

BRADLEY/GROMBACHER, LLP

Marcus Bradley, Esq. (SBN 174156)
Kiley Grombacher, Esq. (SBN 245960)
Corey S. Smith, Esq. (SBN 312002)
31365 Oak Crest Drive, Suite 240
Westlake Village, CA 91361
Telephone: (805) 270-7100
Facsimile: (805) 270-7589
Email: mbradley@bradleygrombacher.com
Email: kgrombacher@bradleygrombacher.com
Email: csmith@bradleygrombacher.com

Attorneys for Plaintiff ISIDRO DE LA ROSA on
behalf of himself and others similarly situated

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF STANISLAUS**

ISIDRO DE LA ROSA on behalf of himself
and all others similarly situated,

Plaintiff,

v.

G.J. SILVA DAIRY, INC., a California
Corporation; and DOES 1 to 10, inclusive

Defendant.

CASE NO. CV-23-007395

Assigned to Hon. John R. Mayne, Dept. 21

**CLASS ACTION AND PAGA SETTLEMENT
AGREEMENT AND RELEASE**

Complaint filed on December 14, 2023

1 **CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE**

2 This Class Action and PAGA Settlement and Release (hereinafter "Stipulation of
3 Settlement") is made and entered into by and between Isidro de la Rosa ("Plaintiff" or "Class
4 Representative"), individually and on behalf of all others similarly situated, and on behalf of the
5 State of California pursuant to the California Private Attorneys' General Act ("PAGA"), on the one
6 hand, and Defendant G.J. Silva Dairy, Inc. ("Defendant"), on the other hand (collectively with
7 Plaintiff, "the Parties").

8 **DEFINITIONS**

9 The following definitions are applicable to this Settlement Agreement. Definitions
10 contained elsewhere in this Settlement Agreement will also be effective:

11 1. "The Action" means, collectively, the following lawsuit: *Isidro De La Rosa. v. G.J.*
12 *Silva Dairy Inc.*, filed in the Superior Court for the State of California, County of Stanislaus, Case
13 No. CV-23-00739, along with all complaints filed therein, as well as the pre-litigation PAGA
14 Letters sent by Plaintiff.

15 2. "Aggrieved Employees" or "PAGA Group" means all of Defendant's current and
16 former non-exempt employees in the state of California who worked for Defendant at any time
17 between December 14, 2022, and September 30, 2024.

18 3. "Attorneys' Fees and Costs" means attorneys' fees agreed upon by the Parties and
19 approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs
20 incurred and to be incurred by Class Counsel in the Action, including but not limited to, costs
21 associated with documenting the Settlement, providing any notices required as part of the
22 Settlement or Court order, securing the Court's approval of the Settlement, administering the
23 Settlement, obtaining entry of a Judgment terminating the Action, and expenses for any experts.

24 4. "Class Period" means the period from October 19, 2019 through September 30,
25 2024.

26 5. "Complaint" refers to the Representative Action Complaint that Plaintiff filed in
27 Stanislaus County Superior Court on or about December 14, 2023.

28 6. "Class Payments" means payments made from the Net Settlement Amount to

1 Participating Class Members.

2 7. "Class Counsel" means Bradley/Grombacher, LLP.

3 8. "Settlement Period" means the period from December 14, 2019, through September
4 30, 2024.

5 9. "Class Member(s)" or "Settlement Class" means all of Defendant's current and
6 former non-exempt employees in the state of California who worked for Defendant at any time
7 within the Settlement Period as defined above. Defendant estimates that it employed approximately
8 81 individuals from the start of the Class Period until September 30, 2024.

9 10. "Participating Class Member(s)" means Class Members who do not timely exclude
10 themselves from the Class Action, and will therefore be a part of the final Class Action Settlement
11 and bound by the releases herein.

12 11. "Enhancement Payment" means the amount to be paid to Plaintiff in recognition of
13 their effort and work in prosecuting the Action on behalf of Class Members, and for his general
14 release of claims.

15 12. "Court" means the Superior Court of California, County of Stanislaus, Honorable
16 John R. Mayne, or any other court taking jurisdiction of the Settlement.

17 13. "Defendant" means Defendant G.J. Silva Dairy, Inc.

18 14. "Effective Date" means the date on which the settlement is approved and the
19 Court's order approving the settlement ("Judgment") becomes final. Within sixty (60) calendar
20 days after the Court approves the settlement, Defendant shall fund the Gross Settlement Amount.

21 15. "Employee PAGA Payments" means payments to Aggrieved Employees made from
22 the PAGA Fund, collectively amounting to 25% of the PAGA Fund. Employee PAGA Payments
23 will be distributed to Aggrieved Employees regardless of whether they are also Class Members
24 and/or whether they exclude themselves from the Class Settlement.

25 16. "Individual Class Payment" means each Participating Class Member's respective
26 share of the Net Settlement Amount.

27 17. "LWDA PAGA Payment" means the payment to the Labor and Workforce
28 Development Agency made from the PAGA Fund, amounting to 75% of the PAGA Fund.

18. “Net Settlement Amount” means the portion of the Gross Settlement Amount remaining after deducting the Attorneys’ Fees and Costs, the Class Representative Service Awards, the PAGA Fund, Settlement Administration Costs and the employee and employer-side of the payroll taxes and other required withholdings . The entire Net Settlement Amount will be distributed to Participating Class Members. There will be no reversion of the Net Settlement Amount to Defendant.

19. “Notice of Objection” means a Class Member’s valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector’s full name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other documents upon which the objection is based; and (iv) a statement whether the objector intends to appear at the Fairness Hearing. Regardless of whether any Class Member submits a written Notice of Objection, the Court will hear any objections presented by a Class Member at the Final Approval / Fairness Hearing.

20. “Notice Packet” means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

21. “PAGA Letters” means those letters sent prior to the filing of the Complaint by Class Counsel to the California Labor & Workforce Development Agency, on behalf of Plaintiff and Aggrieved Employees, for the purpose of complying with the notice and reporting requirements of California Labor Code section 2699.3, asserting that Defendant had committed violations of the Labor Code.

22. “PAGA Fund” means that portion of the Gross Settlement Amount allocated to claims brought under the Private Attorneys General Act.

23. “PAGA Period” means the period from October 19, 2019, through September 30, 2024.

24. “Parties” means Plaintiff and Defendant collectively.

25. “Participating Class Members” means all Class Members who do not opt out of the settlement within 45 days after class notice is mailed to Class Members by the settlement

1 administrator

2 26. "Pay Periods" means the number of pay periods during which the Aggrieved
3 Employees performed work during the PAGA Period, based on Defendant's records. Each
4 Aggrieved Employee will be credited with at least one Pay Period.

5 27. "Plaintiff" or "Class Representative" means Plaintiff Isidro de la Rosa.

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

8 29. "Released Class Claims" means any and all claims, demands, liabilities, damages,
9 penalties, premiums, attorneys' fees, costs, expert witness fees under state, federal, and/or local law
10 against Releasees that were alleged or that could have been alleged based on the facts alleged in
11 Plaintiff's operative complaint, or that arise from, are attributable to and/or are related to the facts
12 and/or allegations asserted in Plaintiff's operative complaint and/or the Labor Code violations
13 alleged in Plaintiff's September 12, 2023 Labor and Workforce Development ("LWDA") notice
14 letter, including, but not limited to, claims based on alleged failure to pay all minimum and/or
15 overtime wages and at the appropriate legal rate, failure to provide meal periods or premium
16 payments in lieu thereof at the appropriate legal rate, failure to provide rest periods or premium
17 payments in lieu thereof at the appropriate legal rate, failure to provide paid sick leave or pay paid
18 sick leave at the appropriate legal rate, failure to provide accurate itemized wage statements (based
19 on both direct and derivative theories of liability), failure to maintain accurate payroll and
20 employment records, failure to timely pay all wages due during employment and/or at separation,
21 failure to reimburse business expenses incurred, violation of Business & Professions Code §17200
22 *et seq.*, and any and all related claims and penalties that arose during the Class Release Period.

23 30. "Released PAGA Claims" means any and all claims, demands and liabilities under
24 state, federal, and/or local law for civil penalties against Releasees, including, but not limited to,
25 claims for PAGA penalties, that were alleged or that could have been alleged based on the facts
26 alleged in Plaintiff's operative complaint, or that arise from, are attributable to and/or are related to
27 the facts and/or allegations asserted in Plaintiff's operative complaint and/or the Labor Code
28 violations alleged in Plaintiff's September 12, 2023 Labor and Workforce Development

(“LWDA”) notice letter, including, but not limited to, for underlying claims based on alleged failure to pay all minimum and/or overtime wages and at the appropriate legal rate, failure to provide meal periods or premium payments in lieu thereof at the appropriate legal rate, failure to provide rest periods or premium payments in lieu thereof at the appropriate legal rate, failure to provide paid sick leave or pay paid sick leave at the appropriate legal rate, failure to provide accurate itemized wage statements (based on both direct and derivative theories of liability), failure to maintain accurate payroll and employment records, failure to timely pay all wages due during employment and/or at separation, failure to reimburse business expenses incurred, violation of Business & Professions Code §17200 *et seq.*, and any and all related claims and penalties that arose during the PAGA Release Period. Plaintiff and the State of California (acting through Plaintiff as its authorized PAGA representative) release the Released Parties from the Released PAGA claims. Plaintiff agrees to amend the PAGA notice to include additional more specific Labor Code violations. The release of PAGA claims will be effective as to Aggrieved Employees regardless of whether or not they exclude themselves from the Class Settlement.

31. “Released Parties” means Defendant and all of its past, present and future subsidiaries, dbas, parents, divisions, related entities, joint venturers, and any other entities that could be considered to have jointly employed the Participating Class Members and/or PAGA Aggrieved Employees, as well as each of their respective owners, co-employers, joint employers, agents, officers, directors, stockholders, shareholders, investors, members, principals, subsidiaries, affiliates, partners, predecessors, successors, assigns, insurers, reinsurers, employees, attorneys, agents, heirs, estates, executors, spouses, associates, representatives, administrators, fiduciaries, trustees, accountants, auditors, company-sponsored employee benefit plans of any nature, and all other legal entities affiliated with the foregoing, expressly including, but not limited to Mark Latter, Melissa Latter and Susie Latter, individually and in their representative capacities.

32. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the Class Settlement. The Request for Exclusion must: (i) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the

1 Settlement Administrator; (iv) clearly state that the Class Member does not wish to be included in
2 the Settlement; and (v) be faxed or postmarked on or before the Response Deadline.

3 33. "Response Deadline" means the deadline by which Class Members must postmark
4 or fax to the Settlement Administrator Requests for Exclusion, or postmark Notices of Objection to
5 the Settlement Administrator. The Response Deadline will be 45 calendar days from the initial
6 mailing of the Notice Packet by the Settlement Administrator, unless the 45th calendar day falls on
7 a Sunday or State holiday, in which case the Response Deadline will be extended to the next day
8 on which the U.S. Postal Service is open.

9 34. "Settlement Administration Costs" means the costs payable from the Gross
10 Settlement Amount to the Settlement Administrator for administering this Settlement, including,
11 but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting,
12 distributing and redistributing the Settlement Amount, maintaining a static website to post Notices
13 and Orders regarding the Settlement, including the Order on Final Approval, and providing
14 necessary reports and declarations, as requested by the Parties. The Settlement Administration
15 Costs will be paid from the Gross Settlement Amount, including, if necessary, any such reasonable
16 costs in excess of the amount represented by the Settlement Administrator as being the maximum
17 costs necessary to administer the Settlement.

18 35. "Settlement Administrator" means ILYM Group, Inc., or any other third-party class
19 action settlement administrator agreed to by the Parties and approved by the Court for the purposes
20 of administering this Settlement. The Parties each represent that they do not have any financial
21 interest in the Settlement Administrator or otherwise have a relationship with the Settlement
22 Administrator that could create a conflict of interest.

23 36. "Gross Settlement Amount" means the amount that Defendant will be obligated to
24 pay in connection with the Settlement. That amount is Two Hundred Thousand Dollars and Zero
25 Cents (\$200,000.00) inclusive of Plaintiff's counsel's attorneys' fees and costs, enhancement
26 payment to Plaintiff, settlement administration expenses, an allocation of penalties to the LWDA
27 pursuant to PAGA, and the employee and employer-side payroll taxes and other withholdings due
28 on wage payments to be made to Class Members from the Gross Settlement Amount. Under no

circumstances shall Defendant be required to pay any amount in excess of, or less than, the Gross Settlement Amount pursuant to this settlement, subject only to the escalator clause set forth below – it shall be fully paid in and non-reversionary. Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator within 60 calendar days of the date the Court enters an Order granting final approval of the class action settlement. Defendant may, at its sole discretion, place a portion of the Gross Settlement Amount in a Settlement Escrow Account, established with the proposed Settlement Administrator prior to the date of final approval. The funds deposited in the Settlement Escrow Account shall be returned to Defendant if the Settlement is not finally approved, and shall be transferred to the Settlement Administrator per this agreement upon final approval. Defendant obligations under the Settlement will be fulfilled and satisfied only upon its deposit of the Gross Settlement Amount with the settlement administrator.

37. “Workweeks” means the number of weeks during which Class Members performed work for Defendant during the Class Period, based on Defendant’s records. All Class Members will be credited with at least 1 Workweek.

TERMS OF AGREEMENT

The Plaintiff, on behalf of themselves and the Settlement Class, and Defendant agree as follows:

38. **Funding of the Gross Settlement Amount.** Defendant will make a one-time deposit of the Gross Settlement Amount into a Qualified Settlement Fund to be established by the Settlement Administrator. After the Effective Date, the Gross Settlement Amount will be used for: (a) Individual Class Payments; (b) the PAGA Fund; (c) the Class Representative Service Awards; (d) Attorneys’ Fees and Costs (e) Settlement Administration Costs; and (f) and the employee and employer-side payroll taxes and other withholdings due on wage payments to be made to Class Members. Defendant will deposit the Gross Settlement Amount within 60 calendar days of the Effective Date.

39. **Net Settlement Amount.** No portion of the Net Settlement Amount will revert to or be retained by Defendant. The following shall be subtracted from the Gross Settlement to determine the Net Settlement Amount available to the Class Members:

- 1 (a) *Attorneys' Fees.* Provided that Plaintiff and Plaintiff's Counsel comply with the
- 2 terms and conditions of this Settlement Agreement, Defendant agrees to not oppose
- 3 Plaintiff's counsel's request for attorneys' fees of 35% of the Gross Settlement
- 4 Amount. If the request for attorneys' fees is not approved, any amount not approved
- 5 and/or reduced by the Court will revert to the Participating Class Members.
- 6 (b) *Litigation Costs.* Provided that Plaintiff and Plaintiff's Counsel comply with the
- 7 terms and conditions of this Settlement Agreement, Defendant agrees to not oppose
- 8 a request for reimbursement of litigation expenses by Plaintiffs' counsel of up to
- 9 twenty thousand dollars and zero cents (\$20,000.00). If Plaintiffs' counsel's request
- 10 for reimbursement of litigation expenses is not approved and reduced by the Court,
- 11 any amount not approved and/or reduced will revert to the Participating Class
- 12 Members.
- 13 (c) *Enhancement Payment.* Provided that Plaintiff and Plaintiff's Counsel comply with
- 14 the terms and conditions of this Settlement Agreement, Defendant agrees to not
- 15 oppose Plaintiff's request for an enhancement payment of ten thousand dollars and
- 16 zero cents (\$10,000.00) to Plaintiff Isidro De La Rosa. If Plaintiff's request is not
- 17 approved and reduced by the Court, any amount not approved and/or reduced by the
- 18 Court will revert to the Participating Class Members. In exchange for the
- 19 enhancement payment, Plaintiff will separately sign a full release of all known and
- 20 unknown claims against Defendant and other released parties including a waiver of
- 21 Civil Code § 1542.
- 22 (d) *PAGA.* The Parties will agree that \$25,000 of the Gross Settlement Amount to be
- 23 allocated as penalties for the purported PAGA claims ("PAGA Settlement
- 24 Amount"). Of the PAGA Settlement Amount, the LWDA shall receive 75%. The
- 25 remaining 25% shall be allocated to the PAGA group. Plaintiff's counsel will seek
- 26 approval of the PAGA Settlement. If the Court does not approve allocation of this
- 27 amount toward PAGA penalties, it is understood and agreed that the settlement is
- 28 still binding and that additional funds from the Gross Settlement Amount set forth in

this Agreement will be allocated toward the PAGA penalties without requiring Defendants to pay any additional amounts.

(e) *Payment to Settlement Administrator.* The Parties agree to utilize a mutually agreed upon settlement administrator, and/or any other provider, subject to the Parties' mutual consent. The Parties agree to allocate \$10,000 of the Gross Settlement Amount for administration fees, which is a good faith estimate. If the Parties estimated administration fees is too little, it can be adjusted and shall be paid from the Gross Settlement. If the actual administration fee is less than the Parties' estimated administration fees, the difference between the actual and estimated administration fees will revert to the participating Represented Group Members.

(f) *Employee and Employer Taxes and Withholdings.* The Parties agree that any required employee and employer-side payroll taxes and other withholdings shall be paid from the Gross Settlement Amount.

40. **Net Settlement Distribution.** All Class Members who do not opt out of the settlement within 45 days after class notice is mailed to Class Members by the settlement administrator will be issued a share of the Net Settlement Amount and be bound by the release of claims herein. The Net Settlement Amount shall be paid out on a pro rata basis to all Participating Class Members based on their individual percentage of workweeks during the Class Period compared to the total workweeks of all Participating Class Members during the Class Period.

41. **PAGA Payment Calculations.** The PAGA Fund, in the amount of \$25,000, will be split into two types of payment. 75% of the PAGA Fund will be allocated to the LWDA PAGA Payment and 25% will be allocated to the Employee PAGA Payments. Specific calculations of Employee PAGA Payments will be made as follows:

(a) Defendant will calculate the total number of Pay Periods worked by each Aggrieved Employee during the PAGA Period and the aggregate total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period.

(b) To determine each Aggrieved Employee's Employee PAGA Payment, the Settlement Administrator will use the following formula: 25% of the PAGA Fund

will be divided by the aggregate total number of Pay Periods, resulting in the "Pay Period Value." Each Aggrieved Employee's Employee PAGA Payment will be calculated by multiplying each Aggrieved Employee's total number of Pay Periods by the Pay Period Value. Each Aggrieved Employee will be credited with at least one Pay Period.

42. **Individual Class Payment Calculations.** Individual Class Payments will be calculated and apportioned from the Net Settlement Amount. Specific calculations of Individual Class Payments will be made as follows:

- (a) Defendant will calculate the total number of Workweeks worked by each Class Member during the Class Period and the aggregate total number of Workweeks worked by all Class Members during the Class Period.
- (b) To determine each Class Member's estimated Class Payment, the Settlement Administrator will use the following formula: the Net Settlement Amount will be divided by the aggregate total number of Workweeks, resulting in the "Class Workweek Value." Each Class Member's Individual Class Payment will be calculated by multiplying each individual Class Member's total number of Workweeks by the Class Workweek Value.
- (c) The Individual Class Payments will be reduced by any required deductions for each Participating Class Member, including employee-side tax withholdings or deductions.

43. **No Credit Toward Benefit Plans.** The Individual Class Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not count towards, or be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

1 44. **Administration Process.** The Parties agree to cooperate in the administration of the
2 Settlement and to make all reasonable efforts to control and minimize the costs and expenses
3 incurred in administration of the Settlement.

4 45. **Delivery of the Class List.** Within 14 business days of Preliminary Approval,
5 Defendant will provide the Class List to the Settlement Administrator. The Settlement
6 Administrator shall keep confidential the Class List, as well as any other information provided to it
7 as part of the contemplated Settlement.

8 46. **Notice by First-Class U.S. Mail.** Within 14 calendar days after receiving the Class
9 List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members
10 via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the
11 Class List.

12 47. **Confirmation of Contact Information in the Class Lists.** Prior to mailing, the
13 Settlement Administrator will perform a search based on the National Change of Address Database
14 and an Accurint (or substantially similar) in-depth skip trace in order to obtain the best possible
15 address for Class Members. Any Notice Packets returned to the Settlement Administrator as non-
16 deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S.
17 Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the
18 date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement
19 Administrator will promptly attempt to determine the correct address using a skip-trace, or other
20 search using the name, address and/or Social Security number of the Class Member involved, and
21 will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice
22 Packet, whether by skip-trace or by request, will have between the later of (a) an additional 15
23 calendar days or (b) the Response Deadline to submit a Request for Exclusion or an objection to
24 the Settlement.

25 48. **Notice Packets.** All Class Members will be mailed a Notice Packet, substantially in
26 the form attached as Exhibit A. Each Notice Packet will provide, among other information: (a)
27 information regarding the nature of the Action; (b) a summary of the Settlement's principal terms;
28 (c) the Settlement Class definition; (d) the Aggrieved Employee definition; (e) the total number of

1 Workweeks each respective Class Member worked for Defendant during the Class Period; (f) the
2 total number of Pay Periods each Aggrieved Employee worked for Defendant during the PAGA
3 Period; (g) each Class Member's estimated Individual Class Payment and the formula for
4 calculating Individual Class Payments; (h) each Aggrieved Employee's estimated Employee
5 PAGA Payment and the formula for calculating Employee PAGA Payments (i) the dates which
6 comprise the Class Period and the PAGA Period; (j) instructions on how to submit Requests for
7 Exclusion or Notices of Objection; (j) the deadlines by which the Class Member must postmark or
8 fax Requests for Exclusion or Notices of Objection to the Settlement; and (k) the claims to be
9 released.

10 49. **Disputed Information on Notice Packets.** Class Members and Aggrieved
11 Employees will have an opportunity to dispute the information provided in their Notice Packets. To
12 the extent Class Members or Aggrieved Employees dispute their employment dates or the number
13 of Workweeks or Pay Periods on record, Class Members and Aggrieved Employees may produce
14 evidence to the Settlement Administrator showing that such information is inaccurate. Class
15 Members and Aggrieved Employees must submit their dispute before the Response Deadline. The
16 Settlement Administrator will decide the dispute. Defendant's records will be presumed correct, but
17 the Settlement Administrator will evaluate the evidence submitted by the Class Member or
18 Aggrieved Employee and will make the final decision as to the merits of the dispute. All disputes
19 will be decided within 10 business days of the Response Deadline.

20 50. **Defective Submissions.** If a Class Member's Request for Exclusion is defective as
21 to the requirements listed herein, that Class Member will be given an opportunity to cure the
22 defect(s). The Settlement Administrator will mail the Class Member a cure letter within 3 business
23 days of receiving the defective submission to advise the Class Member that his or her submission is
24 defective and that the defect must be cured to render the Request for Exclusion valid. The Class
25 Member will have until the later of (a) Response Deadline or (b) 15 calendar days from the date of
26 the cure letter, whichever date is later, to postmark or fax a revised Request for Exclusion. If the
27 revised Request for Exclusion is not postmarked or received by fax within that period, it will be
28 deemed untimely.

51. **Request for Exclusion Procedures.** Any Class Member wishing to opt out of the Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. Aggrieved Employees will not have the opportunity to opt-out of the settlement of PAGA claims. The Settlement of PAGA claims will be effective as to Aggrieved Employees regardless of whether they are also Class Members and/or if they exclude themselves from the Class Settlement.

52. **Settlement Terms Bind All Aggrieved Employees, and all Class Members Who Do Not Opt Out.** All Aggrieved Employees and all Participating Class Members will be bound by all of the terms of the Settlement Agreement, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement.

53. **Defendant's Right to Void Settlement.** If the number of Settlement Class members who elect to opt out of the Settlement exceeds 5% of the total members of the Settlement Class, Defendant may, at their election and in its sole discretion, void this Settlement. If Defendant exercises this option, the cost of administration incurred through the date of exercising Defendant's right to void the Settlement will be shared equally by the Parties.

54. **Class Size Estimates, Escalator Clause and Alternate End Date.** Based on its records, Defendant estimates that, as of September 30, 2024, (1) there are approximately 81 Class Members and 7,384 Total Workweeks during the Class Period. The Parties agree that if the total number of Covered Class Workweeks exceeds 7,384 by 10% (i.e., 738 or more workweeks) as of the date the Court grants Preliminary Approval of the Settlement, then Defendant will have the option to either (a) increase the Gross Settlement Amount in the amount of \$28.57 per workweek above 8,122 workweeks, or (b) change the Settlement Period to end on the last day on which the workweeks do not exceed 8,122workweeks ("Alternate End Date") so the Gross Settlement Amount will not increase.

55. **Objection Procedures.** To object to the Settlement Agreement, a Class Member must postmark a valid Notice of Objection to the Settlement Administrator on or before the

Response Deadline or appear at the Final Approval Hearing to state his/her objections. All Class Members will have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court regardless of whether they submit a written Notice of Objection. Class Members who submit a written Notice of Objection must sign it and include all information required by Paragraph 18 of this Settlement Agreement. The postmark will be deemed the exclusive means for determining that the Notice of Objection is timely. Class Members who fail to object in the manner specified above will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement.

56. **Certification Reports Regarding Individual Class Payment Calculations.** The Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that certifies the number of Class Members who have submitted valid Requests for Exclusion, objections to the Settlement, and whether any Class Member has submitted a challenge to any information contained in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

57. **Distribution Timing of Individual Class Payments.** Within 30 calendar days of the Effective Date, the Settlement Administrator will issue payments to: (a) Participating Class Members; (b) Aggrieved Employees; (c) the Labor & Workforce Development Agency; (d) Plaintiff; (e) Class Counsel; and (f) the appropriate State and Federal agencies for the required employee and employer-side payroll taxes and other withholdings. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

58. **Un-cashed Settlement Checks.** Upon Defendant's deposit of the Gross Settlement Amount, each Participating Class Member will be mailed a check equal to their share of the Net

Settlement Amount. Any check that remains uncashed for a period of 180 days from issuance shall be paid to Jessica's House, which is the *cy pres* recipient selected by the Parties pursuant to California Code of Civil Procedure Section 384, as amended.

59. **Certification of Completion.** Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

60. **Computation of Withholdings and Tax Designation.** For tax purposes, 5% of the Net Settlement Amount shall be designated as wages and reported on an IRS Form W-2 and subject to withholdings. The remaining 95% of the Net Settlement Amount shall be designated as penalties and interest and reported on an IRS Form 1099, not subject to withholdings.

61. **Administration of Taxes by the Settlement Administrator.** The Settlement Administrator will be responsible for computing the amount of all required employee and employer-side payroll taxes and other withholdings, for paying the required amounts the appropriate State and Federal agencies and for issuing all necessary W-2s and 1099 documents utilizing Defendant's EIN.

62. **Tax Liability.** Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. Each Party has relied on its own independent tax counsel for advice in connection with the tax implications of this Settlement Agreement.

63. **Circular 230 Disclaimer.** EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE

MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

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

65. **Nullification of Settlement Agreement.** In the event that: (i) the Court does not finally 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. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

66. **Preliminary Approval Hearing.** Plaintiff will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (i) conditional certification of the Settlement Class for settlement purposes

only, (ii) preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice Packet, which will include the proposed Notice of Class Action Settlement. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Class Counsel shall send the preliminary approval motion and all supporting documents to Defendant's counsel at least 21 calendar days before filing so Defendant's counsel will have the opportunity to review and provide comments/revisions. The Parties shall work cooperatively and in good faith to ensure that the terms of all pleadings and documents submitted to seek and obtain preliminary approval of the Settlement are approved of by Counsel for both Parties. Defendant's Counsel shall have the right to object to any pleading or document filed by Plaintiff that has not been approved by Defendant's Counsel.

67. **Final Settlement Approval Hearing and Entry of Judgment.** Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b) the Class Representative Enhancement Payment; (c) Individual Class Payments; (d) all Settlement Administration Costs. The Final Approval/Settlement Fairness Hearing will not be held earlier than 30 calendar days after the Response Deadline. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing. Class Counsel shall send the final approval motion and all supporting documents to Defendant's counsel at least 14 calendar days before filing so Defendant's counsel will have the opportunity to review and provide comments/revisions. The Parties shall work cooperatively and in good faith to ensure that the terms of all pleadings and documents submitted to seek and obtain final approval of the Settlement are approved of by Counsel for both Parties. Defendant's Counsel shall have the right to object to any pleading or document filed by Plaintiff

1 that has not been approved by Defendant's Counsel.

2 68. **Judgment and Continued Jurisdiction.** Upon final approval of the Settlement by
3 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
4 Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing
5 jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of
6 the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may
7 be appropriate under court rules or as set forth in this Settlement Agreement.

8 69. **Release of Claims.** Plaintiff, the Participating Class Members and the PAGA Group
9 agree to settle and release all of the TReleased Class Claims and Released PAGA Claims.

10 70. **Release by Plaintiff.** Upon the date the Defendant fully funds the Qualified
11 Settlement Fund, in addition to the claims being released by all Participating Class Members and
12 Aggrieved Employees, Plaintiff will release and forever discharge the Released Parties, to the
13 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and
14 not asserted, which Plaintiff have or may have against the Released Parties as of the date of
15 execution of this Settlement Agreement.

16 71. To the extent the foregoing release is a release to which Section 1542 of the
17 California Civil Code or similar provisions of other applicable law may apply, Plaintiff expressly
18 waives any and all rights and benefits conferred upon him by the provisions of Section 1542 of the
19 California Civil Code or similar provisions of applicable law which are as follows:

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

26 72. **Exhibits Incorporated by Reference.** The terms of this Settlement Agreement
27 include the terms set forth in any attached Exhibits, which are incorporated by this reference as
28 though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the

Settlement.

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

74. **Amendment or Modification.** No amendment, change, or modification to this Settlement Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

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

76. **Binding on Successors and Assigns.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

78. **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 electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

79. **Fair, Adequate and Reasonable Settlement.** The Parties agree that the terms and

conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties facilitated by private mediator Michael D. Young.

80. **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.

81. **Waiver of Certain Appeals.** The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court, and either party may appeal any court order that materially alters the Settlement Agreement's terms.

82. **Class Action Certification for Settlement Purposes Only.** The Parties agree that the joint or unopposed motion for preliminary approval seeking, *inter alia*, certification of the Class is for purposes of the Settlement only and if, for any reason the Settlement is not approved, the certification will have no force or effect and will be immediately revoked. The Parties will expeditiously file their joint or unopposed motion for preliminary approval. The Parties further agree that certification for purposes of the Settlement is in no way an admission that class certification is proper under the more stringent standard applied for litigation.

83. **Non-Admission of Liability.** Nothing contained herein is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or any similar law, not be admissible in any proceeding, except an action to approve the Settlement, and/or interpret or enforce the Settlement Agreement. The Parties agree that this Settlement Agreement is enforceable pursuant to California Code of Civil Procedure section 664.6 and the court shall retain jurisdiction to enforce the terms of the Settlement as set forth herein.

84. **No Publicity.** Neither Party shall issue, without consent of the other party, any press release or make any public announcement with respect to this Agreement or the employment

1 relationship between them. Following the date of this Settlement Agreement and regardless of any
2 dispute that may arise in the future, Plaintiff and Defendant jointly and mutually agree that they
3 will not disparage, criticize, or make statements which are negative, detrimental, or injurious to the
4 other to any Releasee. However, Plaintiff's attorneys are authorized to make a limited disclosure to
5 the Court and the State Labor and Workforce Development Agency for purposes of obtaining
6 approval of the settlement of this Action, provided that the content thereof is approved of in
7 advance by Defendant's attorneys. This authorized disclosure is limited to court filings. Defendant
8 shall be authorized to respond to, but not solicit, requests for comment or statement regarding this
9 Action or the Agreement with non-disparaging truthful comments.

10 85. **Pleadings and Documents.** The Parties agree that all pleadings and documents
11 proposed to be submitted by Plaintiff to seek and obtain preliminary approval and final approval of
12 the Settlement, shall be provided to Defendant's Counsel a minimum of 21 days before the date
13 Plaintiff's Counsel intends to submit the pleading or document, and that the Parties shall work
14 cooperatively and in good faith to ensure that the terms of all pleadings and documents submitted
15 to seek and obtain preliminary approval and final approval of the Settlement are approved of by
16 Counsel for both Parties. Defendant's Counsel shall have the right to object to any pleading or
17 document filed by Plaintiff that has not been approved by Defendant's Counsel.

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

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

27 88. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms
28 and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be

1 construed more strictly against one party than another merely by virtue of the fact that it may have
2 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-
3 length negotiations between the Parties, all Parties have contributed to the preparation of this
4 Settlement Agreement.

5 89. **Representation By Counsel.** The Parties acknowledge that they have been
6 represented by counsel throughout all negotiations that preceded the execution of this Settlement
7 Agreement, and that this Settlement Agreement has been executed with the consent and advice of
8 counsel. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
9 Settlement Agreement.

10 90. **All Terms Subject to Final Court Approval.** All amounts and procedures
11 described in this Settlement Agreement herein will be subject to final Court approval.

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

15 92. **Binding Agreement.** The Parties intend that this Settlement Agreement shall be
16 fully enforceable and binding upon all parties, and that it shall be admissible and subject to
17 disclosure in any proceeding to enforce its terms, notwithstanding the mediation confidentiality
18 provisions that otherwise might apply under federal or state law. Each person signing this
19 Agreement represents and warrants that he has authority to sign on behalf of the party for whom he
20 is signing.

1 **READ CAREFULLY BEFORE SIGNING**

2 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint
3 Forth below:

4
5 PLAINTIFF AND PAGA REPRESENTATIVE

6 Dated: 12/3/2024

Signed by:
Isidro De La Rosa
BES0871F865247C...
PLAINTIFF ISIDRO DE LA ROSA

8 DEFENDANT

9
10 Dated: 12/20/2024

DEFENDANT G.J. SILVA DAIRY, INC.

11 By: DocuSigned by:
Mark Latten
F10023A66900F0463

13 APPROVED AS TO FORM:

14
15 Dated: 12/3/2024

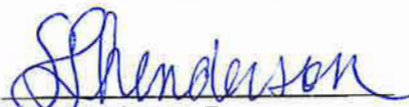
BRADLEY/GROMBACHER, LLP.

16 By: 
17 Marcus Bradley, Esq.
18 Kiley Grombacher, Esq.
19 Corey S. Smith, Esq.

20 Attorneys for Plaintiff and others similarly
21 situated

22 Dated: 12/23/24

HENDERSON HATFIELD,
A Professional Corporation

23 By: 
24 Stacy L. Henderson, Esq.

25 Attorneys for Defendant
26
27
28