HAINES LAW GROUP, APC
Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Sean M. Blakely (SBN 264384)
sblakely@haineslawgroup.com
Joel M. Gordon (SBN 280721)
jgordon@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

RUBEN PEREZ, as an individual and on behalf of all others similarly situated, Plaintiff, vs. GRAIN CRAFT, LLC, a Delaware limited liability company; and DOES 1 through 100, Defendants.	Case No.: 23STCV24438 [*Case assigned for all purposes to the Hon. William F. Highberger, Dept. SSC-10*] **DECLARATION OF SEAN M. BLAKELY IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** Date: July 2, 2025 Time: 10:00 a.m. Dept.: SSC-10 Complaint Filed: October 6, 2023 Trial Date: None Set

I, SEAN M. BLAKELY, declare as follows:

1. I am a Partner at Haines Law Group, APC, and counsel for the named Plaintiff Ruben Perez ("Plaintiff") and the proposed Settlement Class in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.

2. I am a 2008 graduate of Southwestern Law School. I was admitted to the California State Bar in September 2009. From December 2010 to September 2011, I worked as a Law Clerk for Rose, Klein & Marias, a civil litigation firm in Long Beach, California. At Rose, Klein & Marias I assisted trial attorneys in employment and personal injury cases. From September 2011 to May 2016, I worked as an associate at the employment law firm of Mahoney Law Group, APC in Long Beach, California. The vast majority of my work at Mahoney Law Group, APC focused on representing employees in wage and hour class actions. My work at Mahoney Law Group, APC also included representing employees in individual claims for wrongful termination, harassment, discrimination, and retaliation. Although non-exhaustive, the types of work I performed at Mahoney Law Group, APC included: conducting client intakes performing pre-filing research and analysis, drafting complaints, attending court hearings, corresponding with opposing counsel, drafting and responding to written discovery, preparing for and taking and defending depositions, analyzing payroll and timekeeping records and employee handbooks, opposing motions for summary judgment, as well as a variety of other motions such as motions for remand, demurrers and motions to dismiss, motions to strike, motions to compel, motions to quash, and motions for class certification, drafting mediation briefs, attending mediations, drafting long-form settlement agreements, drafting motions for preliminary and final settlement approval, and overseeing the notice process.

3. Since November 8, 2016, I have worked at my current firm, Haines Law Group, APC, where, in 2020, I became a Partner. I am currently responsible for managing over forty (40) active wage and hour class and representative actions in both state and federal court.

4. The following is a non-exhaustive list of wage and hour class actions in which I

have been appointed as class counsel and/or played a significant role in prosecuting the litigation, and which have received final approval: *Santimateo v. Sun Healthcare Group, Inc., et al,* Case No. BC471884, California Superior Court, Los Angeles County, Judge Jane L. Johnson presiding (granted final approval of settlement on behalf of employees at rehabilitation facility involving claims for unpaid wages and meal and rest period violations, and other claims, in which I was approved at an hourly rate of $325 for work performed in 2012-2013); *Teyuca v. Pacific Alliance Medical Center, Inc*., California Superior Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of settlement on behalf of healthcare workers for unpaid wages, meal and rest period violations, and other claims, in which I was approved at an hourly rate of $325 for work performed in 2012-2013); *Arteaga v. Command Center Security, Inc.*, Case No. BC480496, California Superior Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of settlement on behalf of security guards involving claims for unpaid overtime, meal and rest period violations, and other claims, in which I was approved at an hourly rate of $425 for work performed in 2012-2015); *Casadine v. Maxim Healthcare Services, Inc*., Case No. CV 12-10078-DMG (CWx), United States District Court, Central District of California, Judge Dolly M. Gee presiding (granting final approval of settlement on behalf of home health care employees involving claims for unpaid wages and other claims, in which I was approved at an hourly rate of $425 for work performed in 2012-2015); *Guzman v. Andrew Lauren Interiors, Inc., et al.*, Case No. BC567757, California Superior Court, Los Angeles County, Judge Elihu M. Berle presiding (granting final approval of settlement on behalf of construction workers involving claims for unpaid wages, meal and rest period violation, and other claims, in which I was approved at an hourly rate of $425 for work performed in 2014-2016); *Booker v. The Goodyear Tire and Rubber Company*, Case No. BC498399, California Superior Court, Los Angeles County, Judge Amy Hogue presiding (granting final approval of settlement on behalf of tire mechanics involving claims for unpaid wages, meal and rest period violations, and other claims, in which I was approved at an hourly rate of $425 for work performed in 2013-2015); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of settlement on behalf of IT support workers for overtime, meal and period, reimbursement, and related violations, approved at hourly rate of $475 for work performed in 2016 and 2017); *Galvan v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees of a chemical manufacturing company involving claims for unpaid overtime and waiting time penalties); *Razon v. TTM Technologies, Inc., et al.*, Case No. 37-2016-00038326-CU-OE-CTL, California Superior Court, San Diego County, Judge Gregory W. Pollack presiding (granting final approval of settlement involving claims for unpaid overtime wages, wage statement violations, and meal period violations); *Blank v. Coty, Inc., et al.*, Case No. BC624850, California Superior Court, Los Angeles County, Judge Williams F. Highberger presiding (granting final approval of settlement involving claims for wage statement violations, meal period violations, and other claims); *Morales v. Caremeridian, LLC, et al.*, Case No. BC593191, California Superior Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of settlement on behalf of direct support professionals involving claims for unpaid wages, meal and rest period violations, wage statement violations, and other claims); *Aguilar v. Act Fulfillment, Inc.*, Case No. RIC1616643, California Superior Court, Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement on behalf of non-exempt factory workers involving claims for meal period violations); *Sandoval v. AMCOR Flexibles Inc.*, Case No. BC617499, California Superior Court, Los Angeles County, Judge Kenneth R. Freeman presiding (granting final approval of settlement on behalf of manufacturing employees involving claims for unpaid wages, meal period violations, rest period violations, and waiting time penalties); *Le v. GBW Railcar Services, L.L.C.*, Case No. RIC1612209, California Superior Court, Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement on behalf of non-exempt employees of a freight railcar manufacturer involving claims for unpaid overtime and minimum wages, meal period violations, and rest period violations); *Silva v. ADJ Products, LLC*, Case No. BC618581, California Superior Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of settlement involving claims for unpaid overtime and minimum wages, rest period violations, wage statement violations, and waiting time penalties); *Lira v. Discus Dental, LLC, et al.*, Case No. CIVDS1620402, California Superior Court, San Bernardino County, Judge David Cohn presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and other claims); *Gonzales v. PathPoint*, Case No. BC657147, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt direct support professionals involving claims for meal and rest period violations and other claims); *Duran v. PRADA USA CORP*., Case No. BC644319, California Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid overtime wages, meal and rest period violations, failure to reimburse for necessary expenditures, and other claims); *Banegas v. UPM, Inc*., Case No. BC644438, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid wages, meal and rest period violations, and other claims); *Palafox v. Pacific Line Clean-Up, Inc*., Case No. 30-2017-00921632-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime wages, meal and rest period violations, and other claims); *Janet Arroyo v. AST Sportswear, Inc., dba Bayside Apparel Manufacturing, Inc*., Case No. 30-2017-00909663-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda Sanders presiding (granting final approval of settlement on behalf of non-exempt garment employees involving claims for unpaid minimum wages, meal and rest period violations, and other claims); *Carlos Garcia v. Fabrica International, Inc*., Case No. 30-2017-00949461-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and statutory penalties); *Jonathan Leon v. Piercey West, Inc*., Case No. BC656874, California Superior Court, Los Angeles County, Judge Amy D. Hogue presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons and other employees involving claims for unpaid wages, meal and rest period violations, unreimbursed business expenses, and other claims); and *Matthew Tovar, et al. v. Rentokil North America, Inc*., Case No. BC676386, California Superior Court, Los Angeles County, Judge Daniel J. Buckley presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime, meal and rest break violations, and other claims); *Seungmin Samantha Lee v. Infor (US) Inc*., Case No. CGC-18-566393, California Superior Court, San Francisco County, Judge Ethan P. Schulman presiding (granting final approval of settlement on behalf of sales development representatives involving claims for unpaid overtime, meal and rest period violations, and penalty claims); *Tracy Aguilar, et al. v. Aero Port Services, Inc*., Case No. BC659234, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for meal and rest period violations, and other claims); *Carlos Perez, et al. v. Moss Bros. Auto Group, Inc., et al*., Case No. RIC1709905, California Superior Court, Riverside County, Judge Sunshine S. Sykes presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid wages, meal and rest period violations, other claims); and *Julio Alfaro v. Orange Automotive d/b/a Kia of Orange*, Case No. 30-2017-00945105-CU-OE-CXC, California Superior Court, Orange County, Judge Randall J. Sherman presiding (granting final approval settlement on behalf of non-exempt commissioned employees involving claims for unpaid wages, meal and rest period violations, unreimbursed business expenses, and penalty claims).

5. I have also moved to certify and have received an order certifying a class action in *Ontiveros v. Safelite Fulfillment, Inc., et al*., Case No. CV 15-7118-DMG (RAOx), United States District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six classes of employees for rest period violations, wage statement violations, meal period violations, and overtime and double-time violations); and *Vazquez v. Kraft Heinz Foods Company*, Case No. 16-CV-02749-WQH (BLM), United States District Court, Southern District of California, Honorable William Q. Hayes, presiding (certifying unpaid wages classes, meal period classes, wage statement class, and waiting time penalty class).

6. In each year from 2018-2023, Thomson Reuters recognized me as a Top Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers. This is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of forty in Southern California each year.

7. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately involved in this case since its inception and I believe that the proposed Settlement is an excellent result for the Settlement Class.

8. Defendant Grain Craft, LLC ("Grain Craft") operates a flour mill in California, providing bulk and bagged flour for baking, food service, tortilla and pizza industries across the nation.

9. On October 6, 2023, Plaintiff filed this class action asserting causes of action for: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties; and (7) unfair competition in violation of California Business & Professions Code § 17200 *et seq*. On October 9, 2023, Plaintiff sent his notification letter to the Labor & Workforce Development Agency ("LWDA") under the Private Attorneys General Act ("PAGA"), Cal. Labor Code § 2698 *et seq*. Attached hereto as **Exhibit B** is a true and correct copy of Plaintiff's October 9, 2023 LWDA Letter. Subsequently, on December 15, 2023, Plaintiff filed the operative First Amended Class and Representative Action Complaint ("FAC") adding a cause of action for civil penalties under the PAGA.

10. In connection with mediation, Grain Craft provided my office with timekeeping and payroll records for approximately 29% of the non-exempt employees during the Class Period. Grain Craft also provided relevant data points such as the total number of putative class members and the number of aggregate workweeks worked by putative class members during the Class Period, as well as Grain Craft's written policies, collective bargaining agreements, and other information. Plaintiff conducted a comprehensive analysis and extrapolation of the payroll and timekeeping data produced by Grain Craft to create a detailed exposure analysis for all claims at issue. This discovery allowed the Parties to assess the merits and value of Plaintiff's claims, the

chances of certification of Plaintiff's claims, and Grain Craft's potential defenses.

11. On August 22, 2024, the Parties participated in a full-day mediation with Jason Marsili, Esq., a well-respected wage and hour class action mediator. During mediation, the Parties vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff's claims, and the legal basis for the claims and defenses. At the conclusion of mediation, Mr. Marsili issued a mediator's proposal for a class-wide settlement, which was ultimately accepted by both sides. During the months that followed, the Parties finalized the terms of the Settlement and executed the long-form Stipulation of Settlement now before the court. A true and correct copy of the Stipulation of Settlement is attached hereto as **Exhibit A.** The proposed Class Notice and Notice of Estimated Settlement Payment are attached as **Exhibits 1** and **2** respectively, to the Settlement Agreement.

12. The monetary terms of the Settlement are summarized below:

• Gross Settlement Amount:	$435,000.00
• Minus Court-approved attorneys' fees:	$145,000.00
• Minus Court-approved verified costs (up to):	$20,000.00
• Minus Court-approved Service Payment:	$10,000.00
• Minus amount set aside as PAGA penalties:	$20,000.00
• Minus estimated settlement administration costs:	$7,000.00
Net Settlement Amount:	$233,000.00

13. According to Grain Craft, there are approximately 38 Settlement Class members. Therefore, the average Individual Settlement Payment from the Net Settlement Amount is projected to be approximately $6,131.58. There are also approximately 31 Aggrieved Employees during the PAGA Period who will each receive an average of approximately $161.29 from the PAGA Amount.

14. Plaintiff contends that Grain Craft utilized a timekeeping system that systematically underpaid wages to Settlement Class members. Specifically, Plaintiff contends that although Grain Craft's timekeeping system recorded hours worked to the minute, Grain Craft only compensated Settlement Class members for their scheduled hours of work (as opposed to all hours on the clock), resulting in an underpayment of wages to Settlement Class members. Based on Plaintiff's analysis of Grain Craft's timekeeping and payroll data, Plaintiff estimates that

Settlement Class members were underpaid by approximately 16,849 hours during the Class Period. Based on a weighted California minimum wage of $13.87 during the Class Period, Plaintiff calculated Grain Craft's maximum exposure on this claim at approximately $467,391 (16,849 unpaid hours * $13.87 weighted minimum wage * 2 Liquidated Damages Per Labor Code § 1194.2). However, Grain Craft counters that its timekeeping policies/practices complied with California law and that it has always properly compensated Settlement Class members for all hours worked throughout the Class Period. Grain Craft contends that it utilized an even-handed timekeeping system that, on balance, resulted in employees being paid for all hours actually worked. Grain Craft contends that although Settlement Class members may have clocked in prior to their scheduled start time, it was not possible for Settlement Class members to perform any compensable work prior to the scheduled start of shift. Finally, Grain Craft asserts that Plaintiff would be unable to certify this claim since its timekeeping policies/practices are facially neutral and individualized inquiries would be necessary as to whether employees were in fact underpaid for each workday in question (including whether they were actually working when they were clocked in), resulting in an unmanageable series of mini-trials. In light of Grain Craft's arguments and defenses, Plaintiff discounted the maximum recovery on this claim by 40% to account for the risk of non-certification and an additional 45% to account for being unsuccessful on the merits or failure to recover the full amount sought, for a projected total of approximately $154,239.

15. Plaintiff alleges Grain Craft failed to provide Plaintiff and other non-exempt employees with a timely, duty-free, and uninterrupted 30-minute meal period commencing before the end of the fifth hour of work. Plaintiff further alleges that Settlement Class members were not provided with second meal periods when they worked shifts in excess of 10.0 hours in a workday. Based on Plaintiff's review and extrapolation of the timekeeping records Grain Craft produced, there were approximately 30,635 meal period eligible shifts worked by Settlement Class members during the Class Period. Therefore, assuming a violation on each shift, Plaintiff calculated Grain Craft's maximum exposure Grain Craft for meal period violations at approximately $813,053 (30,635 non-compliant first meal periods * $26.54 average meal period premium). Grain Craft counters that it maintained compliant meal period policies throughout the Class Period in

accordance with the collective bargaining agreement between Grain Craft and Settlement Class members, who belonged to ILWU Local 26, and that the company always provided compliant meal periods in line with those policies. Grain Craft further contends that it always provided employees the opportunity to take meal periods and is not required to ensure they are taken. Thus, Grain Craft argues that any missed, late or short meal periods resulted from lawful employee choice rather than any policy and/or practice of Grain Craft. Grain Craft also maintains that employees voluntarily waived their second meal period when they worked shifts in excess of 10.0 hours (but less than 12.0 hours), as they are entitled to do under Labor Code § 512. Finally, Grain Craft argues that these claims are not suited for class treatment, as individual inquiries would be needed to assess which employees took non-compliant meal periods or missed meal periods, how many meal periods were non-compliant or missed, and the reasons why a particular employee did not take a compliant meal period on a particular shift. In light of these defenses and arguments, Plaintiff discounted Grain Craft's maximum exposure by 50% for the risk of non-certification, and an additional 55% to account for Grain Craft's defenses on the merits or failing to recover the full amount sought, to arrive at an estimated total of approximately $182,937.

16. Plaintiff alleges that Grain Craft's written rest period policies failed to authorize and permit legally compliant off-duty rest periods as Grain Craft's policies required employees to remain on Grain Craft's premises during rest periods. Plaintiff further alleges that employees were regularly prevented from taking off-duty rest periods due to the strict timelines associated with the production line and lack of personnel to relieve employees to receive off-duty rest periods. Based on Plaintiff's analysis and extrapolation of employee timekeeping records, there were approximately 30,635 shifts in excess of 3.5 hours worked by Settlement Class members during the Class Period. As such, Plaintiff calculates Grain Craft's maximum exposure for rest period violations at $813,053 (30,635 rest period eligible shifts * $26.54 average premium). Grain Craft counters that it maintained and enforced lawful rest period policies/practices during the Class Period, and has, in fact, authorized and permitted all required rest periods to Settlement Class members. Furthermore, Grain Craft argues their rest period policies were consistent with the collective bargaining agreement between Grain Craft and Settlement Class members, who

belonged to ILWU Local 26. Grain Craft further argues that Plaintiff's rest period claim is not amenable to class treatment, since individual inquiries would be required to determine which employees failed to take rest periods, how many rest periods they failed to take, and the reasons why each employee failed to take rest period(s) on a particular shift. These manageability concerns are especially pertinent with respect to rest period claims, Grain Craft argues, given that rest periods are not recorded. Given these defenses, Plaintiff discounted this maximum amount by 70% for risk of non-certification, and an additional 60% for a risk of being unsuccessful on the merits or of failing to recover the full amount sought, to arrive at an estimated realistic exposure of approximately $97,566.

17. As a result of the unpaid wages and unpaid meal and rest period premium wages described above, Plaintiff alleges that Grain Craft is liable for wage statement penalties pursuant to Labor Code § 226. Those penalties are calculated as $50 for each "initial" violation and $100 for each "subsequent" violation, with a maximum of $4,000 per employee. Plaintiff's analysis reflected that there were approximately 31 unique employees and approximately 2,405 pay periods worked during the liability period applicable to Plaintiff's wage statement claim. Plaintiff, therefore, assumed the maximum $4,000.00 penalty for each employee and calculated Grain Craft's potential wage statement exposure at approximately $124,000 (31 employees * $4,000 maximum penalty]). In light of Grain Craft's arguments that no violations occurred, that employees suffered no "injury," that any alleged violations were not "knowing and intentional," that the wage statements always accurately reflected hours worked and amounts paid to employees, as well as risks associated with Plaintiff's underlying claims discussed above, Plaintiff discounted the maximum exposure by 50% for risk of non-certification, and by an additional 60% for risk of being unsuccessful on the merits, for an estimated realistic exposure of approximately $24,800.

18. As a further result of the unpaid wages and unpaid meal and rest period premium wages described above, Plaintiff alleges that Grain Craft failed to comply with its final pay obligations set forth in Labor Code §§ 201-203. Grain Craft's records show approximately 12 Settlement Class members who are eligible for waiting time penalties. Based on an hourly rate of

$26.54, Plaintiff estimated the average waiting time penalty per former employee to be approximately $6,370 ($26.54 * 8 hours per day * 30 days). Therefore, Plaintiff calculated Grain Craft's maximum exposure for potential waiting time penalties to be approximately $76,440 (12 former employees * $6,370 average penalty). Grain Craft argues that it possesses strong, good-faith defenses to Plaintiff's underlying claims, thus precluding recovery of waiting time penalties, which are only available for the "willful" failure to pay wages. Grain Craft further asserts that Plaintiff's waiting time penalty exposure was grossly inflated as not every former employee experienced the alleged Labor Code violations. To account for Grain Craft's defenses, Plaintiff discounted the maximum exposure by 50% for the risk of non-certification and an additional 60% for the risk of losing on the merits and/or not receiving the maximum penalties sought, to arrive at an estimated exposure of approximately $15,288.

19. As a result of the foregoing Labor Code violations, Plaintiff alleges that Grain Craft is liable for civil penalties under the PAGA. Plaintiff estimated a maximum total PAGA exposure of approximately $240,500 (2,405 pay periods * $100 "initial" penalty). However, these penalties derive from the underlying wage and hour violations discussed above, which Grain Craft disputes vigorously. Grain Craft also asserts that the Court would drastically reduce any award of PAGA penalties as "confiscatory." Therefore, Plaintiff discounted the maximum figure by 65% for the risk of losing on the merits and/or not recovering a PAGA penalty for each and every pay period, and an additional 70% to account for the possibility of this Court reducing penalties, to arrive at an estimated exposure of approximately $25,253.

20. Using these estimated figures for each of the claims described above, Plaintiff predicted that the potential realistic recovery for the Settlement Class would be approximately $500,083. The proposed Settlement of $435,000 represents approximately 87% of the reasonably forecasted recovery for the Settlement Class.

21. Although the parties engaged in significant informal discovery prior to mediation, the parties still had significant formal discovery to complete had the matter not been settled. This would have required the expenditure of substantial time and resources by both Parties that would have very likely spanned several years. Even if Plaintiff were to certify the proposed classes, the

Parties would incur considerably more attorneys' fees and costs through a possible decertification motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying expense.

22. My office will apply for an attorneys' fees award of one-third of the Gross Settlement Amount, which is currently estimated to be $145,000.00, and up to $20,000.00 in verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. Class Counsel has incurred substantial attorneys' fees conducting pre-filing investigation, analyzing Plaintiff's claims, conducting legal research, conducting extensive informal discovery, analyzing Settlement Class members' timekeeping and payroll records, creating a comprehensive damages model, preparing for and attending mediation, negotiating and preparing the long-form Stipulation of Settlement, preparing this Motion, and otherwise litigating the case. Class Counsel expects to expend additional attorney time in attending the hearing on this Motion, overseeing the Notice process and fielding questions from Settlement Class members, preparing the Final Approval papers, and attending the Final Approval hearing.

23. Plaintiff will apply for a Class Representative Service Payment at the time of seeking final approval of the proposed class action settlement in the amount of $10,000.00 for his service to the Settlement Class. As will be fully briefed at the time of final approval, Plaintiff's requested Service Payment is intended to recognize the time and effort Plaintiff expended on behalf of the Settlement Class, including providing substantial factual information and documents to Class Counsel, discussing the claims and theories at issue in the litigation, actively participating in the prosecution of his claims, as well as the significant risks Plaintiff undertook by agreeing to serve as the named plaintiff in this case.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on April 29, 2025, at El Segundo, California.

Sean Blakely

Sean M. Blakely

EXHIBIT A

STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement") is reached by and between Plaintiff Ruben Perez ("Plaintiff"), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant Grain Craft, LLC (hereinafter "Grain Craft"), on the other hand. Plaintiff and Grain Craft are referred to herein collectively as the "Parties." Plaintiff and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC ("Class Counsel"). Grain Craft is represented by Mollie M. Burks, Linh T. Hua, and Kyla H. Buenaventura of Gordon Rees Scully Mansukhani, LLP.

On October 6, 2023, Plaintiff filed a class action complaint against Grain Craft in Los Angeles County Superior Court, in the matter entitled *Ruben Perez v. Grain Craft, LLC*, Case No. 23STCV24438 (the "Action"). On October 9, 2023, pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Grain Craft and the California Labor and Workforce Development Agency ("LWDA") by sending a Notice pursuant to the Private Attorneys General Act ("PAGA"), Cal. Labor Code § 2698 *et seq* ("PAGA Notice"). On December 15, 2023, Plaintiff filed the operative First Amended Class and Representative Action Complaint ("FAC"). The FAC alleges the following causes of action: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties (7) unfair competition in violation of Cal. Business & Professions Code § 17200, *et seq*.; and (8) civil penalties under PAGA. Grain Craft denies the allegations in the FAC, denies any failure to comply with the laws identified in the FAC and denies any and all liability for the causes of action alleged.

Given the uncertainty of litigation, Plaintiff and Grain Craft wish to settle individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Grain Craft agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Grain Craft stipulate to the certification of the following Settlement Class:

> All current and former non-exempt employees who worked for Defendant Grain Craft, LLC, in California from October 6, 2019, to August 30, 2024 ("Class Period").

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure or under Rule 23 of the Federal Rule of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiff**. Upon the Effective Date (as defined below) and the complete funding of the Gross Settlement Amount, Plaintiff and every member of the Settlement Class ("Settlement Class Member") will fully release and discharge Grain Craft, and all of its past and present officers, directors, shareholders, employees, owners, members, insurers, assigns, agents, principals, heirs, representatives, accountants, auditors, consultants, and

their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the "Released Parties"), as follows:

A. Settlement Class Members who do not opt out ("Participating Class Members"), will release all claims, demands, rights, liabilities, and causes of action that were pled in the FAC, or that could have been pled in the FAC in the Action based on the factual allegations therein, that arose during the Class Period, including claims for: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide meal periods as required by law; (d) failure to authorize rest periods as required by law; (e) failure to provide accurate, itemized wage statements; (f) failure to pay all wages upon separation of employment or all final wages due; and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above, and any other claims, including claims for statutory and/or civil penalties (the "Class Released Claims") on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns,.

B. **Release of PAGA Claims.** In addition, all Settlement Class Members (regardless of whether they opt-out) who worked for Grain Craft at any time from October 6, 2022 through August 30, 2024 (the "PAGA Period") are "Aggrieved Employees." Aggrieved Employees and the State of California shall release the Released Parties from all claims for civil penalties, attorneys' fees and costs, for any Labor Code or Wage Order violation alleged, or reasonably could have been alleged, based on the facts in the FAC and/or Plaintiff's PAGA Notice for the PAGA Period, including but not limited to claims for failure to pay all minimum wages, failure to pay all overtime wages, failure to provide meal periods as required by law, failure to authorize rest periods as required by law, failure to provide accurate, itemized wage statements, and failure to pay all wages upon separation of employment or all final wages due, and any other claims, including claims for statutory and/or civil penalties ("the PAGA Released Claims"). Aggrieved Employees may not opt-out of the Release of PAGA Released Claims.

C. **Release by Plaintiff.** Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns has agreed to release and discharge, individually and in addition to the Class and PAGA Released Claims described above, all claims, whether known or unknown, without exception, against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any claims for workers' compensation, unemployment insurance, vested benefits, wrongful termination, disability benefits, social security benefits that arose after the Class Period, or claims based on occurrences outside the Class Period nor any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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.

Specifically excluded from Plaintiff's Released Claims are any claims that cannot be released as a matter of law, such as claims for workers' compensation benefits or unemployment benefits. No workers' compensation claims are being resolved under this Settlement.

3. **Gross Settlement Amount.** As consideration, Grain Craft agrees to pay a "Gross Settlement Amount" of Four Hundred Thirty-Five Thousand and Zero Cents ($435,000.00) in full and complete settlement of the Action, as follows:

A. The Parties have agreed to engage ILYM Group, Inc. as the "Settlement Administrator" to administer this Settlement. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings, calculating Grain Craft's share of taxes payable on the wages, and other duties as described in this Settlement Agreement. The Settlement Administrator shall also be responsible for posting the Final Judgment to its website.

B. The Gross Settlement Amount shall be deposited with the Settlement Administrator within thirty (30) calendar days of the Effective Date (which, for this purpose, shall be defined as the later of: (1) date on which the Court enters an Order granting Final Approval of the Settlement Agreement or; (2) April 1, 2025, whichever date is later.

C. The Gross Settlement Amount includes:

(1) All payments to the Settlement Class, to be distributed as described in Section 4(B)(i);

(2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Seven Thousand Dollars and Zero Cents ($7,000.00), except for a showing of good caused and as approved by the Court ("Administration Expenses"). Grain Craft will not object to Plaintiff's request for Administration Expenses that does not exceed this amount. To the extent the Administration Expenses are less, or the Court approves payment less than the amount requested, the Settlement Administrator will retain the remainder in the Net Settlement Amount as defined below. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Individual Settlement Payments have been mailed to all Participating Class Members and Individual PAGA Payments have been mailed to all Aggrieved Employees;

(3) Up to Ten Thousand Dollars and Zero Cents ($10,000.00) to Plaintiff for Plaintiff's Class Representative Service Payment, in recognition of his contributions to the Lawsuit and his service to the Settlement Class, subject to court approval. Grain Craft will not object to a request for a Class Representative Service Payment that does not exceed this amount. Even in the event that the Court reduces or does not approve the requested Class Representative Service Payment, Plaintiff shall not have the right to revoke this Settlement Agreement, and it will remain binding. If the Court approves a Class Representative Service Payment less than the amount requested, the Settlement Administrator will retain the remainder in the Net Settlement Amount as defined below. The Settlement Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment;

(4) Up to one-third of the Gross Settlement Amount for Class Counsel's attorneys' fees, which is currently estimated to be One Hundred Forty-Five Thousand Dollars and Zero Cents ($145,000.00) ("Class Counsel Fees Payment"), and actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Twenty Thousand Dollars and Zero Cents ($20,000.00) ("Class Counsel Litigation Expenses Payment"), subject to court approval (collectively, "Class Counsel Payments"). These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation all work performed, and all costs incurred to date and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. In the event that the Court reduces or does not approve the requested amounts for the Class Counsel Payments, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding and the Settlement Administrator will allocate the remainder to the Net Settlement Amount as defined below. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of the Class Counsel Payments. The Administrator will pay the Class Counsel Payments using IRS Form 1099. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Payments and holds Grain Craft harmless, and indemnifies Grain Craft, from any dispute or controversy regarding any division or sharing of the Class Counsel Payments; and

(5) Twenty Thousand Dollars and Zero Cents ($20,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents ($15,000.00) will be payable to the LWDA ("LWDA Amount"), and the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents ($5,000.00), will

be payable to the Aggrieved Employees as the "PAGA Amount," which PAGA Amount will be distributed as described in Section 4(C)(i). If the Court approves PAGA Penalties less than the amount requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount as defined below.

D. **Escalator Clause**. Based upon data provided by Grain Craft, there are approximately 5,461 workweeks during the Class Period. For purposes of this settlement, a workweek shall comprise approximately 6.5 shifts. If it is determined that the number of workweeks during the Class Period exceeds 6,280 (115% of 5,461), then the Gross Settlement Amount shall be increased by the same number of percentage points (above 15%) by which the actual number of workweeks exceeds 6,280 (i.e. for instance, if the actual number of workweeks is determined to be 2% higher than 6,280, the Gross Settlement Amount would be increased by $8,700). At its option, Grain Craft can avoid increasing the Gross Settlement Amount by electing to end the Class Period when the number of workweeks reaches is no greater than 6,280.

E. Grain Craft's share of payroll taxes shall be paid by Grain Craft separately from, and in addition to, the Gross Settlement Amount.

4. **Payments to the Settlement Class.** Settlement Class Members are not required to submit a claim form to receive a payment ("Individual Settlement Payment") from the Settlement. Individual Settlement Payments will be determined and paid as follows:

A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel Fee Payment, Class Counsel Litigation Expenses Payment, , Plaintiff's Class Representative Service Payment, the Administration Expenses, the LWDA Amount, and the PAGA Amount. The remaining amount shall be known as the "Net Settlement Amount."

B. From the Net Settlement Amount, the Settlement Administrator will calculate each Participating Class Member's Individual Settlement Payment based on the following formula:

i. The Net Settlement Amount shall be allocated among Participating Class Members based on each Participating Class Member's proportionate workweeks worked during the Class Period, which will be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the Participating Class Member's number of workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all Participating Class Members during the Class Period.

C. The Settlement Administrator will calculate each Aggrieved Employee's share of the PAGA Amount based on the following formula:

i. Each Aggrieved Employee shall receive a portion of the PAGA Amount proportionate to the number of pay periods worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee's gross number of pay periods worked during the PAGA Period, and the denominator of which is the total number of pay periods worked by all Aggrieved Employee during the PAGA Period ("Individual PAGA Payment"). Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Settlement Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

D. Within ten (10) calendar days following Grain Craft's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Payment and Individual PAGA Payment amounts and provide the same to the Parties' counsel for review and approval. Within seven (7) calendar days of approval by the Parties' counsel, the Settlement Administrator will prepare and mail Individual Settlement Payments and Individual PAGA Payments, less applicable taxes and withholdings, to Participating Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. However, the Settlement Administrator may send Participating Class Members a single check combining their Individual Settlement Payment and the Individual PAGA Payment. The face of each check shall prominently state the date when the check will be voided. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Grain Craft's counsel.

E. For purposes of calculating applicable taxes and withholdings, each Individual Settlement Payment shall be allocated as follows: forty percent (40%) as penalties, forty percent (40%) as interest, and twenty percent (20%) as wages. All Individual PAGA Payments shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to Participating Class Members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of Individual Settlement Payment above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans. The amount allocated as "wages" is subject to tax withholding. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Settlement Payment.

F. Each Participating Class Member and Aggrieved Employee who receives an Individual Settlement Payment and/or Individual PAGA Payment must cash that check within 180 days from the date the Settlement Administrator mails it. For any funds payable to Participating Class Members and Aggrieved Employees whose checks are not cashed within 180 days after mailing, the Settlement Administrator shall transmit the funds represented by such checks to the Controller of the State of

California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Participating Class Member or Aggrieved Employee to whom the check was issued, until such time that they claim their property thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384.

G. Neither Plaintiff nor Grain Craft shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Grain Craft will not object to Class Counsel's request for a total payment of attorneys' fees of one-third of the Gross Settlement Amount, which is currently estimated to be One Hundred Forty-Five Thousand Dollars and Zero Cents ($145,000.00). Additionally, Class Counsel will request a payment of actual costs and expenses as supported by declaration, in an amount not to exceed Twenty Thousand Dollars and Zero Cents ($20,000.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation all work performed, and all costs incurred to date and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee payment allowed by the Court.

6. **Class Representative Service Payment.** Grain Craft will not object to a request for a Class Representative Service Payment of up to Ten Thousand Dollars and Zero Cents ($10,000.00) for Plaintiff, for his time and risk in prosecuting this case, and his service to the Settlement Class. This payment will be in addition to Plaintiff's respective Individual Settlement Payment as a Settlement Class member, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. In the event that the Court reduces or does not approve the requested Service Payment, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

7. **Settlement Administrator.** Grain Craft will not object to the appointment of ILYM Group, Inc. as Settlement Administrator. Grain Craft will not object to Plaintiff's request to the Court to pay up to Seven Thousand Dollars and Zero Cents ($7,000.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings, calculating Grain Craft's share of taxes payable on the wages, which shall be deducted from the Gross Settlement Amount, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Individual Settlement Payments have been mailed to all participating Settlement Class members. The Settlement Administrator shall also be responsible for posting the Final Judgment to its website.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;

B. Appointing Paul K. Haines, Sean M. Blakely, and Joel M. Gordon of Haines Law Group, APC as Class Counsel;

C. Appointing Plaintiff Ruben Perez as Class Representative for the Settlement Class;

D. Approving ILYM Group, Inc. as Settlement Administrator;

E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Individual Settlement Payment, drafts of which are attached hereto as **Exhibits A** and **B**, respectively), and directing the mailing of same; and

G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

A. Within ten (10) business days after entry of an order preliminarily approving this Settlement, Grain Craft will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, the dates of employment, the number of workweeks worked by each Settlement Class Member while employed during the Class Period and the number of PAGA Pay Periods while employed during the PAGA Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in the form of a Microsoft Excel spreadsheet. To protect Settlement Class Members' privacy rights, the Settlement 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 Settlement Administrator employees who need access to the Class Data to effect and perform under this Agreement.

B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class Members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class Members ; (ii) update the address of any Settlement Class Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class Member and estimated Individual PAGA Payment for each Aggrieved Employee; and (iv) mail a Notice Packet to each Settlement Class Member and Aggrieved Employee at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

C. Requests for Exclusion. Any Settlement Class Member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

i. The Notice Packet shall state that Settlement Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class Member's telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all Aggrieved Employees, whether or not they exclude themselves from the class action settlement. Settlement Class Member who were employed by Grain Craft at any time during the PAGA Period and submit a valid and timely Request for Exclusion shall still be entitled to their portion of the PAGA Amount described above, and will release all PAGA Released Claims, whether they submit a valid and timely Request for Exclusion or not.

ii. If 15% or more of the total of all Settlement Class Members complete and mail a Request for Exclusion, Grain Craft may exercise the option to withdraw from the Settlement, and the Settlement is entirely void. In the event that Grain Craft exercises this option, Grain Craft shall pay for all settlement administration costs incurred up to the point it exercised its right to void the Settlement.

D. Objections. Only Participating Class Members may object to the class action components of this Settlement Agreement as explained in the Class Notice by filing a written objection by the Response Deadline with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Grain Craft's counsel, as well as file all such objections with the Court). Grain Craft's counsel and Class Counsel may file any responses to objections. Participating Class Members who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing. Members of the Settlement Class Members who request exclusion *may not* object to any of the class action components of the Settlement.

E. Notice of Estimated Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class Member shall disclose the amount of the Settlement Class Member's estimated Individual Settlement Payment and/or Individual PAGA Payment as well as the number of Workweeks and Pay Periods used from Grain Craft's records to calculate such payments. Settlement Class Members will have the opportunity, should they disagree with Grain Craft's records regarding the information stated in the Notice of Estimated Individual Settlement Payment and/or Individual PAGA Payment, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments and/or Individual PAGA Payment under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment and/or Individual PAGA Payment shall be binding and not appealable or otherwise susceptible to challenge.

F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member. Settlement Class Members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class Member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Grain Craft's Counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order, not later than 16 court days before the calendared Final Approval Hearing:

A. Granting final approval of the Settlement, adjudging the terms thereof to be fair, adequate, and reasonable, and directing consummation of its terms and provisions;

B. Approving Plaintiff's and Class Counsel's request for Class Counsel Payments, Class Representative Service Payment, and Administration Expenses; and

C. Entering Final Judgment pursuant to California Rule of Court 3.769. Said Judgment shall be posted on the Settlement Administrator's website.

11. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to Federal Evidence Code Section 408 and California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by Federal Evidence Code Section 408 and the California Evidence Code Section 1152. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Grain Craft reserves the right to contest certification of any class for any reasons, and Grain Craft 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 Grain Craft'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. **Non-disclosure and Non-publication**. Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class Members in accordance with Class Counsel's ethical obligations owed to Settlement Class Members. and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other Lawsuits, Class Counsel may disclose the names of the Parties in this Lawsuit, the venue/case number of this Lawsuit, and a general description of the Lawsuit, to a court in a declaration by Class Counsel. Plaintiff, Class Counsel, Grain Craft and Counsel for Grain Craft separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect.

13. **Waiver and Amendment.** The Parties may not waive, amend, change, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Grain Craft: Linh T. Hua, of Gordon Rees Scully Mansukhani, LLP, 633 West Fifth Street, 52nd Floor, Los Angeles, CA 90071; lhua@grsm.com.

if to Plaintiff: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com.

15. **Cooperation**. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed. 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 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 approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph. 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. The Parties agree that the terms and conditions of this Agreement were negotiated at arm's length and in good faith by the Parties, and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

16. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the Lawsuit contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof. Further, all terms of this Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California. Each of the Parties acknowledges that they have not relied on any promise, representation or warranty, express or implied, not contained in this Agreement.

17. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

18. **Enforcement Action.** Consistent with the class action procedure, the Parties agree that the Los Angeles County Superior Court shall have jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) to enforce this Settlement pursuant to California Code of Civil Procedure section 664.6, and California Rule of Court 3.769, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law. 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 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.

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

20. **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 Settlement 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. Any additional Administration Expenses reasonably incurred after remittitur shall be paid from the Gross Settlement Amount. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or Class Counsel Payments shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

21. **No Prior Assignments**. The Parties separately 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 and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

22. **No Tax Advice**. Neither Plaintiff, Class Counsel, Grain Craft nor Counsel for Grain Craft 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.

23. **Agreement Binding on Successors**. This Agreement will be binding upon, and inure to the benefit of Plaintiff, Defendant, Participating Class Members, the Aggrieved Employees and their heirs, beneficiaries, executors, administrators, successors, transferees, assigns, or any corporation or any entity with which any party may merge, consolidate, or reorganize.

24. **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.

25. **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.

26. **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.

27. **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.

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

29. **No Signature Required by Class Members**. Only the Plaintiff will be required to execute this Settlement Agreement. The Class Notice will advise all Class Members and Aggrieved Employees of the binding nature of the release, and such shall have the same force and effect as if this Settlement Agreement were executed by each Participating Class Member or Aggrieved Employee.

DATED: 4-3, 2025

DEFENDANT GRAIN CRAFT, LLC

By: [signature] CHRO
Title:

DATED: 03/27, 2025

PLAINTIFF RUBEN PEREZ

[signature]

By: Ruben Perez (Mar 27, 2025 16:22 PDT)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: April 4, 2025

GORDON REES SCULLY MANSUKHANI

By: [signature]
Linh T. Hua
Kyla H. Buenaventura
Attorneys for Defendant

3

DATED: March 28, 2025

HAINES LAW GROUP, APC

By: [signature]

Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

RUBEN PEREZ, as an individual and on behalf of all others similarly situated, Plaintiff, vs. GRAIN CRAFT, LLC, a Delaware limited liability company; and DOES 1 through 100, Defendants.	Case No. 23STCV24438 **NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT**

To: All current and former non-exempt employees who worked for Defendant Grain Craft, LLC, in California from October 6, 2019, to August 30, 2024. Collectively, these employees will be referred to as “Settlement Class members.”

PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT

Why should you read this notice?

The Los Angeles County Superior Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) in the case of *Ruben Perez v. Grain Craft, LLC,* Los Angeles Superior Court Case No. 23STCV24438 (the “Action”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendant Grain Craft, LLC’s (“Grain Craft”) records show that you were employed at Grain Craft as a non-exempt employee in California between October 6, 2019 and August 30, 2024 (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Ruben Perez (“Plaintiff”) brought this Action against Grain Craft, seeking to assert claims on behalf of a class of current and former non-exempt employees who worked for Grain Craft in California at any time during the Class Period. Plaintiff is known as the “Class Representative,” and his attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

Plaintiff alleges that Grain Craft failed to provide Settlement Class members with all required meal and rest periods and failed to pay all minimum and overtime wages due to its timekeeping policies and practices. The Action also alleges that Grain Craft failed to provide Settlement Class members with accurate and complete wage statements, and failed to timely pay all final wages at the time of separation of employment. As a result of the alleged violations, Plaintiff alleges that Grain Craft engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”).

Grain Craft denies all liability to Settlement Class members, denies the factual and legal allegations in the Action, and believes that it has valid defenses to Plaintiff's claims. Grain Craft has entered into the Settlement solely for the purposes of resolving this dispute. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Grain Craft, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with its business operations, Grain Craft has concluded that it is in its best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After Grain Craft provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Grain Craft, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members: **HAINES LAW GROUP, APC** Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Joel M. Gordon jgordon@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	Attorneys for Defendant Grain Craft, LLC: **GORDON REES SCULLY MANSUKHANI, LLP** Mollie M. Burks mburks@grsm.com Linh T. Hua lhua@grsm.com Kyla H. Buenaventura kbuenaventura@grsm.com 633 W. Fifth Street, 52nd Floor Los Angeles, California 90071 Tel: (213) 576-5000 grsm.com

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt employees who worked for Grain Craft in California during the Class Period. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Grain Craft as described below.

Grain Craft has agreed to pay $435,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys' fees and expenses, settlement administration costs, and the Class Representative's Enhancement Payment.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Settlement Administration Costs. The Court has approved ILYM Group, Inc. to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to $7,000.00 from the Gross Settlement Amount to pay the settlement administration costs.

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount.

Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be $145,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to $20,000.00 for verified costs Class Counsel incurred in connection with the Action.

Enhancement Payment to Class Representative. Class Counsel will ask the Court to award enhancement payments in the amount of $10,000.00 for Plaintiff to compensate him for his service and extra work provided on behalf of the Settlement Class members.

PAGA Civil Penalties. The Parties have agreed to allocate $20,000.00 of the Gross Settlement Amount as PAGA civil penalties. Per Labor Code Section 2699(i), 75% of such penalties ($15,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA") for its share of PAGA penalties, and the remaining 25% ($5,000.00) will be payable to the Aggrieved Employees as the "PAGA Amount."

Calculation of Settlement Class Members' Individual Settlement Awards. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount, which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The Net Settlement Amount is estimated at approximately $233,000.00 and will be divided as follows:

(i) Payments to All Participating Settlement Class Members: The Settlement Administrator will calculate payments from the Net Settlement Amount based on each participating Settlement Class member's proportionate Workweeks worked during the Cass Period. Specifically, each participating Settlement Class member's payment from the Net Settlement Amount will be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of Workweeks worked during the Class Period, and the denominator of which is the total Workweeks worked by all participating Settlement Class members during the Class Period.

(ii) Payment from PAGA Amount: $20,000.00 of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. As described above, 75% of such penalties ($15,000.00) will be payable to the LWDA for its share of PAGA civil penalties, and the remaining ($5,000.00) will be designated as the "PAGA Amount" and distributed to all Aggrieved Employees who were employed by Grain Craft (including those that opt out of the class settlement) at any time from October 6, 2022 through August 30, 2024 ("PAGA Period") based on the proportionate number of pay periods that he or she worked during the PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks were not cashed within 180 days after mailing shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq*., in the name of the Participating Class Member or Aggrieved Employee to whom the check was issued, until such time that they claim their property thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384.

Allocation and Taxes. For tax purposes, each Individual Settlement Award will be treated as follows: twenty percent (20%) as "wages," for which an IRS form W-2 will be issued; forty percent (40%) as penalties and forty percent (40%) as interest, for which an IRS form 1099 will be issued. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Awards. The Settlement Administrator, Grain Craft and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, upon the Effective date and the complete funding of the Gross Settlement Amount, all Settlement Class members who did not submit a timely and valid Request for Exclusion, will fully release and discharge Grain Craft and all of its past and present officers, directors, shareholders, employees, owners, members, insurers, assigns, agents, principals, heirs, representatives, accountants, auditors, consultants, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the "Released Parties"), as follows: Settlement Class Members who do not opt out ("Participating Class Members"), will release all claims, demands, rights, liabilities, and causes of action that were pled in the First Amended Class and Representative Action Complaint ("FAC"), or that could have been pled in the FAC in the Action based on the factual allegations therein, that arose during the Class Period, including claims for: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide meal periods as required by law; (d) failure to authorize rest periods as required by law; (e) failure to provide accurate, itemized wage statements; (f) failure to pay all wages upon separation of employment or all final wages due; and (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above, and any other claims, including claims for statutory and/or civil penalties (the "Class Released Claims") on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns. The period of the Class Released Claims shall extend to the limits of the Class Period.

In addition, all Settlement Class Members (regardless of whether they opt-out) who worked for Grain Craft at any time from October 6, 2022 through August 30, 2024 (the "PAGA Period") are "Aggrieved Employees." Aggrieved Employees and the State of California shall release the Released Parties from all claims for civil penalties, attorneys' fees and costs, for any Labor Code or Wage Order violation alleged, or reasonably could have been alleged, based on the facts in the FAC and/or Plaintiff's PAGA Notice for the PAGA Period, including but not limited to claims for failure to pay all minimum wages, failure to pay all overtime wages, failure to provide meal periods as required by law, failure to authorize rest periods as required by law, failure to provide accurate, itemized wage statements, and failure to pay all wages upon separation of employment or all final wages due, and any other claims, including claims for statutory and/or civil penalties ("the PAGA Released Claims").

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period, as stated in the accompanying Notice of Estimated Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Award. Your Individual Settlement Award is based on the number of workweeks you worked during the Class Period. The information contained in Grain Craft's records regarding the number of workweeks you worked during the Class Period, along with your estimated Individual Settlement Award, is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Award will be binding on the Settlement Class member and the Parties.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion" letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, and your signature.

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection to the Settlement Administrator. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department SSC-10 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Ruben Perez. v. Grain Craft, LLC.*, Los Angeles Superior Court Case No. 23STCV24438. You do not need to object in writing to be heard at the Final Approval Hearing.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department SSC-10 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Enhancement Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, during regular court hours. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, GRAIN CRAFT, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.

EXHIBIT 2

NOTICE OF ESTIMATED SETTLEMENT PAYMENT

RUBEN PEREZ v. GRAIN CRAFT, LLC.
LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 23STCV24438

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) **Please type or print your name:**

____
(First, Middle, Last)

(II) **Please type or print the following identifying information if your contact information has changed:**

____
Former Names (if any)

____
New Street Address

____
City State Zip Code

(III) **Information Used to Calculate Your Settlement Award:**

According to Grain Craft, LLC's ("Grain Craft") records:

- **(a)** you worked ____ workweeks for Grain Craft in California between October 6, 2019 and August 30, 2024;
- **(b)** you worked ____ pay periods for Grain Craft in California between October 6, 2022 and August 30, 2024; and

Based on the above, your Settlement Award is estimated at **$**________.

(IV) **If you disagree with item (a) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:**

____
____
____
____
____
____

If you dispute the above information from Grain Craft's records, Grain Craft's records will control unless you are able to provide documentation that establishes otherwise and that Grain Craft's records are mistaken. If there is a dispute about whether Grain Craft's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Pendency of Class Action and Proposed Settlement" that accompanies this Form.

ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.

Signature: ___________________________ **Date:** ________________

EXHIBIT B

October 9, 2023

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Ruben Perez v. Grain Craft, LLC*

To Whom It May Concern:

Please be advised that this law firm represents Ruben Perez ("Mr. Perez") in claims arising from his employment with Grain Craft, LLC.; and Does 1 through 100 (collectively "Grain Craft"). Mr. Perez is an "aggrieved employee" as defined by Labor Code Section 2698 *et seq*., due to Grain Craft's numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency ("LWDA") of the specific provisions of the Labor Code allegedly violated.

Grain Craft is in the business of milling flour for the baking and food service industries. Mr. Perez worked for Grain Craft in the non-exempt job position of "Miller" (or similarly titled position), working on a variety of machinery that cleaned, wetted, and dried wheat for milling. Mr. Perez began working for Grain Craft in the non-exempt job position of "Miller" (or similarly titled position) in approximately July 1990, and worked until his termination in approximately 2023.

Throughout Mr. Perez's employment with Grain Craft, Grain Craft's timekeeping policies and/or practices resulted in Mr. Perez and other aggrieved employees not being compensated for all hours actually worked, whether by rounding, time-shaving, or otherwise. Mr. Perez and other aggrieved employees were required to arrive early before their shifts but were not permitted to clock in until their scheduled start times. Grain Craft also required Mr. Perez and other aggrieved employees to clock in and out through an electronic timeclock which records employees' hours worked to the minute. However, upon information and belief, Grain Craft rounded Mr. Perez's and other aggrieved employees' timekeeping entries in an uneven manner to a half-hour increment, so that, over a period of time, Mr. Perez and other aggrieved employees were deprived of all earned minimum and overtime wages. Upon information and belief, Grain Craft's timekeeping system regularly, systematically, and impermissibly rounded the hours worked by Mr. Perez and aggrieved employees in Grain Craft's favor, resulting, over a period of time, in the failure to compensate Mr. Perez and other aggrieved employees for all hours worked. As a result, Mr. Perez and other aggrieved employees were not compensated for all required minimum and overtime wages.

Grain Craft also failed to provide Mr. Perez and other aggrieved employees with all legally compliant meal periods due to Grain Craft's meal period policies/practices, which have resulted in missed, late (commencing after the fifth hour of work) and short (fewer than 30 minutes) meal periods. Mr. Perez and other aggrieved employees' meal periods were frequently "late" (i.e., starting after the completion of the fifth hour of work) because Grain Craft's work demands prevented them from taking a timely meal period. Grain Craft also failed to provide Mr. Perez and other aggrieved employees with 30 minutes of net rest in an area away from the workstation that is appropriate for rest, which employers are required by the Wage Order to maintain for their employees during meal and rest periods. In addition, Grain Craft failed to provide Mr. Perez and other aggrieved employees with second meal periods on shifts over 10.0 hours. On those occasions when Mr. Perez was not provided with all legally required meal periods to which he was entitled, Grain Craft failed to compensate Mr. Perez with the required meal period premium for each workday in which he experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, Grain Craft maintained no payroll code for paying meal period premiums under Labor Code § 226.7 during the relevant time period.

Grain Craft has also failed to authorize and permit all required rest periods for Mr. Perez and other aggrieved employees. Specifically, Grain Craft has often failed to authorize and permit a 10-minute rest period for every four hours worked or major fraction thereof due to work demands imposed by Grain Craft. Moreover, as with meal periods, Grain Craft has failed to authorize and permit a full ten minutes of "net rest" in an area appropriate for rest away from the workstation during rest periods. On those occasions when Mr. Perez was not authorized and permitted all legally required rest periods to which he was entitled, Grain Craft failed to compensate Mr. Perez with the required rest period premium for each workday in which he experienced a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, Grain Craft maintained no payroll code for paying rest period premiums under Labor Code § 226.7.

As a result of Grain Craft's failure to compensate Mr. Perez and other aggrieved employees for all minimum wages, and meal and rest period premium wages, Grain Craft maintained inaccurate payroll records and failed to issue accurate, compliant, itemized wage statements, and also failed to pay all wages owing at the time of termination of employment

As described above, Grain Craft committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 8 ("Wage Order 8"):

<u>Minimum Wage Violations</u>

Grain Craft was required to pay Mr. Perez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 8, § 4. As alleged above, Grain Craft failed to conform its pay practices to the requirements of the law by failing to pay Mr. Perez and other aggrieved employees for all hours worked, including, but not limited to, all hours they were subject to the control of Grain Craft and/or suffered or permitted to work under the California Labor Code and Wage Order 8. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Perez and other aggrieved employees were deprived of all required minimum wages.

<u>Overtime Wage Violations</u>

Grain Craft was required to properly pay Mr. Perez and other aggrieved employees for all overtime hours worked pursuant to Labor Code § 1194 and Wage Order 8 § 3. As alleged above, Grain Craft caused Mr. Perez and other aggrieved employees to work overtime hours but failed to credit these employees with all overtime hours actually worked. As a result of these policies/practices, Mr. Perez and other aggrieved employees were not compensated for all overtime and double-time wages.

<u>Meal Period Violations</u>

As alleged above, Grain Craft failed to provide Mr. Perez and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 8, § 11. As a result, Mr. Perez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with … [an] order of the Industrial Welfare Commission … the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.").

<u>Rest Period Violations</u>

As alleged above, Grain Craft also failed to authorize and permit Mr. Perez and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 8, § 12. As a result, Mr. Perez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.").

Wage Statement Violations

Grain Craft was required to furnish Mr. Perez and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, total net wages earned, and the address of the legal entity that is the employer. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 8, § 7. As a result of Grain Craft's failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal and rest period premium wages, Grain Craft maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Perez and other aggrieved employees in violation of Labor Code § 226. Grain Craft's failure to comply with its wage statement obligations was knowing and intentional, and Mr. Perez and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Grain Craft failed to timely pay Mr. Perez and other aggrieved employees all of their final wages at the time of separation, which included all overtime, double-time, and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, Grain Craft's failure to pay all final wages due to Mr. Perez and other aggrieved employees was willful and, consequently, entitles Mr. Perez and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Grain Craft failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Mr. Perez will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Perez's own investigation, and on information and belief, Grain Craft committed and continues to commit the following Labor Code violations:

a. Grain Craft violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Mr. Perez and other aggrieved employees the statutory minimum wage for all hours worked;

b. Grain Craft violated Labor Code §§ 204, 510, 1194, and 1198 by failing to pay Mr. Perez and other aggrieved employees all overtime compensation earned;

c. Grain Craft violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Perez and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;

d. Grain Craft violated Labor Code §§ 226.7, 558, and 1198 by failing to authorize and permit Mr. Perez and other aggrieved employees all required rest periods and failing to pay rest period premiums to Mr. Perez and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;

e. Grain Craft violated Labor Code § 226 by failing to furnish Mr. Perez and other aggrieved employees with accurate and compliant itemized wage statements;

f. Grain Craft violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Mr. Perez and other aggrieved employees; and

g. Grain Craft violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Perez and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Grain Craft if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC

Paul K. Haines

cc: Grain Craft, LLC (via certified mail)

UNITED STATES POSTAL SERVICE®

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 10/11/2023

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8333 0623 95

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 10/10/2023

ORIGINAL INTENDED RECIPIENT:

GRAIN CRAFT LLC
C/O: CT CORPORATION SYSTEM
330 N BRAND BLVD STE 700
GLENDALE CA 91203-2336

UNITED STATES POSTAL SERVICE

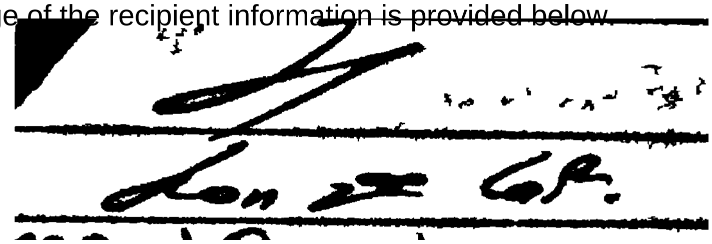
Mailer: Haines Law Group

Date Produced: 10/13/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8333 0623 95. Our records indicate that this item was delivered on 10/12/2023 at 08:08 a.m. in GLENDALE, CA 91209. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :

330 N.Brand blvd

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

GRAIN CRAFT LLC
C/O: CT CORPORATION SYSTEM
STE 700
330 N BRAND BLVD
GLENDALE CA 91203-2336

Customer Reference Number: C4520336.27014238