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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

HISTORIC COURT HOUSE

MARCO ANTONIO HURTADO, individually, and on behalf of all others similarly situated,

Plaintiff,

v.

MAGNOLIA FOODS, LLC, a California limited liability company; C-HIREE PERSONNEL INC., a California corporation; and DOES 1 through 50, inclusive,

Defendants.

CASE NO.: CVRI2404791

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

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This Class Action Settlement and Release ("Settlement Agreement") is entered into by and between Plaintiffs Marco Antonio Hurtado and Francela Medrano ("Plaintiffs"), on behalf of themselves and the Class, on the one hand, and Defendant Magnolia Foods, LLC, a California limited liability company ("Defendant"), on the other hand. Plaintiffs and Defendant are collectively referred to herein as "Parties" and individually referred to herein as "Party."

In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree that, pursuant to the terms and conditions set forth herein, which are subject to approval of the Court, this Action and the Released Claims shall be settled and compromised as between Plaintiffs and the Class on the one hand and Defendant on the other hand.

DEFINITIONS

1. "Action" means *Marco Antonio Hurtado et al. v. Magnolia Foods, LLC et al.*, Superior Court of the State of California for the County of Riverside, Case No. CVRI2404791.

2. "Class" means all non-exempt, hourly employees who were onboarded by C-Hiree Personnel, Inc., and placed to work at Magnolia Foods, LLC, at any time in California from August 26, 2020, through December 31, 2025.

3. "Class Counsel" means The Wheeler Law Firm, APC.

4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and resolution of this Action and Class Counsel's expenses and costs incurred in connection with this Action.

5. "Class Information" means the compilation of the following information for each Class Member: last known full name; social security number; last known address; and last known telephone number.

6. "Class Member" means each person who is a member of the Class defined above and who is eligible to participate in this Settlement.

7. "Class Notice" means the notice, substantially in the form attached hereto as **Exhibit 1**, which the Settlement Administrator will mail to each Class Member, and which explains, *inter alia*, the terms of this Settlement, each Class Member's estimated Individual Settlement Payment, the settlement process, and the right of Class Members to object to the Settlement, opt-out of the

Settlement, or dispute the number of Compensable Pay Periods attributed to them. Notice to the Class Members will be in English and Spanish.

8. "Class Period" means the time period from August 26, 2020, through December 31, 2025.

9. "Class Representative Service Award" means the amount that the Court authorizes to be paid to Plaintiffs, in addition to Plaintiffs' Individual Settlement Payment and Individual PAGA Payment, in recognition of, *inter alia*, Plaintiffs' efforts and risks in assisting with the prosecution of the Action and in return for executing a general release with Defendant.

10. "Workweek" is defined as any workweek during which a Class Member worked regular hours at one of Defendant's facilities during the Class Period.

11. "Court" means the Superior Court for the County of Riverside, State of California.

12. "Defendant" means Magnolia Foods, LLC, a California limited liability company.

13. "Effective Date" means the date the Court files an order and judgment granting final approval and files a Final Judgment, if no objections are filed to the Settlement, provided the Court has issued an order granting a motion for good faith settlement determination and: 1) such order has been affirmed on appeal after all appeals have been exhausted; or 2) the deadline to appeal the order has lapsed and no appeal is filed. If objections are filed and overruled, and no appeal is taken of the final approval order, then the Effective Date will be sixty-five (65) calendar days after the trial court enters a Final Judgment provided the Court has issued an order granting a motion for good faith settlement determination and: l) such order has been affirmed on appeal after all appeals have been exhausted; or 2) the deadline to appeal the order has lapsed and no appeal is filed. If an appeal is taken from the Court's overruling of objections to the Settlement, then the Effective Date will be twenty (20) calendar days after the appeal is withdrawn or after an appellate decision affirming the Final Judgment becomes final, provided the Court has issued an order granting a motion for good faith settlement determination and: l) such order has been affirmed on appeal after all appeals have been exhausted; or 2) the deadline to appeal the order has lapsed and no appeal is filed.

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14. "Employer's Share of Payroll Taxes" means the dollar amount of Defendant's employer payroll tax obligation on the employee wage portion of the Individual Settlement Payments, including but not limited to, customary withholdings for federal, state and local taxes, and any similar tax or charge. Defendant shall be responsible for paying the Employer's Share of Payroll Taxes separately from, and in addition to, the Gross Settlement Amount, in the event that any portion of the Gross Settlement Amount is designated as wages.

15. "Final Approval Hearing" means the hearing that the Court will hold after the Court has granted preliminary approval of the Settlement and notice has been provided to the Class and the response of the Class to the Settlement has been determined, regarding, *inter alia*, whether final approval of the Settlement is appropriate, as well as the amounts properly payable for: (a) Individual Settlement Payments; (b) the Class Counsel Award; (c) the Class Representative Service Awards; (d) the payment to the LWDA; and (e) the Settlement Administration Costs.

16. "Final Approval Order and Judgment" means an order and judgment that the Court will file which finally approves this Settlement and enters a judgment in favor of Plaintiffs.

17. "Gross Settlement Amount" means the maximum amount which Defendant is obligated to pay under this Settlement Agreement, which is One Hundred and Forty Thousand Dollars ($140,000.00). This is a non-reversionary Settlement in which Defendant is required to pay the entire Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant under any circumstances. Payments of any appropriate and lawfully-required employer share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the Gross Settlement Amount by Defendant at the time the Gross Settlement Amount is funded.

18. "Individual Settlement Payment" means the amount payable from the Net Settlement Amount to each Settlement Class Member.

19. "Individual PAGA Payment" means the amount payable to the PAGA Aggrieved Employees from the $5,000 allocated to them (i.e., 25% of $20,000 allocated to penalties under the PAGA included in this settlement in Paragraph 59(i) of this Agreement).

20. "LWDA" means the California Labor and Workforce Development Agency.

21. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel Award, Class Representative Service Award, the entire Payment to the LWDA and PAGA Aggrieved Employees, and Settlement Administration Costs. If the Court approves less than the amounts requested for the Class Counsel Award, Class Representative Service Awards, payment to the LWDA and PAGA Aggrieved Employees for PAGA penalties, or Settlement Administration Costs, such amounts will return to the Net Settlement Amount.

22. "Objection" means a written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that the Class Member is objecting to any of the terms of the Settlement. A Class Member may also object to the Settlement orally at the Final Approval Hearing without the need to submit a written Objection.

23. "PAGA Aggrieved Employee" or "PAGA Aggrieved Employees" mean all hourly, non-exempt employees who were onboarded by C-Hiree Personnel, Inc., and placed to work at Magnolia Foods, LLC, at any time in California during the PAGA Period.

24. "PAGA Period" means any time between June 23, 2023, through December 31, 2025.

25. "PAGA Pay Period" or "PAGA Pay Periods" means the number of pay periods worked by each PAGA Aggrieved Employee individually during the PAGA Period and used as a value to calculate Individual PAGA Payments. The number of PAGA Pay Periods for each PAGA Aggrieved Employee will be calculated by the Settlement Administrator, based on the Workweek Data provided by Defendant. The number of PAGA Pay Periods for each PAGA Aggrieved Employee will be determined by counting any pay period within the PAGA Period during which a PAGA Aggrieved Employee performed work. A PAGA Aggrieved Employee who works at least one (1) day in a PAGA Pay Period will be credited as having worked a full PAGA Pay Period.

26. "Parties" means Plaintiffs and Defendant, collectively, and "Party" means either Plaintiffs or Defendant, individually.

27. "Payment Ratio" means the respective Workweeks for each Settlement Class Member divided by the total Workweeks for all Settlement Class Members.

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28. "PAGA Payment Ratio" means the respective PAGA Pay Periods for each PAGA Aggrieved Employee divided by the total PAGA Pay Periods for all PAGA Aggrieved Employees.

29. "Plaintiffs" means Marco Antonio Hurtado and Francela Medrano.

30. "Preliminary Approval Date" means the date upon which the Court files an order substantially in the form attached hereto as **Exhibit 2**, and which grants preliminary approval of the Settlement.

31. "Request for Exclusion" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that the Class Member is electing to be excluded from the Settlement.

32. "Released Claims by Plaintiffs" means: As of the Effective Date, Plaintiffs, as Class Members, agree to the Release of Claims by Settlement Class Members, which is set forth in Paragraph 33 below. In addition to the Release of Claims by Settlement Class Members, Plaintiffs agree to a general release, which includes any unknown claims that Plaintiffs did not know or suspect to exist in Plaintiffs' favor at the time of the general release, which, if known, might have affected Plaintiffs' Settlement with, and release of, the Released Parties. With respect to the general release, Plaintiffs stipulate and agree that, upon the Effective Date, Plaintiffs shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law as to the generally released claims, which provides:

> "A general release does not extend to claims which 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."

Plaintiffs may hereafter discover facts in addition to or different from those now known or believed to be true with respect to the subject matter of the general release, but upon the Effective Date, Plaintiffs shall be deemed to have fully, finally, and forever settled and released any and all of the claims released pursuant to the general release, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law or equity. In addition, the general release applies to Plaintiffs only. It does not apply to

the Released Claims by Settlement Class Members or PAGA Aggrieved Employees, which is set forth in Paragraphs 33 and 34 below.

33. "Released Claims by Settlement Class Members" means: As of the Effective Date, Settlement Class Members shall fully and finally release and discharge Released Parties, from August 26, 2020, through May 29, 2025, in exchange for the consideration provided under this Settlement, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action for: (1) failure to provide meal periods pursuant to Labor Code Sections 226.7, 510, 512, 1194, 1197 and Industrial Welfare Orders 1-2001, 4-2001, 9-2001, 13-2001, 14-2001, Section 11; (2) failure to provide rest periods pursuant to Labor Code Section 226.7, 512 and Industrial Welfare Orders 1-2001, 4-2001, 9-2001, 13-2001, 14-2001, Section 12; (3) failure to provide recovery periods pursuant to Labor Code Section 226.7 and California Code of Regulations, Title 8, Section 3395; (4) failure to pay overtime wages pursuant to Labor Code Sections 510, 1194, 1198, Industrial Welfare Orders 1-2001, 4-2001, 9-2001, 13-2001, 14-2001, Section 3; (5) failure to pay minimum wages pursuant to Labor Code Section 1194, 1197 and Industrial Welfare Orders 1-2001, 4-2001, 9-2001, 13-2001, 14-2001, Section 4; (6) failure to pay all wages owed and due at termination of employment in violation of Labor Code Sections 201, 202 and 203; (7) failure to pay timely wages in violation of Labor Code Sections 204 and 210; (8) failure to maintain required records in violation of Labor Code section 226 and Industrial Welfare Orders 1-2001, 4-2001, 9-2001, 13-2001, 14-2001, Section 7; (9) failure to provide accurate itemized wage statements in violation of Labor Code section 226 and Industrial Welfare Orders 1-2001, 4-2001, 9-2001, 13-2001, 14-2001, Section 7; (10) failure to indemnify for necessary business expenditures incurred in the discharge of duties, in violation of Labor Code Section 2802; (11) violation of the California Unfair Competition Law in violation of Business and Professions Code Section 17200; and (12) and violation of the California Private Attorneys' General Act ("PAGA"), Labor Code Sections 2698, 2699 and 2699.5, predicated on the violations of the California Labor Code and IWC Wage Orders 1-2001, 4-2001, 9-2001, 13-2001, 14-2001, as alleged in the Operative Complaint and the LWDA Notice dated May 10, 2024 and Amended LWDA Notice dated July 18, 2024. This release shall apply to all claims arising at any point during the Class Period.

34. "Released PAGA Claims" means all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiffs' pre-filing letters to the LWDA; Plaintiffs do not release any aggrieved employee's claim for wages or damages.

35. "Released Parties" collectively mean: (i) Defendant; and (ii) Defendant's current officers, directors, employees and agents only.

36. "Response Deadline" means forty-five (45) days after the postmark date of the Notice of Class Settlement that the Settlement Administrator shall mail to Class Members, and the last date on which Class Members may: (a) submit a Request for Exclusion; or (b) submit an Objection to the Settlement; or (c) dispute Pay Periods attributable to them.

37. "Settlement" means the disposition of the Action pursuant to this Agreement.

38. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

39. "Settlement Administrator" means Phoenix Settlement Administrators ("Phoenix"). The Settlement Administrator shall be responsible for, *inter alia*: (a) printing and mailing the Class Notice to the Class; (b) calculating the Individual Settlement Payments based on the Workweek Data; (c) to the extent applicable, calculating the Employer's Share of Payroll Taxes which Defendant shall pay in addition to the Gross Settlement Amount; (d) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members to the Parties; (e) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (f) processing and mailing payments to Plaintiffs, Class Counsel, the LWDA, and Settlement Class Members; (g) creating and maintaining a static settlement website where relevant documents and information pertaining to the Settlement will be posted, including *inter alia*, the judgment and amended judgment if applicable; and (h) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree that they have no financial interest or other relationship with Phoenix that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer on a suitable replacement.

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40. "Settlement Class" or "Settlement Class Members" means all Class Members who have not opted out of the Class by submitting a valid and timely Request for Exclusion.

RECITALS

41. Procedural History. On August 26, 2024, Plaintiff Hurtado filed a complaint against Defendant in Riverside County Superior Court, Case No. CVRI2404791. On April 11, 2025, Plaintiff Medrano was added to Plaintiff Hurtado's complaint pursuant to the Parties' stipulation.

42. Investigation and Discovery. The Parties have conducted significant investigation of the facts and law during the prosecution of this Action and before this Settlement was reached. Such discovery and investigation included, *inter alia*, the exchange of information and documents pertaining to Plaintiffs and the Class, and numerous meetings and informal conferences wherein the Parties exchanged information, class data, and theories of the case. Plaintiffs have also investigated the law as applied to the facts of Plaintiffs' claims and Defendant's potential defenses thereto.

43. Mediation. The Parties participated in a successful private mediation session with Tripper Ortman, Esq., on November 4, 2025, and reached a proposed class action and PAGA settlement that would fully resolve this matter.

44. Benefits of Settlement to Class Members. Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiffs' claims through trial and any possible appeals. Plaintiffs have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages for the Class. Plaintiffs and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon the members of the Class. Based on the foregoing, Plaintiffs and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the best interests of the Class.

45. Defendant's Reasons for Settlement. Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of

Defendant's time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant continues to contend that it is not liable for any of the claims alleged by Plaintiffs in this Action, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Settlement Agreement to put to rest the claims in this Action. As to the Released Claims, Defendant denies and continues to deny each of those claims.

STIPULATION AND AGREEMENT

46. NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

47. It is agreed by and among Plaintiffs and Defendant that this Settlement shall bind Plaintiffs, Settlement Class Members, PAGA Aggrieved Employees, and Defendant, subject to the terms and conditions hereof.

48. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction

contemplated by this Agreement.

49. Class Certification. The Parties stipulate to class certification for purposes of settlement only. If the Court does not grant either preliminary or final approval of this Settlement, the Parties stipulate that this stipulation regarding class certification will be revoked and the Parties will return to a point in litigation immediately prior to the execution of this Settlement Agreement.

50. Approval of Settlement. Plaintiffs will move the Court to grant preliminary and final approval of this class action Settlement. The Parties agree to work diligently and cooperatively to have this matter presented to the Court for preliminary and final approval.

51. LWDA Notice. Plaintiffs acknowledge and agree that Plaintiffs will provide notice to the LWDA of this Settlement in accordance with California Labor Code § 2699(l)(2).

52. Release of Claims by Plaintiffs. Plaintiffs release the "Released Claims by Plaintiffs" as of the date of the Effective Date of the Settlement. The Settlement Administrator shall notify the Parties in writing upon receipt of the full Gross Settlement Amount.

53. Release of Class Claims by Settlement Class Members. Settlement Class Members release the "Released Claims by Settlement Class Members" as of the Effective Date of the Settlement. The Settlement Administrator shall notify the Parties in writing upon receipt of the full Gross Settlement Amount.

54. Release of PAGA Claims. Plaintiffs and the State of California, on behalf of the PAGA Aggrieved Employees, release the "Released PAGA Claims" as of the Effective Date of the Settlement. The Settlement Administrator shall notify the Parties in writing upon receipt of the full Gross Settlement Amount.

55. Settlement Administration. The Parties agree to cooperate in good faith to obtain the Class Information, which, upon information and belief, is maintained by Defendant C-Hiree Personnel, Inc. Within fourteen (14) calendar days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the number of Workweeks and PAGA Pay Periods per Class Member/PAGA Aggrieved Employee during the Class Period and the PAGA Period, respectively (the "Workweek Data"). The Workweek Data shall be formatted as a Microsoft Excel spreadsheet or Microsoft Word document.

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56. Notice to the Class. Upon receipt of the Class Information and the Workweek Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. Within ten (10) calendar days after receiving the Class Information and the Workweek Data, the Settlement Administrator shall mail copies of the Class Notice to all Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

a. The Class Notice and Procedure Comports with Due Process. The Parties agree that the notice procedures outlined in this Agreement provide the best and most practical method of giving notice to the Class and fully comply with due process and all applicable laws and rules.

b. Undeliverable Notices. Any Class Notice returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto within seven (7) calendar days. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by use of skip-tracing, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. If the undeliverable notice is for a currently employed Class Member, the Settlement Administrator shall contact Defendant, which will then make all reasonable efforts to obtain the Class Member's current mailing address within seven (7) calendar days and provide it to the Settlement Administrator. Class Members who receive a re-mailed Notice of Class Settlement shall have forty-five (45) days after the postmark date of the re-mailed Notice of Class Settlement to: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) dispute the number of Compensable Pay Periods attributed to them.

c. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendant's records regarding the dates of employment stated in the Class Notice and/or the number of Compensable Pay Periods attributed

to them, to provide documentation and/or an explanation to show contrary information by the Response Deadline. The dispute form must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number or full employee ID number; (b) contain the case name and case number; (c) contain a clear statement by the Class Member that he or she is disputing the number of Compensable Pay Periods and the basis for the dispute; (d) be signed by the Class Member; and (e) be postmarked or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope containing the dispute form, or the date the e-mail is sent, shall be the exclusive means used to determine whether it has been timely submitted. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall then determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Agreement. In the absence of circumstances indicating fraud, manipulation or destruction, Defendant's records shall be given a rebuttable presumption of accuracy.

d. Requests for Exclusion. Class Members who wish to exclude themselves from the Settlement must mail or e-mail to the Settlement Administrator a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number of the Class Member; (b) contain the case name and case number; (c) contain a clear statement by the Class Member that the Class Member is electing to be excluded from the Settlement; (d) be signed by the Class Member; and (e) be postmarked or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope containing the Request for Exclusion, or the date the e-mail is sent, shall be the exclusive means used to determine whether it has been timely submitted. Any Class Member who requests to be excluded from the Settlement Class shall not be entitled to any Individual Settlement Payment, shall not release any of the Released Claims by Settlement Class Members, and shall not have any right to object, appeal or comment thereon. Class Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Approval Order and Judgment entered in this Action. Any Class Member who submits a valid and

timely Request for Exclusion will still receive their share of the PAGA portion of this settlement if they are eligible as a PAGA Aggrieved Employee.

e. Opt-Out Threshold: In the event that ten percent (10%) or more of the Class Members opt-out of the Settlement, Defendant shall have the option of nullifying the Agreement. In order to exercise this option, Defendant must notify Class Counsel in writing within five (5) business days of learning from the Settlement Administrator that the number of opt-outs equals ten (10% or more). In such a case, the Parties and any funds to be awarded shall be returned to their respective statuses as of the date and time immediately prior to the execution of the Agreement.

f. Objections. Class Members who wish to object to the Settlement may do so orally at the Final Approval Hearing without the need to submit a written objection or may object by emailing or mailing by U.S. Mail to the Settlement Administrator a written objection by the Response Deadline. The written objection must: (a) contain the full name, address, and telephone number of the Class Member; (b) contain the case name and case number; (c) contain the dates of employment of the Class Member; (d) be signed by the Class Member; (e) provide a concise statement of the reasons for objecting; and (f) be postmarked or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope containing the written Objection, or the date the e-mail is sent, shall be the exclusive means used to determine whether the written Objection has been timely submitted. Class Members who fail to make Objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. Class Counsel shall not represent any Class Members with respect to any Objections. The Settlement Administrator will provide the Parties with any written Objection within seven (7) calendar days of its receipt of any Objection. Plaintiffs will file any and all written Objections with the Court in advance of the Final Approval Hearing.

57. Funding Gross Settlement Amount. Within thirty (30) days of the Effective Date, Defendant shall wire transfer the full Gross Settlement Amount. Defendant shall also separately pay Employer's Share of Payroll Taxes, to the Settlement Administrator as calculated and directed by the Settlement Administrator at the time the Gross Settlement Amount is funded.

58. Allocation of Settlement. Individual Settlement Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual Settlement Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members' last known mailing address.

a. The Settlement Administrator shall calculate the total Workweeks for all Settlement Class Members based on the Workweek Data provided by Defendant. The respective Workweeks for each Settlement Class Member will be divided by the total Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member. Each Settlement Class Member's Payment Ratio will then multiplied by the Net Settlement Amount to determine his or her Individual Settlement Payment.

1. Individual Settlement Payments due to each Settlement Class Member shall be designated as follows:

(a). Twenty (20) percent of the Individual Settlement Payment shall represent payment for alleged unpaid wages. This payment shall be subject to the withholding of all applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be deducted from the amount paid to Settlement Class Members. The Settlement Administrator will issue a W-2 Form to each Settlement Class Member in relation to this payment.

(b). Seventy (70) percent of the Individual Settlement Payment shall represent payment of all penalties. These payments will not be subject to withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

(c) Ten (10) percent of the Individual Settlement Payment shall represent payment of interest. These payments will not be subject to withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

b. The Settlement Administrator shall calculate the total PAGA Pay Periods for all PAGA Aggrieved Employees based on the Workweek Data. The respective PAGA Pay Periods for each PAGA Aggrieved Employee will be divided by the total PAGA Pay Periods for all PAGA

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Aggrieved Employees, resulting in the PAGA Payment Ratio for each PAGA Aggrieved Employee. The Settlement Administrator will issue an IRS Form 1099 to each PAGA Aggrieved Employee in relation to these payments.

c. Unnegotiated Individual Payment Checks by Settlement Class Members. Individual Settlement Payment checks shall remain negotiable for one hundred and eighty (180) days from the postmark date of issuance. The Settlement Administrator will hold all Unclaimed Funds (i.e., unnegotiated settlement checks for Individual Settlement Payments) in a trust account. Unclaimed Funds shall be paid to Settlement Class Members who negotiated their Individual Settlement Payment checks on a pro rata basis according to the formula set forth below ("Reapportioned Settlement Payment Checks"). Any and all Unclaimed Funds shall be paid within twenty (20) calendar days after the time for Settlement Class Members to negotiate their Individual Settlement Payment checks has expired (i.e., One Hundred and Eighty (180) calendar days from the postmark date of issuance of Individual Settlement Payment checks). Interest earned in the trust account shall be issued to the Settlement Class Members who receive Reapportioned Settlement Payment Checks. Reapportioned Settlement Payment Checks issued to Settlement Class Members shall remain negotiable for Ninety (90) calendar days from the postmark date of issuance. The sum of any and all unnegotiated Reapportioned Settlement Payment Checks shall continue to be redistributed to Settlement Class Members under this formula until no Unclaimed Funds remain.

d. Unnegotiated Individual Checks by PAGA Aggrieved Employees. Individual PAGA Aggrieved Employees Payment checks shall remain negotiable for one hundred and eighty (180) days from the postmark date of issuance. The Settlement Administrator will hold all Unclaimed PAGA Funds (i.e., unnegotiated settlement checks for Individual PAGA Aggrieved Employees) in a trust account. Unclaimed PAGA Funds shall be paid to PAGA Aggrieved Employees who negotiated their Individual PAGA Aggrieved Employees Payment checks on a pro rata basis according to the formula set forth below ("Reapportioned PAGA Payment Checks"). Any and all Unclaimed PAGA Funds shall be paid within twenty (20) calendar days after the time for PAGA Aggrieved Employees to negotiate their Individual PAGA Aggrieved Employees

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Payment checks has expired (i.e., One Hundred and Eighty (180) calendar days from the postmark date of issuance of Individual Settlement Payment checks). Interest earned in the trust account shall be issued to the PAGA Aggrieved Employees who receive Reapportioned PAGA Payment Checks. Reapportioned PAGA Payment Checks issued to PAGA Aggrieved Employees shall remain negotiable for Ninety (90) calendar days from the postmark date of issuance. The sum of any and all unnegotiated Reapportioned PAGA Payment Checks shall continue to be redistributed to PAGA Aggrieved Employees under this formula until no Unclaimed PAGA Funds remain.

e. Certification By Settlement Administrator. The Parties have the right to monitor and review administration of the Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court, under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to counsel for the Parties, which shall be filed with the Court as necessary.

f. Settlement Awards Do Not Trigger Additional Benefits. All monies received by Settlement Class Members shall be deemed to be income to such Settlement Class Members solely in the year in which such awards actually are received by the Settlement Class Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Settlement Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Settlement Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of the Parties that any Individual Settlement Payments provided for in this Agreement are the sole payments to be made by Defendant to the Settlement Class Members in connection with this Settlement, and that the Settlement Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments (notwithstanding any contrary language or agreement in any benefit

or compensation plan document that might have been in effect during the period covered by this Settlement).

g. Class Representative Service Awards. Defendant agrees not to oppose or object to a Class Representative Service Award of up to Five Thousand Dollars ($5,000.00) to each of the named Plaintiffs, for a total amount of up to Ten Thousand Dollars ($10,000.00) collectively, subject to Court approval. The Settlement Administrator shall issue an IRS Form 1099-MISC to Plaintiffs in connection with the Class Representative Service Awards payment. Plaintiffs shall be solely and legally responsible to pay any and all applicable taxes on Plaintiffs' Class Representative Service Awards and shall hold harmless Defendant and Class Counsel from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Service Award payments. The Class Representative Service Awards shall be in addition to Plaintiffs' Individual Settlement Payment. This Settlement is not contingent upon the Court awarding Plaintiffs Class Representative Service Awards in any amount, and any amount requested by Plaintiffs for the Class Representative Service Awards that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as provided in this Agreement.

h. Class Counsel Award. Defendant agrees not to oppose or object to any application or motion by Class Counsel for attorneys' fees not to exceed thirty-thirty (33) percent from the Gross Settlement Amount, or Forty-Six Thousand and Two Hundred Dollars and Zero Cents ($46,200.00). Defendant further agrees not to oppose any application or motion by Class Counsel for the reimbursement of any costs or expenses associated with Class Counsel's prosecution of this matter from the Gross Settlement Amount, up to, but not to exceed Nineteen Thousand Dollars ($19,000). Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099-MISC to Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any amount requested by Class Counsel for the Class Counsel Award and costs that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as provided in this Agreement.

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i. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of notice and administration for the disbursement of the Gross Settlement Amount shall not exceed Fifteen Thousand Dollars ($15,000). Prior to the filing of a motion for final approval of this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the costs of administration.

j. Payment to the LWDA. Twenty Thousand Dollars ($20,000) from the Gross Settlement Amount will be allocated to penalties under the Private Attorneys General Act of 2004. Seventy-five percent (75%) of that amount, or $15,000, will be paid to the LWDA and twenty-five percent (25%) of that amount, or $5,000, will be paid to the Settlement Class. This PAGA Payment is made pursuant to California Labor Code § 2699(i).

59. Distribution of Settlement Payments. Individual Settlement Payments to Settlement Class Members, the Class Representative Service Award, the Class Counsel Award, Settlement Administration Costs, and the payment to the LWDA, shall all be distributed by the Settlement Administrator within fourteen (14) calendar days of receipt of the Gross Settlement Amount from Defendant. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiffs, Settlement Class Members, Class Counsel, or the Settlement Administrator based on distributions and payments made in accordance with this Agreement.

60. Workweek Differential. It is currently estimated that Class Members have worked 11,200 Workweeks during the Class Period. Defendant shall provide Plaintiffs with the total number of Class Members, and the total number of Workweeks worked by them, ten (10) calendar days before the date of the motion for preliminary approval. If ten (10%) percent more Workweeks during the Class Period are identified at that time, the Gross Settlement Amount will be increased on a pro rata basis according to the number of additional Workweeks identified during the Class Period (*i.e.*, all Workweeks beyond 12,320). Alternatively, Defendant shall have the option to shorten the release period to a date where the number of Workweeks does not trigger this escalator clause.

61. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final

approval of the Settlement and amounts properly payable for: (a) Individual Settlement Payments; (b) the Class Counsel Award; (c) the Class Representative Service Award; (d) payment to the LWDA; (e) payment to the Aggrieved Employees; and (f) the Settlement Administration Costs.

62. Good Faith Settlement Determination. The Parties acknowledge that Defendant is one of multiple defendants in the Action and that the other defendant(s) have not joined in this Settlement Agreement. Accordingly, the Parties agree and expressly stipulate that the Settlement, and the obligations of any Party to perform under it, are expressly conditioned upon the Court's entry of an order determining pursuant to California Code of Civil Procedure section 877.6, that this Settlement has been made in good faith. If the Court grants a motion for a good faith settlement determination, then such order shall constitute a material term of the Settlement, and the Settlement shall proceed to final approval in accordance with its terms, unless the order granting the motion is appealed. If the order granting a motion for a good faith settlement determination is appealed, then this Settlement shall not become effective until such time as all appeals relating to the order are exhausted and the trial court's order granting the motion is affirmed. If, however, the Court denies a motion for a good faith settlement determination, or if such order is reversed, vacated or materially modified on appeal, then any Party may, by written notice to the other Party within ten (10) calendar days of such ruling, void the Settlement in its entirety, and in that event: l) the Settlement and all related obligations shall be null and void; 2) any funds deposited or escrowed pursuant to the Settlement shall be returned to the depositing Party; 3) the Party that elects to void the Settlement shall be responsible for any settlement administration costs; and 4) the Parties shall be restored to their respective positions as if no Settlement had been completed, without any prejudice to any claims, defenses or procedural rights. Nothing in this paragraph shall preclude the Parties from renegotiating the Settlement in light of the Court's ruling or from seeking reconsideration or appellate review of the denial of a good faith determination.

63. Nullification of Settlement Agreement. In the event the Settlement does not become final for any reason, then this Agreement, and any documents generated to bring it into effect, shall be null and void. Any order or judgment entered by the Court in furtherance of this Agreement shall likewise be treated as void from the beginning. In the event an appeal is filed from the Court's Final

Approval Order and Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Approval Order and Judgment, or any other appellate review, shall be deducted from the Gross Settlement Amount.

64. No Effect on Employee Benefits. Amounts paid to Plaintiffs or other Settlement Class Members pursuant to this Agreement shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiffs or Settlement Class Members.

65. No Admission by Defendant. Defendant denies any and all claims alleged in this Action and denies all wrongdoing whatsoever. This Settlement Agreement is not a concession or admission, and shall not be used against Defendant by either Plaintiffs or Settlement Class Members as an admission or indication with respect to any claim of any fault, concession, or omission by Defendant.

66. Exhibits and Headings. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

67. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, holding the Action in abeyance pending the final approval hearing to be conducted by the Court.

68. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the interpretation, calculation, or payment of Settlement claims, or other disputes regarding compliance with this Agreement shall be resolved as follows:

a. If Plaintiffs or Class Counsel, on behalf of Plaintiffs or any Settlement Class Member, or Defendant's Counsel, on behalf of Defendant, at any time believe that the other Party

has breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of the alleged violation.

b. Upon receiving notice of the alleged violation or dispute, the responding Party shall have ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party with the reasons why the Party disputes all or part of the allegation.

c. If the response does not address the alleged violation to the initiating Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their differences.

d. If Class Counsel and Defendant's Counsel are unable to resolve their differences after twenty (20) calendar days, either Party shall first contact the mediator (Tripper Ortman, Esq.) to try to resolve the dispute. If that proves unsuccessful, the party may file a motion to enforce this Agreement pursuant to Code of Civil Procedure section 664.6 with the Court. The briefing of such motion should be in letter brief form and shall not exceed five (5) single-spaced pages (excluding exhibits).

e. Attorneys' fees and costs shall be recoverable only in connection with a motion to enforce this Agreement filed with the Court pursuant to this Section. The prevailing Party on such motion, as determined by the Court, shall be entitled to recover its reasonable attorneys' fees and costs incurred solely in connection with that motion.

69. Neutral Reference. In the event of an employment inquiry regarding either of the Plaintiffs, Defendant shall provide only dates of employment and last position held (if any).

70. Confidentiality. The Parties and their counsel agree not to issue any press releases, initiate contact with the press, or respond to any press inquiry regarding the Settlement.

71. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties.

72. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entire Agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the

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representations, warranties, and covenants contained and memorialized in the Agreement and its Exhibits.

73. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such disagreement. The persons signing this Agreement on behalf of Defendant represent and warrant that they are authorized to sign this Agreement on behalf of Defendant. Plaintiffs represent and warrant that they are authorized to sign this Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

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

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

76. Counterparts. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

77. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

78. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in

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connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith. All terms of this Settlement Agreement are subject to approval by the Court.

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

Dated: 6/12/2026

By: DocuSigned by: Marco Antonio Hurtado 2EFD36973B024F5...
Marco Antonio Hurtado

Dated: 6/12/2026

By: Firmado por: Francela Medrano 88D45F3C2AF34F6...
Francela Medrano

Dated: _____

By: _____
Magnolia Foods, LLC

Title: _____

APPROVED AS TO FORM:

Dated: 6/12/26

By: _____
LEE WHEELER LAW FIRM, APC
Scott E. Wheeler

Counsel for Plaintiffs and the Putative Class

Dated: _____

By: _____
MEDINA McKELVEY LLP
Alexander M. Medina
Eric M. Lloyd

Counsel for Magnolia Foods, LLC

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Dated: _____ By: _____
Marco Antonio Hurtado

Dated: _____ By: _____
Francela Medrano

Dated: 6/11/2026 By: DocuSigned by: Nate Jansen 03A2D6155CF54D0...
Magnolia Foods, LLC

Title: CFO

APPROVED AS TO FORM:

Dated: _____ By: _____
THE WHEELER LAW FIRM, APC
Scott E. Wheeler

Counsel for Plaintiffs and the Putative Class

Dated: June 10, 2026 By: _____
MEDINA McKELVEY LLP
Alexander M. Medina
Eric M. Lloyd

Counsel for Magnolia Foods, LLC