

PAGA SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement” or “Settlement”) is made and entered into between Plaintiffs Juan Fernando Merendon and Adrian Cuevas-Granados (“Plaintiffs”), acting in a private attorney general capacity, and Defendant Sabor Farms, LLC (“Defendant” or “Sabor Farms”) (collectively, the “Parties”).

I. DEFINITIONS

The following terms, when used in this Settlement Agreement, shall have the following meanings:

1. “Action” means the matters titled: *Juan Fernando Merendon-Cerega v. Sabor Farms, LLC*, Monterey Superior Court Case No. 23CV003181, and as set forth in Plaintiff Merendon-Cerega’s correspondence to the California Labor and Workforce Development Agency (“LWDA Letter”) dated July 24, 2023; and *Adrian Cuevas-Granados v. Sabor Farms, LLC*, Monterey Superior Court Case No. 24CV000743, and as set forth in Plaintiff Cuevas-Granados’ correspondence to the California Labor and Workforce Development Agency (“LWDA Letter”), dated February 23, 2024.

2. “Aggrieved Employees” consist of all current and former non-exempt employees who worked for Sabor Farms in California at any time during the PAGA Period. The number of Aggrieved Employees, including Plaintiffs, is estimated to be 611 individuals.

3. “Sabor Farms” or “Defendant” means Sabor Farms, LLC.

4. “Settlement Administrator” means ILYM Group, Inc.

5. “Complaint” means the operative complaint in the *Cuevas-Granado* Action, which is the Second Amended Complaint filed on May 23, 2025.

6. “Court” means the Superior Court of California for the County of Monterey.

7. “Effective Date” means the date the Court enters an Order granting Court approval to the settlement.

8. “Individual PAGA Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein.

9. “LWDA” means the California Labor and Workforce Development Agency.

10. “Maximum Settlement Amount” is the non-reversionary sum of Six Hundred Sixty-Five Thousand Dollars and Zero Cents (\$665,000.00), which represents the total amount payable under this Settlement Agreement by Sabor Farms (subject to the Escalator Clause described below), including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiffs’ attorneys’ fees and costs, payment of Plaintiffs’ enhancement payments, and payment to the Settlement Administrator for administration costs.

11. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts, if approved by the Court, are subtracted from the Maximum Settlement Amount: (a) Plaintiff’s attorneys’ fees up to one third of the Maximum Settlement Amount; (b) Plaintiffs’ litigation costs up to \$20,000.00; (c) Plaintiffs’ enhancement payments up to \$5,000.00 each, for a total of \$10,000.00; and (d) administration costs up to \$6,550.00.

12. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

13. “PAGA Period” means the time period from July 24, 2022 through March 15, 2025.

14. “PAGA Released Claims” mean all PAGA claims that were pled in the Action, or which could have been pled in the Action, or which could have been pled under the PAGA based on the factual allegations in the Action, that arose during the PAGA Period. The release of the PAGA Released Claims shall extend for the duration of the PAGA Period.

15. “Parties” means, collectively, Plaintiffs and Sabor Farms.

16. “Plaintiffs’ Counsel” means Scott Ernest Wheeler of The Wheeler Law Firm, APC, and Paul K. Haines, Sean M. Blakely, and Alexandra R. McIntosh of Haines Law Group, APC.

II. RECITALS

1. Plaintiffs performed work for Sabor Farms as non-exempt employees in California during the PAGA Period and are therefore an Aggrieved Employee pursuant to the definition contained herein.

2. On July 24, 2023, Plaintiff Juan Fernando Merendon-Cerega provided written notice to the LWDA and Sabor Farms asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of various Labor Code sections and his intent to file a civil lawsuit under the PAGA.

3. On October 2, 2023, Plaintiff Juan Fernando Merendon-Cerega filed an action for civil penalties under the PAGA entitled *Juan Fernando Merendon-Cerega v. Sabor Farms, LLC*, Monterey Superior Court Case No. 23CV003181.

4. On February 23, 2024, Plaintiff Adrian Cuevas-Granados filed a class action complaint titled *Adrian Cuevas-Granados v. Sabor Farms, LLC*, Monterey Superior Court Case No. 24CV000743, asserting multiple claims against Sabor Farms for violations of the Labor Code on a class-wide basis. That same day, Plaintiff Adrian Cuevas-Granados provided written notice to the LWDA and Sabor Farms asserting claims for civil penalties pursuant to PAGA stemming from alleged violations of various Labor Code sections and his intent to file a civil lawsuit under the PAGA. On April 29, 2024, after exhausting his administrative requirements for bringing a claim under the PAGA, Plaintiff Adrian Cuevas-Granados filed a First Amended Complaint, which added a claim for PAGA civil penalties.

5. The Parties in the *Fernando Merendon* Action and the *Cuevas-Granados* Action agreed to attend a global private mediation in an effort to resolve Plaintiffs’ PAGA claims. In

connection with mediation, Sabor Farms provided Plaintiffs' Counsel with information and documents pertaining to Plaintiffs and other Aggrieved Employees in order for Plaintiffs' Counsel to investigate Plaintiffs' allegations and value the claims prior to mediation.

6. On January 15, 2025, the Parties participated in mediation before mediator Kevin T. Barnes, Esq. With the assistance of Mr. Barnes, the Parties agreed to fully and finally resolve the PAGA Released Claims as to Plaintiffs and Aggrieved Employees.

7. As part of the Settlement, the Parties will stipulate to the filing of a Second Amended Representative Action Complaint in the *Cuevas-Granados* Action which adds Plaintiff Fernando Merendon as a named plaintiff and adds all claims and legal theories alleged in the *Fernando Merendon* Action. Plaintiff Cuevas-Granados will also request dismissal of his class claims without prejudice. The Parties shall seek approval of this Settlement through the *Cuevas-Granados* Action.

III. OPERATIVE TERMS OF SETTLEMENT AGREEMENT

The Parties agree as follows:

1. **Non-Admission.** Nothing in this Settlement Agreement shall be construed to be an admission by Plaintiffs that their claims do not have merit, or an admission by Sabor Farms of any liability or wrongdoing as to Plaintiffs, the Aggrieved Employees or any other person. Sabor Farms specifically disclaims and denies any such liability or wrongdoing. The Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement Agreement and any related court documents or orders are not and may not be cited or admitted as evidence of liability.

2. **Maximum Settlement Amount.** The Parties agree to settle the Action for the non-reversionary Maximum Settlement Amount ("MSA") of \$665,000.00 (subject to the Escalator Provision below). From the MSA, Plaintiffs will seek, and Sabor Farms shall not oppose: (a) attorneys' fees of one-third of the MSA; (b) attorneys' litigation costs and expenses related to the Action of up to \$20,000.00; (c) settlement administration costs of approximately \$6,550.00; and (d) enhancement payments to Plaintiffs in the amount of \$5,000 each, for a total of \$10,000.00. After the amounts for attorneys' fees, costs, administration costs, and enhancement payments are deducted from the MSA, the remaining amount shall be known as the "Net Settlement Amount" or "NSA." Sabor Farms shall deposit the MSA as follows: (1) Sabor Farms shall make a first installment payment of \$332,500.00 with the Settlement Administrator upon the Effective Date; and (2) Sabor Farms shall make a second installment payment of \$332,500.00 with the Settlement Administrator within six months of the first installment payment.

3. **Escalator Clause.** Sabor Farms represents that there are approximately 28,348 pay periods worked by Aggrieved Employees during the PAGA Period. If the number of pay periods as reported to the Settlement Administrator during the PAGA Period is more than 10% greater than this figure (i.e., if there are 31,183 or more pay periods worked during the PAGA Period), Sabor Farms shall increase the MSA on a proportional basis (i.e., if there was a 15% increase in the number of pay periods, Sabor Farms shall increase the MSA by 5%).

4. **Net Settlement Amount.** The Parties agree that the following amounts should be subtracted from the Maximum Settlement Amount, if approved by the Court, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

a. **Plaintiffs' Attorneys' Fees and Costs.** Sabor Farms will not oppose Plaintiffs' request for attorneys' fees in the amount up to one third of the Maximum Settlement Amount (currently estimated to be \$221,666.67) and costs up to \$20,000.00 incurred in prosecuting this Action. In the event the Court approves less than these amounts, the difference will be added to the Net Settlement Amount (although Plaintiffs may appeal an order granting less than the full amount sought for attorneys' fees and costs). Sabor Farms, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiffs' Counsel.

b. **Plaintiffs' Enhancement Payments.** Sabor Farms will not oppose Plaintiffs' request for an enhancement payment of up to \$5,000.00 to each Plaintiff, for a total of \$10,000, for serving as the representative plaintiffs in this Action. In the event the Court approves a payment of less than the requested amount, the difference will be added to the Net Settlement Amount (although Plaintiffs may appeal an order granting less than the full amount sought for Plaintiffs' enhancement payments). Pursuant to the Parties' agreement, Plaintiffs have executed separate, individual settlement agreements with consideration of \$10,000 per Plaintiff (\$20,000.00 total) (the "Individual Settlement"). The Individual Settlement has no impact on the PAGA Settlement. Sabor Farms, via the Settlement Administrator, will report these payments on IRS Form 1099 issued to Plaintiffs.

c. **Administration Costs.** Sabor Farms will not oppose the Settlement Administrator's costs in the amount up to \$6,550.00 for administering the settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. Sabor Farms, via the Settlement Administrator, will report this payment on IRS Form 1099 issued to the Settlement Administrator.

5. **Allocation of Net Settlement Amount.** One hundred percent (100%) of the Net Settlement Amount shall be designated as "civil penalties" and shall be distributed 75% to the LWDA and 25% to Aggrieved Employees, pursuant to Labor Code § 2699(i). The 25% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees pro rata, based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

a. The parties agree that should the Court deny approval of the Settlement based on the allocation of the Maximum Settlement Amount or the Net Settlement Amount, the parties agree to re-negotiate in good faith in an effort to obtain approval of the Settlement.

6. **PAGA Released Claims.** Upon entry of an Order approving the Settlement and judgment entered thereon, and upon the Settlement being fully funded, Plaintiffs and all Aggrieved Employees will release the PAGA Released Claims against Sabor Farms that arose during the PAGA Period. Upon entry of the Order approving the settlement and judgment entered thereon and the Settlement being fully funded, Plaintiffs and all Aggrieved Employees will be forever barred from pursuing any and all of the PAGA Released Claims that arose during the PAGA Period against Sabor Farms.

7. **Covenants and Representations by Plaintiffs and Plaintiffs' Counsel.**

a. Plaintiffs represent and warrant that they have not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement Agreement.

b. Plaintiffs acknowledge that they have read this Settlement Agreement, that they fully understand their rights, privileges and duties under the Settlement Agreement, and enter into this Settlement Agreement freely and voluntarily. Plaintiffs further acknowledge that they have had the opportunity to consult with their attorneys to explain the terms of this Settlement Agreement and the consequences of signing this Settlement Agreement.

8. **Confidentiality.** Except as provided below to the extent necessary to effectuate the settlement or as required by court or legal process, Plaintiffs and Plaintiffs' Counsel will keep the terms of this Settlement Agreement confidential. Neither Plaintiffs nor Plaintiffs' Counsel shall issue a press release, hold a press conference, publish information about the settlement on any website or through any social media or otherwise publicize the settlement or communicate its terms in public or in private, unless ordered by the Court. However, for the limited purpose of establishing adequacy of counsel in future actions, Plaintiffs' counsel may reference the Action by name and case number in a declaration establishing adequacy as class or representative counsel.

To permit judicial review and approval of the Settlement, as required by Labor Code section 2698, *et seq.*, Plaintiffs' Counsel will file the Settlement Agreement with the Court and submit the Settlement to the LWDA as part of the parties' seeking Court approval of the Settlement, per Labor Code § 2699(1)(2).

9. **Motion for Approval of PAGA Settlement by Plaintiffs' Counsel.** Plaintiffs' Counsel shall be responsible for promptly preparing and filing the Motion for Approval of the PAGA Settlement.

10. **Termination of Settlement Agreement.** If the Court does not approve the settlement, if the Court does not enter judgment as provided for in this Settlement Agreement, or if appellate review is sought and, on such review, the Court's decision is materially modified or reversed, or if one or more of the material terms of the Settlement Agreement is not approved or is materially modified or reversed or found to be invalid, then either of the Parties shall have the right within 10 days of written notice thereof to elect to terminate the Settlement Agreement, in which case the Settlement Agreement shall have no force or effect, and the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Settlement Agreement.

If the Court does not grant Approval or conditions Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Approval. The Court's decision to award less than the amounts requested for the PAGA Representative Service Payment, Plaintiff's Counsel Fees Payment, Plaintiff's Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

11. **Judgment.** As part of the Motion to approve the Settlement, Plaintiffs shall submit a proposed judgment which enters judgment in the Action in accordance with the terms of the Settlement, retains jurisdiction over the Action under Cal. Code Civ. Proc. § 664.6 for the purpose of enforcing the terms of the Settlement following approval of the Settlement, and enjoins the prosecution of any of the PAGA Released Claims against any of the Released Parties upon the judgment being entered and the Settlement being fully funded. This Settlement Agreement is expressly conditioned upon the Court entering judgment as set forth herein. The judgment will not release or bar any claims other than the PAGA Released Claims as to Plaintiffs and the Aggrieved Employees.

IV. **ADMINISTRATION OF SETTLEMENT**

1. **Settlement Administrator.** The Parties agree to engage ILYM Group, Inc. to handle the administration of this settlement.

2. **Provision of Information for Aggrieved Employees.** Within ten (10) business days after entry of an order approving the settlement, Sabor Farms shall provide the Settlement Administrator with information for Aggrieved Employees. Sabor Farms will in good faith compile from its records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and shall include each Aggrieved Employee's full name, last known mailing address, number of pay periods worked during the PAGA Period, and Social Security numbers to the extent available from Sabor Farms' records. Because Social Security numbers are included in the list, the Settlement Administrator will maintain the list in confidence, and access shall be limited to those with a need to use the list as part of the administration of the Settlement. Within 7 calendar days of receiving the Aggrieved Employees' information from Sabor Farms, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual PAGA Payments to each Aggrieved Employee and the data used to calculate said payments. The Settlement Administrator shall obtain approval from all counsel of the calculations before mailing Individual PAGA Payments.

3. **Explanatory Letter and Individual PAGA Payments.** Upon receipt of the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses. Within ten (10) business days after the Settlement has been fully funded and after receiving approval from Plaintiffs' Counsel and Defendant's counsel of the payment calculations as provided above, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English and Spanish, along with Individual PAGA Payments to all Aggrieved Employees via regular First-Class U.S. Mail.

The Settlement Administrator will calculate the amount to be received by each Aggrieved Employee, which will be based on the formula set forth in Section III.5., *supra*. The Settlement Administrator will send each Aggrieved Employee a check for his or her Individual PAGA Payment along with the explanatory letter. Checks will remain negotiable for 180 days. Each Individual PAGA Payment shall be deemed penalties and reported using IRS Form 1099, with no withholdings taken.

4. **Undeliverable Notices.** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address

identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other reputable search method using the name, address or Social Security number of the Aggrieved Employee involved, and will perform up to a single re-mailing if a new address is located.

Funds represented by checks returned as undeliverable after a re-mailing, checks for whom the Settlement Administrator could not locate an updated address after performing a skip trace, and funds represented by checks remaining un-cashed more than 180 days after issuance (collectively, "Uncashed Checks"), shall escheat to *cy pres* recipient, The Food Bank for Monterey County.

5. **Distribution of Payments.** Within ten (10) business days of the Settlement being fully funded, the Settlement Administrator shall issue payments to (1) Aggrieved Employees; (2) the LWDA; (3) Plaintiffs' Counsel for Plaintiffs' Counsel's Court-approved attorneys' fees and litigation costs and expenses; (4) Plaintiffs for the Court-approved enhancement payments and (5) the Settlement Administrator for Court-approved Settlement administration costs incurred in connection with the Settlement. Payments made by Sabor Farms pursuant to this Settlement shall be held by the Settlement Administrator in an interest-bearing account until they are disbursed, with any accrued interest inuring to the benefit of the Aggrieved Employees in the form of pro rata increases to Aggrieved Employees' Individual PAGA Payments.

6. **Accounting.** Within 45 days after all payments have been made under the Settlement, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the settlement.

7. **Tax Consequences.** Neither Plaintiffs nor Sabor Farms, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement Agreement.

V. **MISCELLANEOUS PROVISIONS**

1. **Drafting.** The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that neither Party shall be considered the "drafter" of this Settlement Agreement for purposes of having terms construed against that Party.

2. **Successors.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Costs and Fees.** The Parties shall each bear their own costs and attorneys' fees incurred in connection with this Settlement Agreement, the Action and Plaintiffs' claims, except as otherwise set forth specifically herein.

4. **Governing Law.** This Settlement Agreement shall be construed under and governed by the laws of the State of California. This Settlement Agreement shall be deemed to have been entered into in the State of California, and all questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement Agreement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement Agreement, it shall be brought in the State of California, County of Monterey.

5. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement Agreement has been made to them with respect to the subject matter of this Settlement Agreement, and acknowledge and represent that this Settlement Agreement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the PAGA claim in the Action.

6. **Nullification of Settlement Agreement.** In the event that: (i) the Court does not approve the settlement as provided herein; or (ii) the settlement does not become final for any other reason, then this Settlement Agreement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions before the Settlement was executed.

7. **Judgment and Continued Jurisdiction.** As noted above, after approval of this settlement, the Court will have continuing jurisdiction under Cal. Code Civ. Proc. § 664.6 for purposes of addressing: (i) the interpretation and enforcement of the terms of the settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

8. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest, or by counsel for all Parties.

9. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this settlement, the Parties may seek the assistance of the mediator (Kevin T. Barnes, Esq.) or the Court to resolve such disagreement.

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

11. **Acknowledgement that the Settlement is Fair and Reasonable.** The Parties

believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action, and have arrived at this settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this settlement.

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

13. **Severability.** If any term or provision of this Settlement Agreement is held to be invalid or unenforceable, the remaining portions of this Settlement Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

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

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

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

17. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

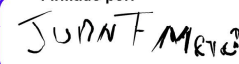
18. **Cooperation and Execution of Necessary Documents.** All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

19. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this settlement, and further intend that this Settlement Agreement will be

fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: 8/20/2025, 2025

Firmado por:

824D2EB6246547A...

Juan Fernando Merendon, Plaintiff

Dated: _____, 2025

Adrian Cuevas-Granados, Plaintiff

Dated: Oct 6, 2025, 2025

SABOR FARMS, LLC


[William E Quinlan \(Oct 6, 2025 16:21:13 PDT\)](#)

By: William E Quinlan

Its: President

APPROVED AS TO FORM:

Dated: August 20, 2025

THE WHEELER LAW FIRM, APC

By: 

Scott E. Wheeler
Attorneys for Plaintiffs

Dated: _____, 2025

HAINES LAW GROUP, APC

By: _____
Sean M. Blakely
Attorneys for Plaintiffs

Dated: _____, 2025

FISHER & PHILLIPS LLP

By: _____
Rebecca Hause-Schultz
William Okamoto
Attorneys for Defendant

fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS THEREOF, the Parties each acknowledge that he/it has read the foregoing Settlement Agreement, accepts and agrees to the provisions contained in this Settlement Agreement and hereby executes it voluntarily and with full understanding of its consequences.

Dated: _____, 2025

Juan Fernando Merendon, Plaintiff

Dated: 08/13/2025

Adrian Cuevas - Granados a

Adrian Cuevas-Granados, Plaintiff

SABOR FARMS, LLC

Dated: _____, 2025

By:

Its:

APPROVED AS TO FORM:

Dated: _____, 2025

THE WHEELER LAW FIRM, APC

By: _____

Scott E. Wheeler

Attorneys for Plaintiffs

Dated: August 13, 2025

HAINES LAW GROUP, APC

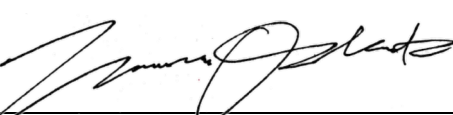
By:  _____

Sean M. Blakely

Attorneys for Plaintiffs

Dated: _____, 2025

FISHER & PHILLIPS LLP

By:  _____

Rebecca Hause-Schultz

William Okamoto

Attorneys for Defendant

EXHIBIT A

Re: *Adrian Cuevas-Granados, et al. v. Sabor Farms, LLC.*
Superior Court of California for the County of Monterey; Case No. 24CV000743

Date: [REDACTED]/[REDACTED]/202[REDACTED]

SIMID
Name
Address

Dear Name:

Enclosed, please find a check made payable to you. This is your payment from the settlement of the lawsuit titled *Adrian Cuevas-Granados, et al. v. Sabor Farms, LLC.*, Case No 24CV000743, pending in the Superior Court of the State of California for the County of Monterey (the “Action”).

The Action was filed against Sabor Farms, LLC (“Sabor Farms”) and includes a claim pursuant to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). The Action was brought by Plaintiffs Adrian Cuevas-Granados and Juan Fernando Merendon-Cerega (“Plaintiffs”), former employees of Sabor Farms, on behalf of the State of California and other alleged aggrieved employees. You have been identified as one of the employees on whose behalf the case was brought.

Plaintiffs claimed that Sabor Farms owed civil penalties under PAGA for alleged violations of the California Labor Code. Sabor Farms strongly denies these allegations and contends that it complied with all applicable laws. The Court has made no determination whether Sabor Farms or Plaintiffs is correct on the merits. In the meantime, the parties have reached a settlement of Plaintiffs’ claims, rather than continuing the expensive and time-consuming process of litigation. On [DATE], the Court approved the settlement, including the amount of civil penalties to be paid under the settlement. A portion of the civil penalty settlement amount goes to the State of California’s Labor and Workforce Development Agency. Another portion of the civil penalty settlement amount goes to employees of Sabor Farms who were allegedly affected by the alleged violations of the Labor Code. Your payment is based on the proportionate number of pay periods you worked for Sabor Farms in California from July 24, 2022 through March 15, 2025 (the “PAGA Period”). Based on Sabor Farms’ records, you worked [Number] pay periods during the PAGA Period.

In agreeing to this settlement, Sabor Farms does not admit that it is liable in any way to current or former employees for any violations of the California Labor Code or any penalties.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. This check will remain valid for 180 days from the date of issuance. If you do not cash your check within 180 days of issuance, the funds shall escheat to *cy pres* recipient, The Food Bank for Monterey County. If you are still employed by Sabor Farms, your decision to cash the check will not affect your employment.

While you were not a party to the Action, you and the State of California have been bound by the settlement entered in this matter and approved by the Court, including the release contained in the settlement. The release pertains to civil penalties under PAGA only. The Release applies to Sabor Farms. All PAGA claims that were pled in the Action, or which could have been pled in the Action, or which could have been pled under the PAGA based on the factual allegations in the Action, that arose during the PAGA Period. The release of the PAGA Released Claims shall extend for the duration of the PAGA Period.

If you have any questions, you can contact ILYM Group, Inc., the Settlement Administrator, at 1-[REDACTED]-[REDACTED].