CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Jose Arceo ("Plaintiff") and Defendant Ardent Mills, LLC (hereafter "Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1 "Action" means Plaintiff's lawsuit alleging wage and hour violations against Ardent Mills captioned *Jose Arceo v. Ardent Mills, LLC,* initiated on March 3, 2023, and pending in California State Superior Court, San Bernardino County under Case No. CIVSB2305763.

1.2 "Administrator" means Rust Consulting, 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 current and former hourly paid or non-exempt employees who worked for Defendant in California at any time during the PAGA Period.

1.5 "Class" means all current and former hourly paid or non-exempt employees who worked for Defendant in California at any time during the Class Period.

1.6 "Class Counsel" means Emil Davtyan, Esq., Gregg Lander, Esq., Vanessa M. Ruggles, Esq, Taylor Keaster, Esq., and Guido Toscano, Esq. of D.Law, Inc.

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 (not to exceed one-third of the Gross Settlement Amount, or $450,000) and expenses (not to exceed $26,000), respectively, incurred to prosecute the Action.

1.8 "Class Data" means Class Member identifying information in Defendant's possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Workweeks.

1.9 "Class Member" or "Settlement Class Member" means all current and former hourly paid or non-exempt employees who worked for Defendant in California at any time during the Class Period.

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 settlement class period (and release of class claims) shall be from December 3, 2018, through November 9, 2024, or the date the Court grants preliminary approval of the Settlement, whichever is earlier.

1.13 "Class Representative" means the named Plaintiff Jose Arceo in the operative complaint 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 Jose Arceo, in the amount of $15,000 and in addition to Plaintiff's Individual Settlement Award, for initiating the Action and providing services in support of the Action.

1.15 "Court" means the Superior Court of California, County of San Bernardino.

1.16 "Defendant" means named Defendant Ardent Mills, LLC.

1.17 "Defense Counsel" means Peter J. Woo, Esq., Sherry S. Hamilton, Esq. and Philip M. Duclos, Esq., of Jackson Lewis P.C.

1.18 "Effective Date" means 65 days after final approval if no Notice of Appeal is filed or 10 days after appeal is dismissed or withdrawn, or appeal is decided upholding propriety of settlement.

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 "Gross Settlement Amount" or "GSA" means $1,350,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class

Representative Service Payment, and the Administration Expenses Payment.

1.23 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of verified weeks spent by class members in Defendant's employ during the Class Period as determined by the Claims Administrator. All Class Members will be entitled to payment for at least one workweek.

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 verified weeks spent by PAGA Employees members in Defendant's employ during the PAGA Period as determined by the Claims Administrator. All PAGA Employees will be entitled to payment for at least one workweek.

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, subdivision (i).

1.27 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA ($20,250) under Labor Code section 2699, subdivision (i).

1.28 "Net Settlement Amount" of "NSA" means pending court approval, and without objection from the Releasees, the following amounts will be subtracted from the GSA to calculate the NSA:

a. Plaintiff's attorneys' fees of not more than $450,000, or one-third of the GSA.
b. Plaintiff's actual costs, up to $26,000.
c. Class representative service enhancement to Plaintiff, totaling $15,000. This service enhancement will include a separate general release of all claims under California Civil Code section 1542. Plaintiff agrees that, upon signing the Stipulation of Settlement, he will not request to be excluded from the Settlement and that any such request for exclusion by Plaintiff will be void and of no force or effect. Releasees shall issue an IRS Form 1099 for the class representative enhancement fee. Plaintiff shall assume full responsibility for the payment of taxes due on such award.
d. Alleged penalties under the PAGA totaling $27,000 (the "PAGA Settlement"). Of the PAGA Settlement, 75% will be distributed to the State of California and 25% distributed to the Aggrieved Employees as part of the NSA. Plaintiff and Defendant (collectively referred to as the "Parties") agree that there is no statutory right for any Settlement Class Member to object to, opt out of, or otherwise exclude himself or herself from the PAGA Settlement and corresponding release of claims/rights under PAGA.
e. Settlement administration costs not to exceed $11,000.
f. Defendant will not oppose the reasonableness of these requests. Any reduction of these requests by the Court will revert to the class members who do not opt

out.

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

1.31 "PAGA Period" means the PAGA Period (and release of PAGA claims) shall be from March 3, 2022, through November 9, 2024, or the date the Court grants preliminary approval of the Settlement, whichever is earlier.

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

1.33 "PAGA Notice" means Plaintiff Jose Arceo's letter to Defendant and the LWDA providing notice under Labor Code section 2699.3 (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 ($6,750) and the 75% to LWDA ($20,250) 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 Jose Arceo, 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's former and present directors, officers, shareholders, owners, partners, members, customers, agents, employees, attorneys, insurers, predecessors, successors and future owners, assigns, parents, subsidiaries, payroll companies, and related or affiliated entities.

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 30 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, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 10 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 Defendant for at least one day during the Class Period.

2. **RECITALS**.

2.1 On March 3, 2023, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for: (1) Failure To Pay All Wages; (2) Failure To Pay All Overtime Wages At The Legal Overtime Pay Rate; (3) Failure To Provide All Meal Periods; (4) Failure To Authorize And Permit All Rest Periods; (5) Failure To Provide Legally-Compliant Rest Periods; (6) Failure To Pay Premium Wages At The Legal Pay Rate; (7) Failure To Timely Furnish Accurate Itemized Wage Statements; (8) Derivative Violations of Labor Code §§ 201-202; (9) Independent violations of Labor Code §§ 201-202; and (10) Unfair Business Practices. On May 12, 2023, Plaintiff filed a First Amended Complaint adding claims under PAGA. Under Labor Code section 2699.3(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice on March 3, 2023.

2.1.1 On November 13, 2024, Plaintiff filed an Amended PAGA Notice with the Labor & Workforce Development Agency ("LWDA"), adding unreimbursed business expenses under California Labor Code § 2802 as a claim and including all claims and alleged causes of action contained within the original PAGA Notice on March 3, 2023 ("Amended PAGA Notice").

2.1.2 Plaintiff will file a Second Amended Complaint ("SAC") 66 days after filing the Amended PAGA Notice with the LWDA. The SAC will be a Class Action complaint that will include all causes of action contained within the initial Class Action Complaint and within the First Amended Complaint and will add a cause of action for unreimbursed business expenses under California Labor Code § 2802. The Second Amended Complaint will be the operative complaint in the Action (the "Operative Complaint"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2 On September 10, 2024, the Parties participated in an all-day mediation presided over by Steven J. Serratore, Esq., which led to this Agreement to settle the Action.

2.3 Prior to mediation, the Parties engaged in formal and informal discovery. To prepare for the mediation, Defendant provided extensive documentation of their policies and practices and data related to the claims asserted in this case, including pay and time records for 273 Class Members and other data points necessary for Plaintiff to create a damages exposure analysis. Plaintiff hired an expert, Berger Consulting Group, to prepare damage calculations and an exposure analysis for the mediation. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.

2.4 The Court has not granted class certification. Solely for purposes of settling the Action, and not for purposes of class certification should the Settlement not be approved, or for any other reason, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Settlement Class have been met and are met.

2.5 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 8 below, Defendant promises to pay $1,350,000 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 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 Defendant.

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

3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than $15,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for 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 taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be $450,000, and a Class Counsel Litigation Expenses Payment of not more than $26,000. Defendant will not oppose requests for these payments provided that 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 Defendant harmless, and indemnifies Defendant, 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 $11,000 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 $11,000, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: Allocation/distribution of the NSA to the Class Members and PAGA Employees will be based on the number of verified weeks spent by class members in Defendant's employ during the Class Period as determined by the Claims Administrator. All Class Members will be entitled to payment for at least one workweek.

3.2.4.1 Tax Allocation of Individual Class Payments. 10% 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 45% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., 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 $27,000 to be paid from the Gross Settlement Amount, with 75% ($20,250) allocated to the LWDA PAGA Payment and 25% ($6,750) allocated to the Individual PAGA Payments.

3.2.5.1 The Claims Administrator's allocation/distribution of the NSA to the Class Members and PAGA Employees will be based on the number of verified weeks spent by class members in Defendant's employ during the Class Period as determined by the Claims Administrator. All Class Members will be entitled to payment for at least one workweek.

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 Data. Within 21 calendar days of the Court's preliminary approval of the Settlement, Defendant will provide to the Administrator the Class Data. 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. Defendant 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 Defendant 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.

4.2 Funding of Gross Settlement Amount. Defendant will pay the Settlement Amount to the Administrator within 30 calendar days of the Effective Date.

4.3 Payments from the Gross Settlement Amount. Within 28 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.3.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (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.

4.3.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are retuned undelivered without United States Postal Service ("USPS") forwarding address. Within five 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.

4.3.3 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 the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subdivision (b).

4.3.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant 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.

Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the wage portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 <u>Plaintiff's Release</u>. 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 Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice,P 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, or workers' compensation benefits that arose at any time. 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 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 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: 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 facts stated in the Operative Complaint and ascertained in the course of the Action, arising under state, federal or local law, whether statutory, common law or administrative, whether known or unknown, including, but not limited to, failure to pay all wages under Labor Code, §§ 204, 510(a), 1182.12, 1194(a), 1197, and 1198; failure to pay all overtime wages at the legal overtime pay rate under Labor Code, §§ 204, 510(a), and 1194(a); failure to provide all meal periods under Labor Code, §§ 226.7(b), 512, and 516; failure to authorize and permit all paid rest periods under Labor Code, §§ 226.7(b) and 516; failure to provide legally compliant rest periods under Labor Code, §§ 226.7(b) and 516; failure to pay premium wages at the legal pay rate under Labor Code, § 516; failure to timely furnish accurate itemized wage statements under Labor Code, § 226(a); derivative violations under Labor Code §§ 201–203; independent violations under Labor Code §§ 201–203; failure to reimburse all business expenses under Labor Code § 2802; improper final payment of wages under Labor Code, §§ 212–213; violations of Labor Code, § 552; unfair business practices under Business & Professions Code, § 17200 based on the above violations, and any other claims whatsoever that were alleged in this case or which arise out of such facts, from the factual allegations set forth in the Operative Complaint including, without limitation, all related claims for restitution and other equitable relief, liquidated damages, punitive damages, penalties, statutory penalties, interest, fees, including fees under California Code of Civil Procedure section

1021.5, costs, and any other related claims and/or penalties of any nature related to the claims in the Operative Complaint. 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 Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, the PAGA Notice, the Amended PAGA Notice, and ascertained in the course of the Action including, but not limited to, failure to pay all wages under Labor Code §§ 204, 510(a), 1182.12, 1194(a), 1197, and 1198; failure to pay all overtime wages at the legal overtime pay rate under Labor Code, §§ 204, 510(a), and 1194(a); failure to provide all meal periods under Labor Code, §§ 226.7(b), 512, and 516; failure to authorize and permit all paid rest periods under Labor Code, §§ 226.7(b) and 516; failure to provide legally compliant rest periods under Labor Code, §§ 226.7(b) and 516; failure to pay premium wages at the legal pay rate under Labor Code, § 516; failure to timely furnish accurate itemized wage statements under Labor Code, § 226(a); failure to keep accurate records under Labor Code § 226.3; derivative violations under Labor Code §§ 201–203; independent violations under Labor Code §§ 201–203; failure to reimburse all business expenses under Labor Code § 2802; improper final payment of wages under Labor Code, §§ 212–213; violations of Labor Code, § 552; and any other claims whatsoever that were alleged in this case or which arise out of such facts, from the factual allegations and issues set forth in Plaintiff's Amended PAGA Notice and the Operative Complaint.

6. MOTION FOR PRELIMINARY APPROVAL.

Plaintiff will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that includes a request for approval of the PAGA settlement under Labor Code section 2699(s).

6.1 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 Rust Consulting, Inc., to serve as the Administrator and verified that, as a condition of appointment, Rust Consulting, 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 to 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 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 PAGA Workweeks 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 USPS mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as **Exhibit A**. 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 Workweeks 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 five 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 PAGA Workweeks and Requests for Exclusion will be extended an additional 10 days beyond the 30 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, Defendant 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 10 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever 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 30 days after the Administrator mails the Class Notice (plus an additional 10 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their 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.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 30 days after the Administrator mails the Class Notice (plus an additional 10 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Workweeks (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 PAGA Workweeks 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 PAGA Workweeks to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 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.

7.7.2 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 oral 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 30 days after the Administrator's mailing of the Class Notice (plus an additional 10 days for Class Members whose Class Notice was re-mailed).

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

7.8 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.

7.8.1 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.

7.8.2 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 five (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; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 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 PAGA Workweeks 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.

7.8.4 Workweek 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. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5 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 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 Notices, 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.

7.8.6 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.

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.

Based on its records, Defendant estimates that the Class Members worked approximately 31,000 Workweeks from December 3, 2018, to September 10, 2024. Plaintiff has agreed to include a maximum of 34,100 workweeks (up to 10% more than 31,000 workweeks) in the Class Period. If the total number of workweeks in the Class Period, as determined from Defendant's payroll data, is ultimately determined to exceed 31,000 by more than 10%, (i.e., 34,100 workweeks, then the GSA shall be increased by the pro rata percentage increase in excess of 10% over 31,000 to include the additional workweeks (e.g., a 12% increase in workweeks would result in a 2% increase in the GSA). The aforementioned notwithstanding, Defendant shall have the right to choose to shorten the Class Period to the last date before the accrual of over 10% above 31,000 workweeks in lieu of increasing the GSA.

9. DEFENDANT'S RIGHT TO WITHDRAW.

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant 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, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than fifteen 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 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 Administration 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 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 highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the 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 grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant 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 Defendant'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. Class Representative and Class Counsel will not make any public disclosures of any kind regarding the Settlement or the Confidential Memorandum of Understanding including, but not limited to, postings on Class Counsel's website and postings on any social media sites/outlets. If contacted by the media or third parties, Class Representative and Class Counsel will only discuss information that is publicly available. Class Counsel will take all steps necessary to ensure the Class Representative is aware of, and will encourage him to adhere to, the restriction against initiating any media comment. Nothing herein will restrict Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience. 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 Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

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

12.14 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.

12.15 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.

12.16 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:

Emil Davtyan, Esq.
Gregg Lander, Esq.
Vanessa M. Ruggles, Esq.
D.LAW, INC.
1635 Pontius Avenue, Floor 2
Los Angeles, CA 90025-3361
Tel.: (424) 320-6420
Email: Gregg@d.law

To Defendant:

Peter J. Woo, Esq.
Sherry S. Hamilton, Esq.
Philip M. Duclos, Esq.
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618
Tel.: (949) 885-1360
Email: Peter.Woo@jacksonlewis.com

12.17 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.

12.18 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

12.19 Non-Monetary Relief. As a result of this settlement, Defendant will continue to review its wage and hour policies and practices to ensure that they continue to conform with the law in good faith.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Class Action and PAGA Settlement Agreement between Plaintiff, on the one hand, and Defendant, on the other hand, as of the date(s) set forth below:

Dated: 02 / 02 / 2025

Plaintiff Jose Arceo

Dated: 02/13/2025

Defendant Ardent Mills, LLC

Mark Kruger

Print Name of Authorized Signatory

APPROVED AS TO FORM

Dated: 02/03/2025

D. LAW, INC.

Gregg Lander, Esq.
Vanessa M. Ruggles, Esq
Attorneys for Plaintiff Jose Arceo

JACKSON LEWIS P.C.

Dated: 02/12/2025

Peter J. Woo, Esq.
Sherry S. Hamilton, Esq.
Philip M. Duclos, Esq.
Attorneys for Defendant

Doc ID: 71a7b59f0e6fd5bd459755462c36b18a5486dc39

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Jose Arceo v. Ardent Mills, LLC.
San Bernardino County Superior Court of California - Case No. CIVSB2305763

IF YOU WERE EMPLOYED BY DEFENDANT IN CALIFORNIA AS A NON-EXEMPT EMPLOYEE WHO WORKED ANY TIME FROM DECEMBER 3, 2018, THROUGH NOVEMBER 9, 2024, YOU ARE ENTITLED TO RECEIVE MONEY FROM A CLASS ACTION AND REPRESENTATIVE SETTLEMENT

The Court approved this notice. This is not an advertisement.

You are not being sued. However, your legal rights are affected whether or not you act.

PLEASE READ THIS NOTICE

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT INCLUDE THE FOLLOWING:	
DO NOTHING	You will receive a payment from the Settlement. No action is required for you to receive a share of this Settlement.
EXCLUDE YOURSELF	You will not receive a payment from the Settlement.[1] This is the only option that allows you to file your own lawsuit against Defendant for the claims released in this Settlement.
OBJECT	You may object to this Settlement; the Court may or may not agree with your objection. This will not exclude you from receiving a payment from the Settlement.

WHAT IS IN THIS NOTICE?

1. Why Should You Read This Notice?

You have received this Notice because records indicate that you are a member of the settlement class in this action. You may get money from the Settlement. This Notice will explain the Settlement's terms and the amount of money you may receive under the Settlement.

The settlement class is comprised of all current and former California non-exempt employees employed by Defendant Ardent Mills, LLC. ("Defendant" or "Ardent Mills") at any time from December 3, 2018, through November 9, 2024 ("Class Members").

[1] Regardless of whether you exclude yourself from the Settlement, you will still receive a portion of the settlement for release of the penalty claim under the Private Attorneys General Act, Labor Code sections 2698-2699.6.

This Notice tells you of your right to share in the Settlement. There was a Preliminary Approval hearing on July 1, 2025, at 8:30 a.m., in the San Bernardino County Superior Court. The Court determined only that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable, and that a final determination of the issues will be made at the Final Approval Hearing. The Court also ordered that you receive this Notice.

The Court will hold a Final Approval Hearing concerning the Settlement on _____________, 2025, at ______ a.m./p.m. in Department S-26 of the San Bernardino County Superior Court located at 247 West Third Street, San Bernardino, CA 924150. The Court must approve the terms of the Settlement as fair, adequate, and reasonable to the Class Members.

The Final Approval Hearing may be continued to another date without further notice. Class Members may appear remotely at the Final Approval Hearing and should contact the court clerk for Department S-26 at (909) 521-3519 for instructions on how to remotely appear.

2. What Is the Case About?

Plaintiff contends that Defendant: (1) Failed to pay all wages; (2) Failed to pay all overtime wages at the legal overtime pay rate; (3) Failed to provide all meal periods; (4) Failed to authorize and permit all paid rest periods; (5) Failed to provide legally-complaint rest periods; (6) Failed to pay premium wages at the legal pay rate; (7) Failed to fully reimburse work expenses; (8) Failed to timely furnish accurate itemized wage statements; (9) Derivatively failed to pay all final wages; (10) Independently failed to pay all final wages; (11) Committed unfair business practices; and (12) Owes penalties under the Private Attorneys General Act (PAGA) related to the underlying alleged violations.

Defendant denies the allegations raised in the lawsuit and believes it has no liability for any of Plaintiff's or the Class Members' claims. Defendant is settling the lawsuit as a compromise. Defendant reserves the right to object to and defend itself against any claim if, for any reason, the Settlement fails.

The Parties reached a Settlement subject to Court approval as represented in the Class Action and PAGA Settlement Agreement ("Settlement Agreement"). Class Counsel believes that the Settlement is fair, reasonable, and adequate, and that it is in the best interests of Class Members. Likewise, Defendant has decided that settlement is favorable because it avoids the time, risk, and expense of a lengthy lawsuit, and settlement immediately resolves, finally and completely, the pending and potential claims. By settling this lawsuit, Defendant does not admit, concede, or imply that it has done anything wrong or legally actionable.

3. How Much Can I Expect to Receive?

Defendant will pay a gross settlement amount of $1,350,000, which includes all settlement payments to Class Members, attorneys' fees and costs, costs of administering the Settlement, a payment to the LWDA under PAGA, and the Class Representative's payment.

Defendant's records indicate that you worked approximately ___ workweeks during the Class Period, which is December 3, 2018, through November 9, 2024. Based on these records, your estimated payment as a Class Member will be $__________.

Defendant's records indicate that you worked approximately ___ pay periods during the PAGA Period, which is March 3, 2022, through November 9, 2024. Based on these records, your estimated payment under PAGA will be $__________.

<u>It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your payment under the Settlement. You should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.</u>

The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (also known as the void date). If you don't cash your check by the void date, it will be automatically canceled, and the money will be deposited with the California Controller's Unclaimed Property Fund in your name.

4. Who Is the Plaintiff in This Class Action?

Jose Arceo is the Plaintiff and Class Representative in this class action lawsuit. He is representing your interests as a Class and PAGA representative.

5. Who Are the Attorneys Representing the Parties?

Class Counsel

Emil Davtyan, Esq.
Gregg Lander, Esq.
Vanessa M. Ruggles, Esq.
Guido E. Toscano, Esq.
D.LAW, INC.
1635 Pontius Avenue, Floor 2
Los Angeles, CA 90025-3361
Tel.: (424) 320-6420
Email: Gregg@d.law

Defense Counsel

Peter J. Woo, Esq.
Sherry S. Hamilton, Esq.
Philip M. Duclos, Esq. JACKSON LEWIS LLP
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618

6. What are My Rights Regarding This Settlement?

Participating in the Settlement

Under the Settlement, you will **automatically** receive a settlement payment unless you opt out by following the opt-out procedure set forth below.

This Settlement Notice states the total number of workweeks you worked for Defendant during the Class Period. Your individual settlement payment as a Class Member will be based on that number. If you believe the information on this Notice is correct, then you do not need to take any further action to receive your settlement payment.

If you believe the workweek information shown above is incorrect, you must submit a written workweek dispute stating why you believe the listed workweeks are not correct. The workweek dispute must be mailed or faxed to the Settlement Administrator (whose contact information is listed below) and must be postmarked no later than **____________________, 2025**. You should submit to the Settlement Administrator documentation to support the number of workweeks you believe you worked during the Class Period. If there is a dispute about the workweeks you worked, the Settlement Administrator will review the records to resolve the dispute.

NOTE: UNLESS YOU DISPUTE THE WORKWEEK INFORMATION LISTED ABOVE OR OPT OUT OF THE SETTLEMENT, YOU WILL RECEIVE MONEY FROM THE SETTLEMENT BASED ON THE AMOUNTS SET FORTH ABOVE.

If you are a current employee of the Defendant, your decision as to whether to participate in this Settlement will not affect or in any way impact your employment.

Objecting to the Settlement

If you wish to object to the Settlement in writing, you must submit a written Objection stating why you object to the Settlement. The Objection must be signed by you and include your full name, address, telephone number, and last four digits of your Social Security number. The Objection must be mailed or faxed to the Settlement Administrator (whose contact information is listed below) and must be postmarked no later than ____________________, **2025**. Late Objections will not be considered.

You may also, if you wish, appear at the Final Approval Hearing set for __________________, 2025, at ______a.m./p.m. in Department S-26 of the San Bernardino County Superior Court and discuss your objections with the Court and the Parties, regardless of whether you submitted a prior written Objection. You may appear on your own or through an attorney retained by you at your expense. The Final Approval Hearing may be continued to another date without further notice.

IF YOU OBJECT TO THE SETTLEMENT, YOU WILL STILL RECEIVE YOUR SHARE OF THE SETTLEMENT IF THE COURT APPROVES THE SETTLEMENT.

Opting Out of the Settlement

If you wish to be excluded from participating in the Settlement, you must complete and sign a written Request for Exclusion to the Settlement Administrator via fax or at the address below requesting to be excluded from the Settlement. To be considered valid, your Request for Exclusion must be signed by you, and contain your name, address, telephone number, and the last four digits of your Social Security number. Your Request for Exclusion also must clearly indicate that you desire to be excluded from the Settlement. To be considered timely, your Request for Exclusion must be faxed or postmarked no later than __________, **2025**. Late Requests for Exclusion will not be considered.

If you timely mail a complete and valid Request for Exclusion, you will no longer be a member of the Class and you will **not** be eligible to object to the terms of the Settlement or receive money under the Settlement except for that portion of the Settlement allocated to PAGA penalty payments. Except for the PAGA release, you will not be bound by the terms of the Settlement and may pursue any valid claims you may have, at your own expense, against Defendant. Individuals otherwise meeting the definition of Class Members who exclude themselves from the class will still receive a payment for the amount of each such individual’s estimated share of the Individual PAGA Payment that was included by the Settlement Administrator in calculating the Claim Amount and shall still be bound by the PAGA release.

Effect of the Settlement on Your Rights

Upon final approval of the Settlement by the Court, all Participating Class Members will be deemed to have released the Released Parties from all Released Class Claims and Released PAGA Claims, as defined below. Regardless of whether an individual opts out of the Settlement, all Participating PAGA Members will be deemed to have released the Released Parties from all Released PAGA Claims.

“Released Parties” means Defendant’s former and present directors, officers, shareholders, owners, partners, members, customers, agents, employees, attorneys, insurers, predecessors, successors and future owners, assigns, parents, subsidiaries, payroll companies, and related or affiliated entities.

“Released Claims” means all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action, arising under state, federal or local law, whether statutory, common law or administrative, whether known or unknown, including, but not limited to, failure to pay all wages under Labor Code, §§ 204, 510(a), 1182.12, 1194(a), 1197, and 1198; failure to pay all overtime wages at the legal overtime pay rate under Labor Code, §§ 204, 510(a), and 1194(a); failure to provide all meal periods under Labor Code, §§ 226.7(b), 512, and 516; failure to authorize and permit all paid rest periods under Labor Code, §§ 226.7(b) and 516; failure to provide legally compliant rest periods under Labor Code, §§ 226.7(b) and 516; failure to pay premium wages at the legal pay rate under Labor Code, § 516; failure to timely furnish accurate itemized wage statements under Labor Code, § 226(a); derivative violations under Labor Code §§ 201–203; independent violations under Labor Code §§ 201–203; failure to reimburse all business expenses under Labor Code § 2802; improper final payment of wages under Labor Code, §§ 212–213; violations of Labor Code, § 552; unfair business practices under Business & Professions Code, § 17200 based on the above violations, and any other claims whatsoever that were alleged in this case or which arise out of such facts, from the factual allegations set forth in the Operative Complaint including, without limitation, all related claims for restitution and other equitable relief, liquidated damages, punitive damages, penalties, statutory penalties, interest, fees, including fees under California Code of Civil Procedure section 1021.5, costs, and any other related claims and/or penalties of any nature related to the claims in the Operative Complaint. 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.

"PAGA Released Claims" means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, the PAGA Notice, the Amended PAGA Notice, and ascertained in the course of the Action including any and all including, but not limited to, failure to pay all wages under Labor Code §§ 204, 510(a), 1182.12, 1194(a), 1197, and 1198; failure to pay all overtime wages at the legal overtime pay rate under Labor Code, §§ 204, 510(a), and 1194(a); failure to provide all meal periods under Labor Code, §§ 226.7(b), 512, and 516; failure to authorize and permit all paid rest periods under Labor Code, §§ 226.7(b) and 516; failure to provide legally compliant rest periods under Labor Code, §§ 226.7(b) and 516; failure to pay premium wages at the legal pay rate under Labor Code, § 516; failure to timely furnish accurate itemized wage statements under Labor Code, § 226(a); failure to keep accurate records under Labor Code § 226.3; derivative violations under Labor Code §§ 201–203; independent violations under Labor Code §§ 201–203; failure to reimburse all business expenses under Labor Code § 2802; improper final payment of wages under Labor Code, §§ 212–213; violations of Labor Code, § 552; and any other claims whatsoever that were alleged in this case or which arise out of such facts, from the factual allegations and issues set forth in Plaintiff's Amended PAGA Notice and the Operative Complaint.

7. How Will the Attorneys for the Class Be Paid?

The attorneys for the Settlement Class will be paid from the gross settlement. The attorneys are seeking a fee not to exceed $450,000, as well as reimbursement of their litigation costs, up to $26,000. Plaintiff is seeking a Class Representative Service Payment from the Settlement not to exceed $15,000 for his service as Class Representative. Likewise, the Parties agree that $27,000 shall be allocated to settle the PAGA claim, with $20,250 to be paid to the LWDA, and the remaining $ $6,750 to be divided equally among the PAGA Members and paid as their PAGA Payments. The Settlement Administrator estimates that the cost of administration will not exceed $11,000. All of these amounts are to be deducted from the gross settlement, with the remainder available for distribution to Participating Class Members who do not opt out.

8. What If I Lose My Settlement Check?

If you lose or misplace your settlement check before cashing it, the Settlement 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 should consult the Unclaimed Property Fund at https://ucpi.sco.ca.gov/ or (916) 445-5361 for instructions on how to retrieve the funds.

9. What If I Need Additional Information?

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may call Class Counsel, Gregg Lander (424-320-6420) or email him at Gregg@d.law, or contact the Settlement Administrator at the contact information listed below.

Settlement Administrator
c/o Rust Consulting, Inc.
[ADDRESS]
[PHONE NUMBER] / [FAX NUMBER]

You may also visit the Settlement Administrator's website at https://rustconsulting.com/ to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Department S-26 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415, during regular business hours of each court day. You may also obtain these documents through the Court's website at https://www.sb-court.org/

DO NOT CONTACT THE COURT FOR LEGAL ADVICE OR FOR INFORMATION ABOUT THIS SETTLEMENT.

By Order of the San Bernardino County Superior Court, the Honorable Christian Towns.