counsel or co-counsel resulting in more than \$25.6 million in settlements which are in the process of being finalized, and with numerous upcoming mediations scheduled. In those and numerous other matters, I have managed and assisted with the litigation and settlement of many wage and hour PAGA and class actions. In those actions, I performed similar tasks as those performed in the course of prosecuting this action.

45. I have received numerous awards for my legal work. For example, from 2015 to 2018, I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters). I have also served on numerous prominent boards and in other leadership positions, including currently serving as Southern California Regional President for the Hispanic National Bar Association and on the board of directors of the Mexican American Bar Foundation. I also previously served on the 5-member Los Angeles Civil Service Commission, which generally oversees the personnel decisions for the City of Los Angeles.

46. I have also published numerous blogs on labor and employment issues including on wage and hour issues. For example, I published "Headline News: *Wal-Mart v. Dukes*-Impact on Class Action Litigation" (while a partner with Foley & Lardner LLP) and "Are You Really Protected From Wage-and-Hour Successor Liability in an Asset Purchase" (while a partner with Seyfarth Shaw LLP). I have also been a presenter at numerous conferences, including being a presenter involving the "Employment Law Update" at a National Employment Law Council conference.

47. My current contingent billing rate of \$850.00 per hour is consistent with my practice area, experience including as a former partner in international law firms, numerous awards received, legal market and accepted hourly rates. In the December 8, 2008 article "Billable Hours Aren't the Only Game in Town Anymore," NATIONAL LAW JOURNAL, the following hourly billing rates were reported by Sheppard, Mullin, Richter & Hampton, a leading firm in the defense of wage-and-hour class actions that I opposed when litigating wage-and-hour class actions: Partners: \$475-\$795; Associates: 1st Year - \$275, 2nd Year - \$310, 3rd Year - \$335, 4th Year - \$365, 5th

1 Year - \$390, 6th Year - \$415, 7th Year - \$435, 8th Year - \$455. I am a 27th year attorney and
2 Senior Partner, with most of my experience in class action litigation as a primary practice area.
3 Having worked as a partner for several well-known international law firms on the defense side,
4 and achieved numerous outstanding results on the plaintiff's side this past year, respectfully, my
5 hourly rate should be adjusted upward.

6 48. Jeffrey C. Bils is a tenth-year Senior Attorney at Wilshire Law Firm. His current
7 hourly rate is \$650. He graduated from the University of Wisconsin–Madison with a Bachelor of
8 Arts in Journalism and German, and received his Juris Doctor from the University of California,
9 Los Angeles School of Law in 2014. During law school, he was a Senior Editor on the UCLA Law
10 Review and an Articles Editor on the Entertainment Law Review. He served as a Judicial Extern
11 for the Hon. Consuelo Bland Marshall in United States District Court for the Central District of
12 California, and also for the Hon. Sandra R. Klein of United States Bankruptcy Court for the Central
13 District of California. He graduated ranked No. 7 in his graduating class from UCLA School of
14 Law. He was admitted to practice law in the State of California in 2014. Since graduating from
15 law school, he has focused his legal work primarily on employment matters, including wage-and-
16 hour class action and PAGA representative action litigation, and he has helped obtain dozens of
17 settlements on behalf California workers, as well as on behalf of California employers during his
18 years on the defense bar. He is a member of the Beverly Hills Bar Association (BHBA), where he
19 serves as a current member of the Board of Governors and is a past Chair of the Labor &
20 Employment Law Section Executive Committee. He is also a member of the California
21 Employment Lawyers Association (CELA). His current contingent billing rate for this case is \$650
22 per hour.

23 49. Aram Boyadjian is a third-year Associate Attorney at Wilshire Law Firm, PLC. He
24 was admitted to practice law in the State of California in 2021. Aram graduated from the
25 University of California, Los Angeles, with a Bachelor of Arts in Political Science. He received
26 his Juris Doctor from Loyola Law School. During law school, he was a member of the student
editorial board for the International and Comparative Law Review. Since January 2021, his practice

1 has mainly been focused on wage and hour class action litigation. His current contingent billing
2 rate for this case is \$550 per hour.

3 50. Andrew Sandoval is a second-year Associate Attorney at Wilshire Law Firm, PLC.
4 He was admitted to practice law in the State of California in 2022. Andrew graduated from
5 Azusa Pacific University with a Bachelor of Arts in Economics. He received his Juris Doctor from
6 Loyola Law School. During law school, he was a Vice-President of La Raza de Loyola. Since
7 graduating, his practice has mainly been focused on wage and hour class action litigation. His
8 current contingent billing rate for this case is \$450 per hour.

9 I declare under penalty of perjury under the laws of the State of California and the United
10 States that the foregoing is true and correct.

11 Executed on March 29, 2024, at Los Angeles, California.

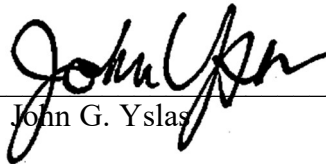
12
13 
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EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Ismael Villegas-Sanchez (“Plaintiff” or “Mr. Villegas-Sanchez”) and defendant COE Orchard Equipment, Inc. (“COE”). The Agreement refers to Plaintiff and COE collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuits alleging wage and hour violations against COE captioned *Villegas-Sanchez v. COE Orchard Equipment, Inc.* initiated on December 30, 2022 and pending in Superior Court of the State of California, County of Sutter, and seeking penalties under the Labor Code Attorney Generals Act of 2004 (“PAGA”), initiated on August 1, 2023 and pending in the Superior Court of the State of California, County of Sutter.
- 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. “Aggrieved Employee” means all non-exempt, hourly employees who have, or continue to, work for Defendant in California from March 23, 2022 up to the date a signed order preliminarily approving the settlement is filed.
- 1.5. “Class” means all non-exempt, hourly employees who have, or continue to, work for Defendant in California from July 5, 2018, up to the date a signed order preliminarily approving the class settlement is filed.
- 1.6. “Class Counsel” means John G. Yslas, Jeffrey C. Bils, Aram Boyadjian, and Andrew Sandoval of Wilshire Law Firm PLC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

- 1.8. “Class Data” means information COE will provide to the Settlement Administrator, including the Class Members’ full names, last known addresses, telephone numbers and/or e-mails to the extent they are available, and social security numbers and dates worked during the Class Period within twenty-one (21) calendar days of the Court’s preliminary approval of the Settlement.
- 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 an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, with a Spanish translation, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from July 5, 2018 up to the date a signed Court order preliminarily approving the class settlement is filed or November 1, 2023, whichever is sooner.
- 1.13. “Class Representative” means the named Plaintiff in the Operative Complaints in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Sutter.
- 1.16. “COE” means named Defendant COE Orchard Equipment, Inc.
- 1.17. “Defense Counsel” means Dylan T. Rupchock of Holden Law Group, and Jennifer E. Duggan and Laura C. McHugh of Duggan McHugh Law Corporation.

- 1.18. “Effective Date” means the day the signed order granting final approval of this settlement is filed unless there is a timely objection lodged that has not later been withdrawn, in which case the Effective Date will be the seventh (7th) calendar day after any appellate proceeding opposing the settlement has been finally dismissed with no material change to the terms of this settlement and there is no right to pursue further remedies or relief.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Total Gross Settlement Amount” means \$450,000.00, which is the total amount COE agrees to pay. This Total Gross Amount will cover payment of all class claims and PAGA penalties released herein, civil penalties, attorneys’ fees, costs, enhancement payment to the Class Representative, and third-party administration costs. This amount shall expressly exclude the employer share of payroll taxes if/where applicable, which shall be paid separate and apart from the Total Gross Settlement Amount.
- 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 Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: attorneys’ fees and costs, any enhancement payment to the Class Representative, the Settlement Administrator Costs, and the PAGA Payment.
- 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.
- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for COE for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from March 23, 2022 up to the date a signed order preliminarily approving the settlement is filed.
- 1.32. “PAGA” means the Labor Code Private Attorneys General Act of 2004 (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff’s March 23, 2023 letter to COE and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00) and 75% to LWDA (\$15,000.00) in settlement of PAGA claims.
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” means Ismael Villegas-Sanchez, the named plaintiff in the Action.
- 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41. “Released Parties” means: Defendant, as well as Defendant’s current and former owners, officers, shareholders, directors, agents, employees, attorneys, and insurers. Plaintiff will additionally release all known and unknown claims he may have against Defendant and the released parties under the terms of California, Civil Code §§ 1542. Expressly excluded from this release is Plaintiff’s Workers’ Compensation claim, if any, and any claims that cannot be released as a matter of law.
- 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. “Response Deadline” means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are re-sent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. “Workweek” means any week during which a Class Member worked for COE for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On December 30, 2022, Plaintiff commenced this Action by filing the class action Complaint in Sutter County Superior Court, Case No. CVCS22-0002261, alleging causes of action against COE for failure to pay minimum and straight time wages, failure to pay overtime wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to timely pay final wages at termination, failure to provide accurate itemized wage statements, and unfair business practices. On August 1, 2023, Plaintiff filed the PAGA representative Action in Sutter County Superior Court, Case No. CVCS23-0001484, seeking civil penalties stemming from Defendant’s failure to pay for all hours worked (minimum, straight, and overtime wages), failure to provide meal periods, failure to authorize and permit

rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked and meal periods, failure to timely pay final wages, failure to furnish accurate wage statements, failure to indemnify employees for expenditures, and failure to produce requested employment records. Defendant will stipulate to the consolidation of the PAGA action and the class action, with the class action as the lead case, for the purpose of having the Settlement filed in one combined action. Both the class action and PAGA representative action Complaints are the operative complaints in the Action (the “Operative Complaints”).

- 2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to COE and the LWDA by sending the PAGA Notice.
- 2.3. On August 4, 2023, the Parties participated in a mediation presided over by Russ J. Wunderli, which led to this Agreement to settle the Action.
- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, a sampling of time and payroll records for hourly paid, non-exempt employees from March 14, 2022 to July 16, 2023, a Class list of amount of overtime worked, amount of double-time worked, job titles and descriptions, paid time off, hours worked, paid time off, and other data points, wage and hour policy documents, and all documents concerning Mr. Villegas-Sanchez available at COE.

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 (“*Dunk/Kullar*”).

- 2.5. The Court has not granted class certification.
- 2.6. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, COE promises to pay \$450,000.00 and no more as the Gross Settlement Amount. COE has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring

Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to COE.

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

- 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). COE 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 any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. 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 employee taxes owed on the Class Representative Service Payment.

To Class Counsel: A Class Counsel Fees Payment of not more than 33 1/3%, which is currently estimated to be \$150,000.00 and a Class Counsel Litigation Expenses Payment of not more than \$12,500.00. COE will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. 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. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds COE harmless, and indemnifies COE, from any dispute or controversy regarding any division or sharing of any of these Payments.

- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$8,750.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$8,750.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: Each Class Member's share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount.
- 3.2.4.1. Tax Allocation of Individual Class Payments. 1/5 (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 4/5 (80%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
- 3.2.4.2. 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.
- 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000.00 to be paid from the Gross Settlement Amount, with 75% (\$15,000.00) allocated to the LWDA PAGA Payment and 25% (\$5,000.00) allocated to the Individual PAGA Payments.
- 3.2.5.1. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's

individual share. These payments to Aggrieved Employees shall be allocated as 100% penalties; Aggrieved Employees will be responsible for paying any personal income taxes owed on the amounts they receive.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, COE estimates there are 303 Class Members who collectively worked a total of 28,952 Workweeks, and 174 Aggrieved Employees who collectively worked a total 4,864 of PAGA Pay Periods.
- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, COE will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, 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. COE has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which COE must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. COE shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay COE's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after COE 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.

- 4.4.1. 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 (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement 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 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct a Class Member Address Search for all other 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.
- 4.4.3. 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 a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure section 384, subdivision (b) ("Cy Pres Recipient"). The intended Cy Pres is Legal Aid At Work. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

- 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate COE to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS.

- 5.1 Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally, release and discharge Released Parties from all claims, transactions or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaints and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaints, Plaintiff's PAGA Notice, or ascertained during the Action and released under 5.2, below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

- 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

- 5.2 Release by Participating Class Members Who Are Not Aggrieved Employees: All Participating Class Members release any and all claims contained in the Operative Complaints, and any additional wage and hour claims that could have been brought based on the facts alleged in the Operative Complaints, during employment in an hourly, non-exempt position in California during the Class Period. Except as set

forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- 5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to release any and all claims for civil penalties that were brought under the Private Attorneys General Act, Labor Code §§ 2698 et seq., contained in Plaintiff's Operative Complaints and any additional wage and hour claims under PAGA that could have been brought based on the facts alleged in the Operative Complaints during employment in a non-exempt position in California during the PAGA Claim Period.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

- 6.1 COE's Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, COE will prepare and deliver to Class Counsel a signed Declaration from COE and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and COE shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of 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; (v) a signed

declaration from 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; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

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

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected 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 payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or

relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
 - 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
 - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
 - 7.4.3 Not later than [3] business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, 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.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, COE or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, 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 deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative 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 faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any 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. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's

determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 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 Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 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. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class 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 fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. 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 and the Administrator's determination the challenges.

8.7 Objections to Settlement.

8.7.1 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.

8.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal 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 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

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

8.8.1 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 Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

- 8.8.3 Weekly Reports. The Administrator must, 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 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). 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 objections received.
- 8.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 8.8.5 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 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 or invalid), the number of written objections and attach the Exclusion List. 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.
- 8.8.6 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. Class Counsel is responsible for filing the Administrator's declaration in Court.

- 9. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE; COE'S RIGHT TO WITHDRAW.** Based on its records, COE estimates that, as of the date of this Settlement Agreement, (1) there are 303 Class Members and 28,952 Total Workweeks during the Class period and (2) there were 174 Aggrieved Employees who worked 4,864 Pay Periods during the PAGA Period. If there is a 15 percent (15%) increase in the number of reported class workweeks, COE will have the option to either pay a proportional amount in addition to the Total Gross Settlement Amount for each additional such unique workweeks that exceeds the 15% above 28,952 unique workweeks, or to stop the Class Period at the point at which the number of unique workweeks is no more than 15% above 28,952 unique workweeks. COE shall include its share of taxes owed on the wages portion of the settlement, which shall be determined by the Settlement Administrator chosen by the parties. The Parties agree that, if COE withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, COE will remain responsible for paying all Settlement Administration Expenses incurred to that point. COE must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
- 10. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 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. 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 Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 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 an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 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, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative 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.

11. 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.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of disputed claims. Nothing in this Agreement is intended or should be construed as an admission by COE that any of the allegations in the Operative Complaint have merit or that COE has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that COE's defenses in the Action 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, Final Approval or enter Judgment, COE reserves the right to contest certification of any class for any reasons, and COE reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest COE's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, COE and Defense Counsel 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; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) 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. Plaintiff, Class Counsel, COE and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with 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.

- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4 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.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and COE, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, COE nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. Plaintiff agrees to refrain from any publication or any type of communication, oral or written, of a disparaging nature pertaining to COE or its owners, officers, agents, directors, supervisors, employees, or representatives. Plaintiff further agrees and covenants that the same restrictions shall apply with respect to representatives of the media and any of the Released Parties' social media accounts, including without limitation, Facebook, Threads, Twitter, X, Instagram, Snapchat, LinkedIn, Glassdoor, Tiktok or any other social media platform. If contacted by prospective employers of Plaintiff, COE agrees and covenants that it shall provide a neutral job reference for Plaintiff without elaboration or further comment regarding Plaintiff. Nothing in this Agreement shall prevent Plaintiff from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that he has reason to believe is unlawful. Moreover, nothing in this agreement prohibits Plaintiff and/or COE from providing truthful information as required by law in a legal proceeding or government investigation. Any such required testimony or comments in such legal proceedings or government investigations shall not be deemed a breach of confidentiality in violation of this paragraph.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by COE in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than

90 days after the 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 Data received from COE unless, prior to the Court's discharge of the Administrator's obligation, COE makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

John G. Yslas, Esq.
Senior Partner
Wilshire Law Firm, PLC
3055 Wilshire Blvd., 12th Floor
Los Angeles, CA 90010

To Defendant:

Dylan T. Rupchock, Esq.
Holden Law Group
1522 Lincoln Way
Auburn, CA 95603-5010

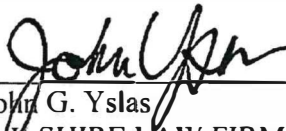
Jennifer E. Duggan, Esq.
Laura C. McHugh
Duggan McHugh Law Corporation
641 Fulton Ave., Suite 100

Sacramento, CA 95825

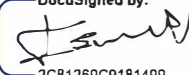
- 12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

[Signatures on the following page]

PLAINTIFF:



John G. Yslas
WILSHIRE LAW FIRM, PLC
Counsel for Plaintiff

DocuSigned by:

2CB1269C9181499

Ismael Villegas-Sanchez

DEFENDANT:



Dylan T. Rupchock
HOLDEN LAW GROUP, Counsel for
Defendant



Matt Coe
On behalf of COE ORCHARD
EQUIPMENT, INC.



Laura C. McHugh
DUGGAN MCHUGH, Counsel for
Defendant

EXHIBIT A

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

*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 action lawsuit (“Action”) against COE Orchard Equipment, Inc. (abbreviate name; “COE” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former COE employee, Ismael Villegas-Sanchez (“Plaintiff”), and seeks payment of back wages, penalties, and other relief for a class of hourly employees (“Class Members”) who worked for COE during the Class Period (July 5, 2018 up to the date a signed order preliminarily approving the class settlement is filed); and (2) penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”) for all hourly employees who worked for COE during the PAGA Period (March 23, 2022 up to the date a signed order preliminarily approving the settlement is filed) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring COE to fund Individual Class Payments, and (2) a PAGA Settlement requiring COE to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on COE’s records, and the Parties’ current assumptions, **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 COE’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on COE’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 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 requires COE to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against COE.

If you worked for COE during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against COE.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against COE, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

COE 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

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against COE that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class 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 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. COE must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed 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 7 of this Notice.
You Can Participate in the _____ Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on _____. You don’t 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 Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and PAGA Payment (if any) depend 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 Class Period Workweeks and number of PAGA Period Pay Periods you worked according to COE’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 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former COE employee. The Action alleges several causes of action, including, failing to pay for all hours worked (minimum, straight time, and overtime wages), wages due upon termination, reimbursable expenses, and all earned wages twice per month, by failing to provide meal periods, rest breaks, accurate itemized wage statements, and requested employment records, and by failing to maintain accurate records of hours worked and meal periods. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: John G. Yslas, Jeffrey C. Bils, Aram Boyadjian, and Andrew Sandoval of Wilshire Law Firm, PLC (“Class Counsel”).

COE strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether COE or Plaintiff is correct on the merits. In the meantime, Plaintiff and COE hired an experienced, neutral mediator, Russ J. Wunderli, Esq. in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and COE have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of all disputed claims. By agreeing to settle, COE 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) COE has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. 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?

1. COE Will Pay \$450,000.00 as the Gross Settlement Amount (Gross Settlement). COE has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, PAGA/Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, COE agrees to pay the Total Gross Settlement Sum within thirty (30) days of final approval. Defendant will include Defendant’s share of taxes owed on the wages portion of the settlement. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$150,000.00 (33 1/3% of the Total Class/PAGA Settlement to Class Counsel for attorneys' fees and up to \$12,500.00 for their costs. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$10,000.00 for Plaintiff as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$8,750.00 to the Administrator for services administering the Settlement.
- D. Up to \$20,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

- 3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
- 4. Taxes Owed on Payments to Class Members. Plaintiff and COE are asking the Court to approve an allocation of 1/5 (20%) of each Individual Class Payment to taxable wages ("Wage Portion") and 4/5 (80%) to penalties and interest ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms.

The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and COE 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.

5. 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). The funds represented by any uncashed checks shall be transmitted to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure section 384, subdivision (b) (“Cy Pres Recipient”). The intended Cy Pres is Legal Aid At Work.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. 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, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against COE.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against COE based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. 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. Plaintiffs and COE have agreed that, in either case, the Settlement will be void: COE will not pay any money and Class Members will not release any claims against COE.
8. Administrator. 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, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Release by Class Members and Released Parties. Class Members who do not opt out of the settlement will release any and all claims contained in the operative Complaints filed in the Sutter County Superior Court, and any additional wage and hour claims that could have been brought based on the facts alleged in the operative Complaint, during

employment in an hourly, non-exempt position in California during the Class Period. Aggrieved Employees will release any and all claims for civil penalties that were brought under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698 *et seq.*, contained in Plaintiff's operative Complaints and any additional wage and hour claims under PAGA that could have been brought based on the facts alleged in the operative Complaints during employment in a non-exempt position in California during the PAGA Claim Period. The Released Parties shall include Defendant, as well as Defendant's current and former owners, officers, shareholders, directors, agents, employees, attorneys, and insurers. Plaintiff will additionally release all known and unknown claims he may have against Defendant and the released parties under the terms of California, Civil Code § 1542.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. Each Class Member's share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount.
2. Individual PAGA Payments. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in COE's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 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 COE's calculation of Workweeks and/or Pay Periods based on COE'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 Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and COE's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. 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 doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Ismael Villegas-Sanchez v. COE Orchard Equipment, Inc.*, Case Nos. CVCS22-0002261 and CVCS23-0001484, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and COE are asking the Court to approve. At least _____ days before 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 Service Award 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 Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 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 <https://www.sutter.courts.ca.gov/>.

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 Service Award 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 to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Ismael Villegas-Sanchez v. COE Orchard Equipment, Inc.*, Case Nos. CVCS22-0002261 and CVCS23-0001484, and include your name, current address, telephone number, and approximate dates of employment for COE and sign the objection. Section 9 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 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ in Department 1 of the Sutter County Superior Court, located at 1175 Civic Center, Blvd. Yuba City, CA 95993. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) personally. Check the Court's website for the most current information (<https://www.sutter.courts.ca.gov/>).

It's 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.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything COE and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____'s website at _____.

You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Sutter County Superior Court website by going to (<https://portal-casutter.tylertech.cloud/Portal/Home/Dashboard/29>) and entering the Case Number for the Action, Case No. CVCS22-0002261.

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

Class Counsel:

Name of Attorneys:

John G. Yslas, JYslas@wilshirelawfirm.com

Jeffrey C. Bils, JBils@wilshirelawfirm.com

Aram Boyadjian, ABoyadjian@wilshirelawfirm.com

Andrew Sandoval, Andrew.Sandoval@wilshirelawfirm.com

Name of Firm: Wilshire Law Firm, PLC

Mailing Address: 3055 Wilshire Blvd., 12th Floor, Los Angeles, CA 90010

Telephone: (213) 381-9988

Settlement Administrator:

Name of Company: ILYM Group, Inc.

Email Address: claims@ilymgroup.com

Mailing Address: P.O. Box 2031, Tustin, CA 92781

Telephone: (888) 250-6810

Fax Number: (888) 845-6185

10. 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 is already void, you will have no way to recover the money.

11. 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.

EXHIBIT 2

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

(case date and number)

*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 action lawsuit (“Action”) against COE Orchard Equipment, Inc. (abbreviate name; “XYZCOE” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former XYZ COE employee Ismael Villegas-Sanchez (“Plaintiff”), and seeks payment of (1) back wages, penalties, and other relief for a class of hourly employees (“Class Members”) who worked for XYZCOE during the Class Period (July 5, 2018 up to); the date a signed order preliminarily approving the class settlement is filed; and (2) penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”) for all hourly employees who worked for COE during the PAGA Period (March 23, 2022 up to the date a signed order preliminarily approving the settlement is filed) (“Aggrieved Employees”).

The proposed Settlement is has two main parts: (1) a Class Settlement requiring XYZCOE to fund Individual Class Payments, and (2) a PAGA Settlement requiring COE to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on XYZ’s COE’s records, and the Parties’ current assumptions, **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 COE’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on XYZ’s COE’s records showing that **you worked** _____ workweeks during the Class Period. and you worked _____ workweeks during the PAGA Period. If you believe that you worked more workweeks during this either period, you can submit a challenge by the deadline date. See Section 4 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 requires XYZCOE to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against XYZCOE.

If you worked for XYZCOE during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment, and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against XYZCOE.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against XYZCOE, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

XYZ

COE 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

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment- <u>and an Individual PAGA Payment (if any).</u> In exchange, you will give up your right to assert the wage claims against <u>XYZCOE</u> that are covered by this Settlement- (Released Claims).
You Can Opt-out of the Class Settlement <u>but not the PAGA Settlement</u> The Opt-out Deadline is _____ _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class 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 6 of this Notice. <u>You cannot opt-out of the PAGA portion of the proposed Settlement. COE must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</u>
~~Participating Class Members Can Object to the Class Settlement~~ ~~Written Objections Must be Submitted by~~	~~All Class Members who do not opt out ("Participating Class Members") can object to any aspect of the proposed 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 7 of this Notice.~~
~~You Can Participate in the _____ Final Approval Hearing~~ _____	~~The Court's Final Approval Hearing is scheduled to take place on _____. You don't 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 Settlement at the Final Approval Hearing. See Section 8 of this Notice.~~

<u>You Can Challenge the Calculation of Your Workweeks</u> <u>Written Challenges Must be Submitted by</u>	The amount of your Individual Class Payment depends on how many workweeks you worked at least one day during the Class Period. The number Class Period Workweeks you worked according to XYZ's records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____. See Section 4 of this Notice.
<u>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</u> <u>Written Objections Must be Submitted by</u>	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed 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 7 of this Notice.
<u>You Can Participate in the Final Approval Hearing</u>	The Court's Final Approval Hearing is scheduled to take place on _____. You don't 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 Settlement at the Final Approval Hearing. See Section 8 of this Notice.
<u>You Can Challenge the Calculation of Your Workweeks/Pay Periods</u> <u>Written Challenges Must be Submitted by</u>	The amount of your Individual Class Payment and PAGA Payment (if any) depend 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 Class Period Workweeks and number of PAGA Period Pay Periods you worked according to COE'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 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a[n] [former] XYZ COE employee. The Action accuses XYZ alleges several causes of violating California labor laws by action, including, failing to pay [e.g., for all hours worked (minimum, straight time, and overtime wages, minimum wages,)], wages due upon termination and, reimbursable expenses] and, and all earned wages twice per month, by failing to provide

[e.g., meal periods, rest breaks—and, accurate itemized wage statements], and requested employment records, and by failing to maintain accurate records of hours worked and meal periods. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: John G. Yslas, Jeffrey C. Bils, Aram Boyadjian, and Andrew Sandoval of Wilshire Law Firm, PLC (“Class Counsel”).
_____ (“Class Counsel.”)

XYZ

COE strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether XYZCOE or Plaintiff is correct on the merits. In the meantime, Plaintiff and XYZCOE hired

☐ an experienced, neutral mediator

☐ a retired judge

☐ _____ (describe alternative means of negotiations) _____

, Russ J. Wunderli, Esq. in an effort to resolve the Action by negotiating an ~~to~~ end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and XYZCOE have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of all disputed claims. By agreeing to settle, XYZCOE 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) XYZCOE has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members- and Aggrieved Employees. 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?

1. XYZCOE Will Pay \$——450,000.00 as the Gross Settlement Amount (Gross Settlement). XYZCOE has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, PAGA/Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, and the Administrator’s expenses-, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, XYZ will fund COE agrees to pay the Total Gross Settlement not more than [14] Sum within thirty (30) days after the Judgment entered by the Court become of final- approval. Defendant will include Defendant’s share of taxes owed on the wages portion of the settlement. The Judgment will be final on the date the

1. Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$ (—%\$150,000.00 (33 1/3% of the ~~GrossTotal Class/PAGA Settlement]~~ to Class Counsel for attorneys' fees and up to \$ 12,500.00 for their litigation expenses costs. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$ 10,000.00 for Plaintiff as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$ 8,750.00 to the Administrator for services administering the Settlement.
- D. Up to \$20,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

- 3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
- 4. Taxes Owed on Payments to Class Members. Plaintiff and XYZCOE are asking the Court to approve an allocation of % 1/5 (20%) of each Individual Class Payment to taxable wages ("Wage Portion") and % 4/5 (80%) to [e.g., penalties and interest, etc.] ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. [Option 1: (XYZ will separately pay employer payroll taxes it owes on the Wage Portion.)] The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and XYZCOE 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.

5. 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 don't cash it by the void date, your check will~~ The funds represented by any uncashed checks shall be ~~automatically cancelled, and the monies~~

☐ will be deposited with the California Controller's Unclaimed Property Fund in your name

☐ will irrevocably lost to you because they will be paid transmitted to a non-profit Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure section 384, subdivision (b) ("Cy Pres").

5. If the monies represented by your check Recipient"). The intended Cy Pres is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money Legal Aid At Work.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. 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, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against XYZCOE.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against COE based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. -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. Plaintiffs and XYZCOE have agreed that, in either case, the Settlement will be void: XYZCOE will not pay any money and Class Members will not release any claims against XYZCOE.

8. Administrator. The Court has appointed a neutral company,
8. 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, mail and ~~re-mail~~ 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 9 of this Notice.

9. Release by Class Members and Released Parties. Class Members who do not opt out of the settlement will release any and all claims contained in the operative Complaints filed

in the Sutter County Superior Court, and any additional wage and hour claims that could have been brought based on the facts alleged in the operative Complaint, during

employment in an hourly, non-exempt position in California during the Class Period. Aggrieved Employees will release any and all claims for civil penalties that were brought under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698 *et seq.*, contained in Plaintiff's operative Complaints and any additional wage and hour claims under PAGA that could have been brought based on the facts alleged in the operative Complaints during employment in a non-exempt position in California during the PAGA Claim Period. The Released Parties shall include Defendant, as well as Defendant's current and former owners, officers, shareholders, directors, agents, employees, attorneys, and insurers. Plaintiff will additionally release all known and unknown claims he may have against Defendant and the released parties under the terms of California, Civil Code § 1542.

~~The Administrator's contact information is contained in Section 9 of this Notice.~~

- ~~9. Participating Class Members' Release. After the Judgment is final and XYZ has fully funded the Gross Settlement [Option 1: (and separately paid all employer payroll taxes)], Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against XYZ or related entities for wages based on the Class Period facts, as alleged in the Action and resolved by this Settlement.~~

~~The Participating Class Members will be bound by the following release:~~

~~All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were~~

~~alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.^{viii}.~~

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. ~~The Administrator will calculate Individual~~ Each Class Payments ~~Member’s share will be determined by (a) dividing their total weeks worked within the Net Settlement Amount Class Period by the total number of Workweeks~~ worked by all Participating Class Members, and (b) multiplying within the result Class Period. That fraction will then be multiplied by the number of Workweeks worked by each ~~Net Settlement Amount to arrive at the Class Member’s individual Participating Class Members share of the Net Settlement Amount.~~
2. Individual PAGA Payments. Each Aggrieved Employee’s share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee’s individual share.
- ~~2.3.~~ Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in XYZ’s COE’s records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 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 XYZ’s COE’s calculation of Workweeks and/or Pay Periods based on XYZ’s COE’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 Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and XYZ’s COE’s Counsel. _____ The Administrator’s decision is final. You can’t appeal or otherwise challenge its final decision.

5. 5. HOW WILL I GET PAID?

1. 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 doesn't opt-out-) including those who also qualify as Aggrieved Employees. The single check will combinethe Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the ClassSettlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator

will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as _____ (caption of Action) _____ Ismael Villegas-Sanchez v. COE Orchard Equipment, Inc., Case Nos. CVCS22-0002261 and CVCS23-0001484, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and XYZCOE are asking the Court to approve. At least _____ days before 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 Service Award 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 Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 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~~

_____(url)

on the Administrator's Website _____ or the Court's website

(url)
<https://www.sutter.courts.ca.gov/>.

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 Service Award 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 to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action _____ (case caption) *Ismael Villegas-Sanchez v. COE Orchard Equipment, Inc.*, Case Nos. CVCS22-0002261 and CVCS23-0001484, and include your name, current address, telephone number, and approximate dates of employment for [XYZ]COE and sign the objection. Section 9 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 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at ~~____(time)____~~ in Department Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) ~~either~~ personally. Check the Court's website for the most current information (<https://www.sutter.courts.ca.gov/>).

personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's 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.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything XYZCOE and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____
_____'s website at _____.

You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the [Sutter County Superior Court](http://www.lacourt.org/casesummary/ui/index.aspx) website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) (<https://portal-casutter.tylertech.cloud/Portal/Home/Dashboard/29>) _____ and _____ entering _____ the _____ Case Number for the Action, Case No. _____. ~~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 CVCS22-0002261.~~

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

Class Counsel:

Name of ~~Attorney~~Attorneys:

~~Email Address:~~

~~Name of Firm:~~

John G. Yslas,

JYslas@wilshirelawfirm.comJeffrey C.

Bils, JBils@wilshirelawfirm.com

Aram Boyadjian, ABoyadjian@wilshirelawfirm.com

Andrew Sandoval,

Andrew.Sandoval@wilshirelawfirm.comName of Firm:

Wilshire Law Firm, PLC

Mailing Address:

3055 Wilshire Blvd., 12th Floor, Los Angeles, CA 90010 Telephone:

(213) 381-9988

Settlement Administrator:

Name of Company:

ILYM Group, Inc. Email Address:

claims@ilymgroup.com

Mailing Address:

P.O. Box 2031, Tustin, CA 92781 Telephone:

(888) 250-6810

Fax Number: (888) 845-6185

10. 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 is already void, **you will have no way to recover the money.**

☐ ~~you should consult the Unclaimed Property Fund _____ for instructions on how to retrieve the funds.~~

☐ ~~you will have no way to recover the money.~~

11. 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.

ⁱ This Model Class Action Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour cases. It is for settlements of single plaintiff wage and hour actions asserting class claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that include PAGA claims, please use the Form Class and PAGA Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.

ⁱⁱ Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration for time worked between the date when parties reached a settlement and the date of preliminary approval. The Parties’ *Kullar* analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount “represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation.” (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)

ⁱⁱⁱ The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.

^{iv} The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto.

^v Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g. a settlement that is solely a Labor Code Section 226(a) claim.)

^{vi} Insert negotiated terms, if any, addressing the possibility that XYZ’s estimates of class size and/or Workweeks turn out to be understated such as an ADR clause imposing a duty to engage in good faith negotiations or mediation or an “escalator” clause memorializing XYZ’s promise to increase the Gross Settlement Amount in an agreed upon proportion to the percentage by which the calculated class size and/or Workweeks exceeds XYZ’s estimates.

^{vii} Releases in Notice should track the releases in the Settlement Agreement.

(Hogue 6.16.22)

EXHIBIT 3

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Villegas-Sanchez v. COE Orchard Equipment, Inc.

Thursday, October 12, 2023

Requesting Attorney:

Jeffrey Bills

E-Mail:

jbills@wilshirelawfirm.com

ILYM Contact:

Lisa Mullins

E-Mail:

Lisa@ilymgroup.com

Contact Number:

714.878.8836

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	307
Estimated Percentage of Undeliverable Mail	20%
Certified Spanish Translations	Yes
ILYM Group Static Website	Yes
Case Duration (Years)	1

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	1	\$150.00
Programming of Class Database	Hourly	\$175.00	1	\$175.00

*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.

Subtotal \$325.00

PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	3	\$360.00
Staff Hours for Processing Opt-Outs, Disputes & Objections	Hourly	\$70.00	2	\$140.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	3	\$210.00
NCOA	Flat Rate	\$100.00	1	Waived
Toll-Free Customer Service	Flat Rate	\$150.00	1	\$150.00
Certified Spanish Translation	Flat Fee	\$1,250.00	1	\$1,250.00
ILYM Group Static Website	Flat Fee	\$750.00	1	\$750.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$3,000.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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NOTIFICATION/MAILING				
Fulfillment of Notice, English & Spanish	Per Piece	\$2.00	307	\$614.00
USPS First Class Postage	Per Piece	\$0.83	307	\$254.81
Re-Mails (Forward/Skiptrace Undeliverables)	Per Piece	\$2.50	61	\$153.50
Storage, Photocopies, Deliveries	Flat Fee	\$192.38	1	\$192.38

Subtotal \$1,214.69

DISTRIBUTION (Includes EIN, Bank Acct /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	3	\$450.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	3	\$375.00
Check Stub & Release - Print & Mail (including W2/1099)*	Per Check	\$1.50	307	\$460.50
Check Mailing Postage	Per Piece	\$0.63	307	\$193.41
Re-Mails (Forward/Skiptrace Undeliverables)	Per Piece	\$2.00	31	\$61.40
Preparation of Taxes (Single State Filing)	Hourly	\$120.00	3	\$360.00
Annual Filing of Tax Return	Per Year	\$1,250.00	1	\$1,250.00

***Additional Bank fees may apply*

Subtotal \$3,150.31

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	2	\$200.00
Project Manager Final Reporting	Hourly	\$120.00	3	\$360.00
Process Uncashed Funds to Cy Pres	Flat Fee	\$250.00	1	\$250.00
Declarations	Hourly	\$125.00	2	\$250.00

Subtotal \$1,060.00

Total Case Estimate: \$8,750.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT 4

Matthew Krout

From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Sent: Friday, March 29, 2024 4:39 PM
To: Matthew Krout
Subject: Thank you for your Proposed Settlement Submission

03/29/2024 04:38:33 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

John G. Yslas (SBN 187324)
jyslas@wilshirelawfirm.com
Jeffrey C. Bils (SBN 301629)
jbils@wilshirelawfirm.com
Aram Boyadjian (SBN 334009)
aboyadjian@wilshirelawfirm.com
Andrew Sandoval (SBN 346996)
andrew.sandoval@wilshirelawfirm.com
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SUTTER**

ISMAEL VILLEGAS-SANCHEZ, individually,
and on behalf of all other aggrieved persons,

Plaintiff,

v.

COE ORCHARD EQUIPMENT, INC., a
California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: CVCS22-0002261

CLASS ACTION

*[Assigned for all purposes to Hon. Perry
Parker, Dept. 1]*

**DECLARATION OF ISMAEL VILLEGAS-
SANCHEZ IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION &
REPRESENTATIVE ACTION
SETTLEMENT**

*[Filed with the Notice of Motion and Motion for
Preliminary Approval; Declaration of John G.
Yslas; and Proposed Order]*

PRELIMINARY APPROVAL HEARING

Date: April 29, 2024

Time: 9:00 a.m.

Judge: Hon. Perry Parker

Dept: 1

Complaint Filed: December 30, 2022

Trial Date: Not set

DECLARATION OF ISMAEL VILLEGAS-SANCHEZ

I, ISMAEL VILLEGAS-SANCHEZ, declare as follows:

1. I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness.

2. I am the proposed class representative in this action and submit this declaration in support of Plaintiff's Motion for Preliminary Approval of Class & Representative Action Settlement. I believe I have provided invaluable assistance during the course of this case, and I respectfully hope the Court will approve my request of a \$10,000 service payment for my role as the Class Representative.

3. I am a former employee of Defendant Coe Orchard Equipment, Inc. I worked for Defendant from approximately September 2019 to approximately September 2022 as an hourly-paid, nonexempt employee. Throughout the entirety of my employment, I was subject to Defendant's patterns and practices that have been alleged as unlawful in the Class Action complaint, the Private Attorneys General Act ("PAGA") complaint, and the PAGA notice sent to Defendant and the Labor & Workforce Development Agency.

4. I have pursued this lawsuit because I was concerned that I was not paid properly for all the hours that I worked, and I was not provided all my meal and rest breaks. While working for Defendant, my coworkers and I were asked to work long hours because of the amount of work, mostly without taking meal and rest breaks. My meal and rest breaks were often interrupted by supervisors and co-workers asking me to perform work tasks. I frequently performed work tasks while off-the-clock before the start of my shift and after the end of my shift. I also observed my coworkers working long hours without taking breaks.

5. By participating in this lawsuit as a proposed Class Representative, I hoped that I might be able to change Defendant's practices to better protect the working conditions of my coworkers.

///

///

1 6. Before commencing these cases, I provided Wilshire Law Firm with a detailed
2 account of the facts related to my employment with Defendant. Based on our conversations, my
3 attorneys and I were able to identify instances where Defendant did not pay me correctly.

4 7. I devoted a great deal of time and work assisting my attorneys in the case,
5 communicated with them for litigation and to prepare for mediation, and I was frequently in
6 contact with Class Counsel during the mediation. For example, on or about April 7, 2023, I
7 spoke for at least three hours with attorneys from Wilshire Law Firm, explaining all the details
8 of how Coe Orchard pays its employees and how we took our meal and rest breaks. I was asked
9 76 specific questions by the attorneys about the wage and hour details of the job. I also
10 explained how we are intimidated at work from making complaints. By explaining how we are
11 intimidated at work made me relive emotionally painful experiences. I do not speak English as
12 a first language, so this conversation had to be translated by one of the legal personnel at
13 Wilshire Law Firm. On or about July 26, 2023, I again had an extended conversation with
14 another attorney from Wilshire Law Firm who prepared me for the mediation process. Since
15 filing this lawsuit, I have experienced with much stress resulting from being the class
16 representative.

17 8. I also reviewed pleadings in this case, including the settlement-related documents.

18 9. I believe the settlement is a good settlement, and I would recommend that the Court
19 approve it, because I believe it is fair, adequate, and reasonable. I am glad that I have had the
20 opportunity to represent the Class in this lawsuit, and that I was able to recover money through a
21 settlement for the Class. I have also observed my attorneys' work throughout this case, and I believe
22 they have been thorough, diligent, prompt, courteous, and professional.

23 10. Standing up for myself and the rights of others was not an easy decision, and I am
24 relieved that this is coming to an end. I estimate that I spent dozens of hours on this case.

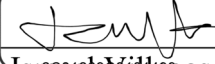
25 11. I did not make the decision to file a class action lightly. I was concerned by the
26 attention a publicly filed lawsuit, and especially a class action, would attract. My name would be
27 associated with a lawsuit that I filed against my former employer. I was aware that it is possible to
28 perform background checks of publicly filed documents on the Internet, sometimes with nothing

1 more than a simple Google search. I am mindful that employers might find out that I sued a former
2 employer, and this could hurt my employability.

3 12. I respectfully ask that the Court award me a \$10,000 service payment. I am receiving
4 no additional compensation other than the compensation provided for in the settlement. Based on
5 my involvement in this case and the benefits provided to my former co-workers, I can say I helped
6 stand up for the other workers who may have been too afraid to say anything to management because
7 they did not want to risk losing their jobs or risk the stigma of suing an employer. I was not afraid
8 to take that risk, because I strongly are about helping my current and former co-workers. I also
9 continue to fear that my employer may find out that I participated in this lawsuit and hold it against
10 me. In a competitive job market, this factor may weigh heavily against me. Nevertheless, I felt that
11 important rights were at stake that hurt myself and other employees. I also understood it was my
12 duty as the Class Representative to represent the best interests of the class, know about the lawsuit,
13 help my attorneys, and keep updated on the case.

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

16 Executed on March 22, 2024, at Live Oak, California.

17
18 DocuSigned by:

19 Ismael Villegas-Sanchez