SETTLEMENT AGREEMENT

This settlement agreement ("**Settlement**" or "**Agreement**") is made and entered into between Employee Graciano Macias Rios ("**Employee**" or "**Plaintiff**"), acting in his capacity as private attorney general, and Employer Tri Iest Dairy, LP ("**Defendant**" or "**Employer**"). The term "Party" or "Parties" as used herein shall refer to Plaintiff, Defendant, or both, as may be appropriate.

This Agreement is subject to the approval of the Court and is made for the sole purpose of consummating the settlement of this PAGA Action subject to the following terms and conditions. As detailed below, in the event the Court does not enter orders consistent with the terms of the Settlement or the conditions precedent are not met for any reason, this Agreement shall be void and shall be of no force or effect whatsoever.

I. DEFINITIONS

The following terms, when used in this Settlement, shall have the meanings specified below. To the extent terms or phrases used in this Agreement are not specifically defined below, but are defined elsewhere in this Agreement, they are incorporated by reference into this definition section.

1. The "**Action**" means the matter entitled *Graciano Macias Rios v. Tri Iest Dairy, LP,* Case No. MCV092553 and as set forth in Employee's correspondence to the California Labor and Workforce Development Agency, LWDA Case No. LWDA-CM-1041970-24, dated July 26, 2024 ("**LWDA Notice**"), and subsequently filed as a civil action on or about July 26, 2024 in Madera County Superior Court, and any amendments thereto.

2. **"Aggrieved Employees"** consist of all current and former non-exempt employees of Defendant Tri Iest Dairy, LP, who performed work in California for Defendant at any time from July 26, 2023 to December 21, 2025.

3. "**Court**" means the Superior Court of California for the County of Madera.

4. "**Effective Date**" means the date by which both of the following have occurred: (a) the Agreement is fully executed; and (b) the Court approves this Agreement through entry of Order and Judgment. No money will be distributed unless and until the Effective Date occurs.

5. "**Employee**" or "**Plaintiff**" means Graciano Macias Rios.

6. "**Employee's Counsel**" means Daniel J. Brown and Kathleen Becket, of Stansbury Brown Law, PC.

7. "**Employer**" or "**Defendant**" means Tri Iest Dairy, LP.

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8. **"Escalator Clause":** Employer represents that there are 2,500 PAGA Pay Periods during the PAGA Period. If the actual number of PAGA Pay Periods worked at the close of the PAGA Period is ten percent (10.0%) more than 2,500 PAGA Pay Periods, then Employer shall have the option to: (1) increase the Gross Settlement Amount on a pro-rata basis equal to the increase in the number of PAGA Pay Periods (e.g., if the number of PAGA Pay Periods increases by 15% above 2,500, which is 5% above the 10% threshold, Employer will increase the GSA by 5%); or (2) shorten the PAGA Period to a date at which no more than 2,750 PAGA Pay Periods are released).). If this provision is triggered so as to increase the Gross Settlement Amount, the Parties agree that the portion of the Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains thirty-five percent (35%) of the Gross Settlement Amount after the upward adjustment required by this provision is implemented.

9. "**First Amended Complaint**" means the First Amended Complaint filed on October 3, 2024, for which the PAGA Release pertains. The Class and Individual claims alleged in the First Amended Complaint are not released as part of this Settlement. The Court ordered the Individual claims to binding arbitration and dismissed the class claims without prejudice on November 14, 2024.

10. "Final Judgment" means the Judgment entered by the Court upon granting approval of the Settlement.

11. "**Gross Settlement Amount**" is a non-reversionary sum of Ninety-Five Thousand Dollars and Zero Cents ($95,000.00), which represents the total amount payable under this settlement by Employer (subject to the Escalator Clause described above), including, without limitation, payments to all Aggrieved Employees, payment to the LWDA, payment to Plaintiff for his Service Award and general release, and payment of Employee's attorneys' fees and costs.

12. "**Individual Settlement Payment**" means the amount to be paid to each Aggrieved Employee based on the formula described herein.

13. "**LWDA**" means the California Labor and Workforce Development Agency.

14. **"Net Settlement Amount"** is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (subject to Courts approval) are subtracted from the Gross Settlement Amount: (a) Employee's attorneys' fees up to approximately thirty-five percent of the Gross Settlement Amount, currently estimated at Thirty-Three Thousand Two Hundred Fifty Dollars and Zero Cents ($33,250.00) (b) Employee's reasonable verified litigation costs of Eleven Thousand Six Hundred Thirty-Eight Dollars and Fifty-Four Cents ($11,638.54); (c) Settlement Administration costs and expenses of up to Seven Thousand One Hundred Fifty Dollars and Zero Cents ($7,150.00); and (d) Plaintiff's Service Award of Two Thousand Dollars and Zero Cents ($2,000.00).

15. "**PAGA**" means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, *et seq.*

16. "**PAGA Approval**" means the Court's order granting approval of the Settlement.

17. **"PAGA Pay Periods"** means any pay period in which Aggrieved Employees worked at least one shift performing work for Defendant during the PAGA Period based on Defendant's records.

18. **"PAGA Period"** means the time period from July 26, 2023 to December 21, 2025.

19. **"Parties"** means Employee and Employer.

20. **"Released PAGA Claims"** means the claims being released as described in Paragraph 5 below.

21. **"Service Award"** means the payment of up to Two Thousand Dollars and Zero Cents ($2,000.00) for Plaintiff's service to aggrieved employees and the LWDA and for his general release of claims.

22. "Settlement" means the disposition of the PAGA Action effected by this Agreement and the Judgment.

23. **"Settlement Administrator"** means Apex Class Action LLC whom the Parties have agreed to engage to administer the Settlement.

II. RECITALS

1. Employee alleges that Employer failed to provide Aggrieved Employees with accurate wage statements, failed to provide compliant meal and rest periods or premium pay in lieu thereof, failed to pay all minimum and overtime wages, failed to reimburse necessary business expenses, and consequently failed to pay all wages at separation of employment. Employee further alleges that Employer failed to make necessary disclosures to Aggrieved Employees pursuant to Labor Code Section 2810.5 and failed to permit and authorize Aggrieved Employees to exercise use of their accrued paid sick leave in violation of Labor Code § 233, 245.5 and 246.5. Employee alleges that Employer is therefore liable for civil penalties under PAGA. Employee also alleged that Employer violated California Business & Professions Code section 17200, et seq. Employer denies these allegations.

2. On July 26, 2024, Employee provided a written notice of his intent to file a claim for civil penalties under PAGA to the LWDA and Employer for alleged violations of a variety of California Labor Code Sections, as described in Section II.1.

3. On July 26, 2024, Employee filed the Action.

4. On October 3, 2024, Employee filed a First Amended Complaint adding a cause of action for civil penalties under the Private Attorneys General Act.

5. The Parties agreed to participate in a full-day mediation and did in fact attend mediation with Mediator Russ J. Wunderli, Esq. on September 17, 2025. Employee propounded formal and informal discovery requests to Employer in anticipation of the mediation pertaining to Employee and the other Aggrieved Employees' time and pay records amongst other information and documents in order to allow for Employee's Counsel to investigate Employee's allegations

and value the PAGA claim. While the Parties did not settle at mediation after further negotiations the Parties eventually reached this Settlement.

6. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matters or actions asserting claims that will be extinguished or affected by the Settlement.

7. There has been no determination on the merits of the Action or the PAGA Notice but, in order to avoid additional cost and the uncertainty of litigation, the Parties desire to resolve the Action and claims (as set forth below).

III. OPERATIVE TERMS OF SETTLEMENT

The Parties agree as follows:

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

2. **Gross Settlement Amount**: Except as otherwise provided expressly in this Agreement, Employer will only pay a sum of Ninety-Five Thousand Dollars and Zero Cents ($95,000.00) to fully settle, resolve, and extinguish all claims asserted in the PAGA Action, including without limitation all claims asserted in the PAGA Notice. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. Because the payments made under this Agreement will be made with respect to only the PAGA claims for all Aggrieved Employees, this Agreement is not subject to the rules governing the settlement of class or collective actions. Accordingly, the settlement payments shall be distributed without a claims process or an opportunity to object or opt out.

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

a. Employee's Attorneys' Fees and Costs: Employer will not oppose Employee's request for attorneys' fees in the amount up to approximately thirty-five percent of the Gross Settlement Amount, which is currently estimated at Thirty-Three Thousand Two Hundred Fifty Dollars and Zero Cents ($33,250.00) and actual costs incurred in prosecuting this Action, up to Eleven Thousand Six Hundred Thirty-Eight Dollars and Fifty-Four Cents ($11,638.54). In the event the Court approves a net payment less than these amounts, the difference will be added to the Net Settlement Amount (although Employee may appeal an order granting less than the full amount sought for attorneys' fees and costs). Employer will report these payments on IRS Form 1099 issued to Employee's Counsel.

b. Payment to Employee for Service Award: Employer will not oppose Employee's request of up to Two Thousand Dollars and Zero Cents ($2,000.00) for Employee's Service Award, subject to Court approval, in recognition of Employee's contributions to the Action, service to Aggrieved Employees, and his general release described below. Employer will report this payment on IRS Form 1099 issued to Employee.

c. Settlement Administration: Up to Seven Thousand One Hundred Fifty Dollars and Zero Cents ($7,150.00) from the Gross Settlement Amount for the Settlement Administrator's services.

d. Allocation of Net Settlement Amount: The Net Settlement Amount shall be distributed 65% to the LWDA and 35% to the Aggrieved Employees, pursuant to Labor Code § 2699. The 35% portion to be paid to Aggrieved Employees shall be paid to all Aggrieved Employees based on the proportionate number of PAGA Pay Periods worked by each Aggrieved Employee during the PAGA period.

4. **PAGA Release**: Upon entry of an Order approving the Settlement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff and the State of California with respect to Aggrieved Employees will be deemed to have knowingly and voluntarily released and forever discharged Defendant Tri Iest Dairy, LP, as well as Defendant's parent corporations, affiliates, subsidiaries, divisions, predecessors, insurers, successors, assigns, and their current and former executive-level employees, attorneys, officers, directors, owners (including but not limited to Danny Iest) and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs to the full extent permitted by law, of and from the Action and from any and all claims, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act, California Labor Code section 2698, et seq. ("PAGA") as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the First Amended Complaint and PAGA Notice, including but not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including inter alia Wage Orders 1-2001, 4-2001, and 8-2001, as well as the alleged claim under Business & Professions Code section 17200 et seq. The release is limited to claims for civil penalties under PAGA and does not release the individual claims of the Aggrieved Employees.

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5. **Plaintiff's Release**. Effective upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff, individually and on behalf of his heirs, executors, administrators, representatives, attorneys, successors, and assigns, will be deemed to have knowingly and voluntarily released and forever discharged Released Parties, to the full extent permitted by law, from any and all claims of every nature whatsoever, known or unknown, suspected or unsuspected, which Plaintiff has or may have as of the date the Court has entered an order approving the Settlement Agreement. This broader release includes, but is not limited to, all claims arising directly or indirectly from Plaintiff's employment with Defendant and the termination of that employment, including without limitation claims arising under federal, state, or local laws and claims for unpaid wages, penalties, liquidated damages, breach of contract, breach of the implied covenant of good faith and fair dealing, infliction of emotional distress, wrongful or retaliatory discharge, harassment, discrimination, defamation, impairment of economic opportunity, and violations of public policy, the Fair Labor Standards Act, the California Labor Code, the California Fair Employment and Housing Act, the California Business and Professions Code, the California Constitution, the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, and the Americans with Disabilities Act of 1990. With respect to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and all rights and benefits available under California Civil Code Section 1542, 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.

6. Plaintiff understands and agrees that claims or facts in addition to or different from those which are now known or believed by them to exist may hereafter be discovered. It is Plaintiff's intention to, effective upon the date the Court has entered an order approving the Settlement Agreement and full funding of the Total Settlement Amount, settle fully and release all claims they now have against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiff shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

   a. The release described herein expressly carves out Plaintiff's claims in the arbitration pending before the Honorable Patrick J. O'Hara, which are being resolved by separate agreement ("**Arbitration Claims**").

7. **Court Approval:** After full execution of this Agreement, Employee shall move the court for approval of the Settlement; provided, however, that Employee shall not set the hearing on his motion for PAGA approval any earlier than May 1, 2026, as well as approval of all amounts to be deducted from the Gross Settlement Amount. Plaintiff's Counsel shall provide a draft of all documents to be submitted in connection with the motion to approve this Settlement Agreement to David G. Litman of Sagaser, Watkins & Wieland PC ("Defendant's Counsel") for review;

Defendant's Counsel will be given an opportunity to comment on the papers prior to their being filed with the Court, and such comments will be implemented to the extent reasonable. Employer shall not oppose the motion, and shall make reasonable efforts to cooperate in obtaining approval of the Settlement. Counsel for Employee shall submit the Agreement to the Court and LWDA, as necessary under Labor Code section 2699(l) and any other applicable provision. Should the Court not grant approval of this Agreement, then the entirety of the Agreement shall be null and void, unless otherwise agreed upon in writing by the Parties. The Court shall retain jurisdiction to enforce the terms and conditions of the judgment.

8. **Releases Effective Upon Full Payment:** The Releases identified in Paragraphs 4 and 5 will become effective upon full payment of the Gross Settlement Amount. However, no obligation to pay the Gross Settlement Amount shall accrue unless and until the Settlement is fully executed by all Parties and their counsel and the Court has entered an Order approving the Settlement. If no such Order is entered, Employer shall have no obligation to pay the Gross Settlement Amount.

9. **Covenants and Representation by Employee:**

a. Employee represents and warrants that he has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement.

b. Employee acknowledges that he has read this Settlement, that he fully understands his rights, privileges and duties under the Settlement, and enters into this Settlement freely and voluntarily. Employee further acknowledges that he had the opportunity to consult with his attorneys to explain the terms of the Settlement and the consequences of signing this Settlement.

10. **Judgment:** As part of the Motion to approve the Settlement, Employee shall submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement and which retains jurisdiction of the Court over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement. This Settlement is expressly conditioned upon the Court entering an order as set forth herein. The order will not release or bar any claims other than the PAGA Released Claims as to Aggrieved Employees. The Court's entry of judgment shall not be deemed a finding against or an admission by Employer of any liability. The Parties agree to reasonably cooperate in preparing any other filings required by the Court for approval of this Settlement.

IV. ADMINISTRATION OF SETTLEMENT

1. **Provision of Information for Aggrieved Employees to Settlement Administrator.** Defendant shall transfer the Gross Settlement Amount to the Settlement Administrator within twenty (20) court days of the Court granting approval of this Settlement along with an employee list including the names, last known addresses, dates of employment, social security numbers, (in electronic format) of Aggrieved Employees, as well as the total PAGA Pay Periods worked by each Aggrieved Employee during the PAGA Period. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in

confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted Aggrieved Employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

2. No later than twenty-one (21) calendar days after Defendant provides the Aggrieved Employees List to the PAGA Settlement Administrator, the Settlement Administrator shall determine whether the escalator clause has been triggered and inform the Parties of this, if this has not already been determined and agreed to at an earlier time.

3. **Provision of Information for Aggrieved Employees and Payment:** The Settlement Administrator shall provide counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each Aggrieved Employee within fifteen (15) court days of receiving the Employee Data from Defendant. The Settlement Administrator shall obtain approval from all counsel for the Parties of the calculations before mailing Individual Settlement Payments.

4. **Explanatory Letter/Notice and Individual Settlement Payments:** Upon compiling the information for Aggrieved Employees, the Settlement Administrator will perform a search on the National Change of Address database to update the Aggrieved Employees' addresses. No later than twenty (20) court days after receipt of the Employee Data from Defendant, the Settlement Administrator shall mail copies of the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English and Spanish, along with the Individual Settlement Payments to all Aggrieved Employees via First-Class U.S. Mail. Each Individual Settlement Payment shall be deemed penalties and reported using IRS Form 1099.

5. **Unclaimed Funds**: Checks will remain negotiable for one hundred eighty (180) days from the date the Settlement Administrator mails them. The funds from any check that is not negotiated within one hundred eighty (180) days of mailing to an Aggrieved Employee shall be transferred to a Court approved nonprofit organization or foundation, Doors of Hopes, located in Madera, California. as the designated *cy pres* recipient within two hundred and twenty (220) days of the date the Settlement Administrator mails the checks. The Parties, PAGA Counsel, and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended *Cy Pres* Recipient.

6. **Undeliverable Notices:** The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Aggrieved Employee. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Aggrieved Employee.

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

Employer fully discharges its obligations to those Aggrieved Employees to whom it will pay an Individual Settlement Payment through the Settlement Administrator's initial mailing of a check, regardless of whether such checks are actually received and/or negotiated by Aggrieved Employees.

7. **Payment of Remainder:** No later than twenty (20) court days after Defendant funds the settlement, the Settlement Administrator will distribute the following additional payments: (1) the 65% share of the Net Settlement Amount to the LWDA; (2) Court-approved attorneys' fees and costs to Employee's Counsel; (3) Employee's Service Award; and (4) Settlement Administrator fees and expenses.

8. **Accounting:** Within fifteen (15) Court days following the initial mailing of the Individual Settlement Payments, the Settlement Administrator will provide an accounting under oath to the Parties of the amounts paid from the Settlement. The Settlement Administrator shall provide an updated accounting under oath within fourteen (14) days following the disbursement of any funds to the designated *cy pres.*

9. **Tax Consequences:** Individual Settlement Payments made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each Aggrieved Employee. Neither Employee nor Employer, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.

a. **Tax Liability.** Plaintiff, Plaintiff's Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff and Aggrieved Employees are not relying on any statement, representation, or calculation by Defendant, the Settlement Administrator, or Plaintiff's Counsel in this regard. Plaintiff and Aggrieved Employees understand and agree that Plaintiff and Aggrieved Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiff and Aggrieved Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

V. MISCELLANEOUS PROVISIONS

1. **Confidentiality Prior to Approval.** Plaintiff, PAGA Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for PAGA Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be

instructed to keep this Agreement confidential; (2) counsel in a related matter or referral firms and interpreters; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, PAGA Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for PAGA Approval, with any 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. This paragraph does not restrict PAGA Counsel's communications with Aggrieved Employees in accordance with PAGA Counsel's ethical obligations owed to Aggrieved Employees.

2. **No Solicitation**. The Parties separately agree that they and their respective counsel and employees will not solicit any Aggrieved Employee to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict PAGA Counsel's ability to communicate with Aggrieved Employees in accordance with Defense Counsel's and PAGA Counsel's ethical obligations and PAGA Counsel's fiduciary duties owed to Aggrieved Employees.

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

4. **Costs and Fees:** The Parties shall bear their own costs, attorneys' fees, mediator fees and other fees incurred in connection with this Settlement, the Action and Employee's claims, except as otherwise set forth specifically herein.

5. **Governing Law:** This Settlement shall be construed under and governed by the laws of the State of California. Any questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement shall be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it shall be brought in the State of California, County of Madera.

6. **Amendment or Modification:** This Settlement may be amended or modified only by written instrument, signed by the Parties or their successors-in-interest or counsel for the Parties wherein specific reference is made to this Settlement Agreement, subject to approval by the Court.

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

8. **Execution and Counterparts:** The Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument. A signature made on a faxed or electronically transmitted copy of the Settlement Agreement or a signature transmitted by facsimile or electronic mail shall have the same effect as the original signature.

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

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

11. **Enforcement of Action:** The Parties agree that the Madera County Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure Section 664.6. 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.

12. **Interim Stay of Proceedings.** The Parties agree that upon the execution of this Agreement the litigation shall be stayed in the Action, except to effectuate the terms of this Agreement.

13. **Settlement Awards Do Not Trigger Additional Benefits.** All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiff or any Aggrieved Employees to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during the PAGA Period, nor will it entitle Plaintiff or any Aggrieved Employees to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the PAGA Period).

14. **Circular 230 Disclaimer.** EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR

ATTORNEYS AND OTHER ADVISORS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

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

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

17. **Cooperation and Execution of Necessary Documents:** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to seek the Court's approval of this Agreement are timely filed.

18. **Binding Agreement:** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that might apply under federal or state law.

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

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

Dated: February 26, 2026

Graciano Macias Rios

Graciano Macias Rios, Employee

Dated: February ___, 2026

Tri Iest Dairy, LP

By:___________________________

Its: ___________________________

APPROVED AS TO FORM:

Dated: 3/2/, 2026

Stansbury Brown Law, PC

DB

Daniel J. Brown, Esq.
Attorney for Employee

Dated: ____________, 2026

Sagaser, Watkins & Wieland PC

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Ian B. Wieland
David G. Litman
Attorneys for Employer

read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

Dated: February 26, 2026

Graciano Macias Rios, Employee

Dated: ~~February 26, 2026~~
3/10/26

Tri Iest Dairy, LP

By: ____________________

Its: Partner

APPROVED AS TO FORM:

Dated: 3/2/, 2026

Stansbury Brown Law, PC

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Daniel J. Brown, Esq.
Attorney for Employee

Dated: 3/17, 2026

Sagaser, Watkins & Wieland PC

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Ian B. Wieland
David G. Litman
Attorneys for Employer

EXHIBITA

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MADERA

GRACIANO MACIAS RIOS, as an individual, and on behalf of all others similarly situated, Plaintiff, v. TRI IEST DAIRY, LP, a California limited partnership; and DOES 1 through 100, inclusive, Defendants.	Case No. MCV092553 **NOTICE OF SETTLEMENT OF PRIVATE ATTORNEYS GENERAL ACT CLAIM (CAL. LABOR CODE § 2698 *ET SEQ.*)** *Complaint Filed: July 26, 2024*

You have been identified as a current or former non-exempt employee of Tri Iest Dairy, LP ("Employer" or "Defendant") employed at any time between July 26, 2023 to December 21, 2025 ("PAGA Period") ("Aggrieved Employee").

On July 26, 2024, Plaintiff Graciano Macias Rios ("Employee" or "Plaintiff") filed a lawsuit against Defendant. As amended, Plaintiff's lawsuit seeks to recover civil penalties for Defendant's alleged failure to pay all wages during employment and upon separation of employment, failure to provide proper meal and rest periods, failure to timely pay all wages, failure to reimburse necessary business expenses, failure to maintain accurate records, failure to provide legally mandated disclosures and/or written notices regarding the terms of employment under Labor Code § 2810.5, failure to permit and authorize use of accrued paid sick leave, and failure to issue accurate and complete wage statements to Aggrieved Employees (the "Action").

Employer denies Plaintiff's allegations in the Action and disputes all of Plaintiff's claims. Plaintiff and Employer reached a settlement of the claims for PAGA civil penalties alleged in the Action. The Court approved the settlement on <<<DATE OF PAGA APPROVAL>>>. The payment which accompanies this notice is made to you pursuant to the terms of the Settlement.

The Court-approved settlement contains the following release of claims, to which you are bound:

Upon entry of an Order approving the Settlement and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff and the State of California with respect to Aggrieved Employees will be deemed to have knowingly and voluntarily released and forever discharged Defendant Tri Iest Dairy, LP, as well as Defendant's parent corporations, affiliates, subsidiaries, divisions, predecessors, insurers, successors, assigns, and their current and former executive-level employees, attorneys, officers, directors, owners (including but not limited to Danny Iest) and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries, and insurers of such plans and programs to the full extent permitted by law, of and from the Action and from any and all claims, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act, California Labor Code section 2698, et seq. ("PAGA") as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the First Amended Complaint and PAGA Notice, including but not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including inter alia Wage Orders 1-2001, 4-2001, and 8-2001, as well as the alleged claim under Business & Professions Code section 17200 et seq. The release is limited to claims for civil penalties under PAGA and does not release the individual claims of the Aggrieved Employees.

If you have any questions, you may contact either Plaintiff's Counsel or Defendant's Counsel.

Plaintiff's Counsel's contact information: Daniel J. Brown, Esq. of Stansbury Brown Law, PC, 2610 ½ Abbot Kinney Blvd., Venice, CA 90291, (323) 204-3124.

Defendant's Counsel's contact information: Ian B. Wieland and David G. Litman Esq. of Sagaser, Watkins & Wieland PC, 5260 N. Palm Ave., Ste. 400, Fresno, CA 93704 (559) 213-7000.