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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF COLUSA**
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11 MELQUISEDEC ALVARADO CONTRERAS,
12 individually, and on behalf of all others similarly
13 situated, and on behalf of other aggrieved
employees pursuant to the California Private
Attorney General Act;

14 Plaintiff,

15 vs.
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17 FARMERS' FRESH MUSHROOMS
18 CALIFORNIA, INC., a California corporation;
and DOES 1 through 10, inclusive,

19 Defendants
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Case No.: CV24766

[Assigned for all purposes to the Honorable
Brendan M. Farrell, Department 1]

PAGA SETTLEMENT AGREEMENT

Complaint Filed: July 30, 2024
Trial Date: None Set

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Melquisedec Alvarado Contreras (“Plaintiff”) and Defendant Farmers’ Fresh Mushrooms California, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Melquisedec Alvarado Contreras, individually, and on behalf of all others similarly situated, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act (“PAGA”); vs. Farmers’ Fresh Mushrooms California, Inc., a California corporation; and DOES 1 through 10, inclusive*, Case No. CV24766 initiated on July 30, 2024, and pending in Superior Court of the State of California, County of Colusa.
- 1.2. “Administrator” or “Settlement Administrator” means Phoenix Class Action Administration (“Phoenix”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Approval of the Settlement.
- 1.4. “Approval Order” means the proposed Court Order Granting Approval of this PAGA Settlement.
- 1.5. “Aggrieved Employee” means all individuals who are or were employed by Defendant as non-exempt employees in California during the PAGA Period.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current or last-known Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

- 1.7. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.8. “Court” means the Superior Court of California, County of Colusa.
- 1.9. “Defendant” means Farmers’ Fresh Mushrooms California, Inc.
- 1.10. “Defense Counsel” means ROSASCO LAW GROUP, APC.
- 1.11. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement in which the judgment is final and (b) Plaintiff serves Defendant with the Court’s order granting approval of the PAGA Settlement.
- 1.12. “Gross Settlement Amount” means **Two Hundred Forty Thousand Dollars and Zero Cents (\$240,000.00)** which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay the Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, the PAGA Representative Enhancement Payment and the Administrator’s Expenses Payment.
- 1.13. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.14. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled to receive penalties under Labor Code § 2699(n).
- 1.15. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(m).
- 1.16. “PAGA Counsel” means THE SENTINEL FIRM, APC.
- 1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. “PAGA Representative” means the named Plaintiff Melquisedec Alvarado Contreras in the

operative complaint in the Action serving as a Representative on behalf of the Labor and Workforce Development Agency and the State of California.

1.19. “PAGA Representative Enhancement Payment” means the payment to the PAGA Representative for initiating the Action, providing services in support of the Action and for a release of their individual claims asserted in this Action.

1.20. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.21. “Net Settlement Amount” means the Gross Settlement Amount after deducting the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, PAGA Representative Enhancement Payment and the Administration Expenses Payment.

1.22. “PAGA Period” means the period from July 30, 2023 and the date the PAGA Settlement is approved by the Court, or as modified pursuant to Paragraph 8 of the Agreement.

1.23. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.24. “PAGA Notice” means Plaintiff’s July 23, 2024, and April 7, 2026 letter to Defendant and the LWDA providing notice pursuant to Labor Code § 2699.3(a).

1.25. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees and the 65% to LWDA in settlement of PAGA claims.

1.26. “Plaintiff” means Melquisedec Alvarado Contreras, the named plaintiff in the Action.

1.27. “Released PAGA Claims” means the claims being released as described in Paragraph 5.2 below.

1.28. “Released Parties” means: Defendant Farmers’ Fresh Mushrooms California, Inc. and each of its employees, subsidiaries, owners, officers, supervisors, clients, attorneys, successors or predecessors in interest, growers, shareholders, agents, and partners.

1.29. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1. On July 30, 2024, Plaintiff commenced this Action by filing a Complaint in Colusa County

1 Superior Court alleging causes of action against Defendant for: (1) Violation of Labor Code §§ 204, 1194,
2 1194.2, 1197 (Failure to Pay Minimum Wages); (2) Violation of Labor Code §§ 1194, 1198 (Failure to Pay
3 Overtime Compensation); (3) Violation of Labor Code §§ 226.7, 512 (Failure to Provide Meal Periods); (4)
4 Violation of Labor Code § 226.7, (Failure to Authorize and Permit Rest Breaks); (5) Violation of Labor
5 Code § 2802 (Failure to Indemnify Necessary Business Expenses); (6) Violation of Labor Code §§ 201-203
6 (Failure to Timely Pay Final Wages at Termination); and (7) Violation of Labor Code § 226 (Failure to
7 Provide Accurate Itemized Wage Statements; (8) Violation of Bus. & Prof. Code §§ 17200 et seq. (Unfair
8 Business Practices). On October 15, 2025, Plaintiff filed a First Amended Complaint adding a cause of action
9 for Civil Penalties Under PAGA [Cal. Lab. Code §§ 2699, et seq.]. The First Amended Complaint is the
10 operative complaint in the Action (the “Operative Complaint”). Prior to engaging in settlement negotiations,
11 Defendant presented Plaintiff with what an arbitration agreement which Defendant contended waived
12 Plaintiff’s right to pursue claims on a class-wide basis. Therefore, based on the arbitration agreement,
13 Plaintiff filed a request pursuant to Cal. Rules of Court 3.770 to dismiss the class claims, which was signed
14 by the Court on February 4, 2025, dismissing the representative class action portion of the claims without
15 prejudice. Defendant denies the allegations in the Operative Complaint and in the PAGA Notice, denies any
16 failure to comply with the laws identified in in the Operative Complaint and/or the PAGA Notice, and denies
17 any and all liability for the causes of action alleged.

18 2.2. Pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written notice to Defendant and
19 the LWDA by sending the PAGA Notice on July 23, 2024.

20 2.3. The Parties participated in an all-day mediation presided over by the Hon. Howard R.
21 Broadman (Ret.) and reached an agreement to settle the Action.

22 2.4. Prior to the mediation, Plaintiff obtained, through informal discovery, employee and payroll
23 data, policy documents, and additional information regarding Defendant’s non-exempt, hourly employees
24 in California, which Plaintiff’s Counsel reviewed and analyzed

25 2.5. The Parties represent that there are two other pending actions asserting claims that may be
26 extinguished, released, or otherwise affected by this Settlement. Those actions are:
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(a) *Alejandro Espinoza v. Farmers' Fresh Mushrooms California, Inc.*, Colusa County Superior Court Case No. CV24841.

(b) *Paola Martinez Trejo v. Farmers' Fresh Mushrooms California, Inc.*, Sacramento County Superior Court Case No. 24CV024575.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay a maximum of **\$240,000.00** as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. 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.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Approval Order:

3.2.1. To Plaintiff: A PAGA Representative Enhancement Payment to the PAGA Representative of not more than \$5,000.00, in addition to any Individual PAGA Payment the PAGA Representative is entitled to receive as an Aggrieved Employee. Defendant will not oppose Plaintiff's request for a PAGA Representative Enhancement Payment that does not exceed this amount. Plaintiff will seek Court approval for any PAGA Representative Enhancement Payment in the Approval Motion. If the Court approves a PAGA Representative Enhancement Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the PAGA Representative Enhancement Payment using the appropriate IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the PAGA Representative Enhancement Payment, and agrees to indemnify Defendant and hold it harmless for any responsibility, liability, claim, complaint, damages, penalties, interest or any other actual or potential damages arising from Plaintiff's obligations to pay taxes owed on the PAGA Representative Enhancement Payment.

3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third of the Gross

1 Settlement Amount, and PAGA Counsel Litigation Expenses Payment of not more than \$25,000.
2 Defendant will not oppose requests for Court approval of these payments provided that they do not
3 exceed these amounts. Plaintiff and/or PAGA Counsel will file a motion for PAGA Counsel Fees
4 Payment and PAGA Litigation Expenses Payment with the motion for approval of the Settlement.
5 If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses
6 Payment less than the amounts requested, the Administrator will allocate the remainder to the Net
7 Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other
8 Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or
9 PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees
10 Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA
11 Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment
12 and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and
13 indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of
14 these Payments.

15 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$4,500.00 except
16 upon a showing of good cause and as approved by the Court. To the extent the Administration
17 Expenses are less than, or the Court approves payment less than this amount, the Administrator will
18 retain the remainder in the Net Settlement Amount. Phoenix Class Action Administration has been
19 selected as the Administrator, based upon its "not to exceed" bid of \$4,500.00

20 3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties which shall be paid from the
21 Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to
22 Individual PAGA Payments.

23 3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a)
24 dividing the amount of the Aggrieved Employees' 35% share of PAGA
25 Penalties by the total number of PAGA Period Pay Periods worked by all
26 Aggrieved Employees during the PAGA Period and (b) multiplying the
27 result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved
28 Employees assume full responsibility and liability for any taxes owed on

1 their Individual PAGA Payments and agree to indemnify Defendant and
2 hold it harmless for any responsibility, liability, claim, complaint, damages,
3 penalties, interest or any other actual or potential damages arising from
4 Aggrieved Employees' obligations to pay taxes owed on these Payments.

5 3.2.4.2. The Administrator will report the Individual PAGA Payments on IRS 1099
6 Forms.

7 **4. SETTLEMENT FUNDING AND PAYMENTS.**

8 4.1. Aggrieved Employee Pay Periods. As of mediation, the estimated number of Pay Periods
9 worked by the estimated 241 Aggrieved Employees during the PAGA Period is estimated to be 14,312.

10 4.2. Aggrieved Employee Data. Not later than thirty (30) days after Plaintiff serves Defendant
11 with the Court-signed order granting Approval of the Settlement, Defendant will deliver the Aggrieved
12 Employee Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved
13 Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence,
14 use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict
15 access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved
16 Employee Data to effect and perform required tasks under this Agreement. Defendant has a continuing duty
17 to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted Aggrieved
18 Employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon
19 as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved
20 Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good
21 faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

22 4.3. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount
23 by transmitting the funds to the Administrator within 30 days of the Effective Date.

24 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant
25 funds the settlement as provided for in Paragraph 4.3, the Administrator will mail checks for all Individual
26 PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, PAGA Counsel Fees
27 Payment, the PAGA Counsel Litigation Expenses Payment, and the PAGA Representative Enhancement
28 Payment.

1 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send
2 them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The
3 face of each check shall prominently state the date when the check will be voided,
4 which date shall be one hundred eighty (180) days after the date of mailing. The
5 Administrator will cancel all checks not cashed by the void date. The Administrator
6 will send checks for Individual PAGA Payments to all Aggrieved Employees.
7 Before mailing any checks, the Settlement Administrator must update the recipients'
8 mailing addresses using the National Change of Address Database.

9 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all
10 other Aggrieved Employees whose checks are returned undelivered without USPS
11 forwarding address. Within ten (10) days of receiving a returned check the
12 Administrator must re-mail checks to the USPS forwarding address provided or to
13 an address ascertained through the Aggrieved Employee Address Search. The
14 Administrator need not take further steps to deliver checks to Aggrieved Employees
15 whose re-mailed checks are returned as undelivered. The Administrator shall
16 promptly send a replacement check to any Aggrieved Employee whose original
17 check was lost or misplaced, requested by the Aggrieved Employee prior to the void
18 date.

19 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed
20 and cancelled after the void date, the Administrator shall transmit the funds
21 represented by such checks to the California State Controller's Unclaimed Property
22 Fund.

23 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant to confer
24 any additional benefits or make any additional payments to Aggrieved Employees
25 (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

26 **5. RELEASES OF CLAIMS.**

27 As of the Effective Date of this Settlement, Plaintiff and the Aggrieved Employees will release
28 claims against all Released Parties as follows:

1 5.1. Plaintiff's Release.

2 5.1.1. Scope of Plaintiff's Release. Plaintiff and their respective former and present
3 spouses, representatives, agents, attorneys, heirs, administrators, successors, and
4 assigns generally, release and discharge Released Parties from any and all of the
5 claims, whether known or unknown, suspected or unsuspected, contingent or non-
6 contingent, which now exist, or have existed, upon any theory of law or equity now
7 existing, including, but not limited to, conduct that is negligent, intentional, with or
8 without malice, or a breach of any duty, law or rule, without regard to the subsequent
9 discovery or existence of such different or additional facts. Additionally, Plaintiff
10 releases the Released Parties of all claims, charges, complaints, liens, demands,
11 causes of action, obligations, damages and liabilities, known or suspected, arising
12 from their employment with the Defendant. The released claims include, without
13 limitation: claims under (1) the Civil Rights Act of 1964, as amended; (2) 42 U.S.C.
14 § 1981; (3) the California Fair Employment and Housing Act; (4) Section 503 of the
15 Rehabilitation Act of 1973; (5) the Americans with Disabilities Act; (6) the Fair
16 Labor Standards Act (including the Equal Pay Act); (7) the California and the United
17 States Constitution; (8) the California Labor Code; (9) the Family and Medical
18 Leave Act; (10) the California Family Rights Act; (11) the Worker Adjustment and
19 Retraining Notification Act; (12) the Employee Retirement Income Security Act;
20 (13) the Immigration Reform and Control Act; (14) the California Business and
21 Professions Code, sections 17200, et seq.; (15) the California Government Code; and
22 (16) the California Wage Orders (collectively "Claim" or "Claims") which Plaintiff
23 now has, owns or holds, or claims to have, own or hold, or which Plaintiff at any
24 time had, owned or held, or claimed to have, own or hold against any of the Released
25 Parties up to and including, as of the approval of this Settlement Agreement.
26 (Everything released based on the above as well as everything released as part of the
27 Released Class Claims discussed below will be referred to as "Plaintiff's Release.")
28 Plaintiff's Release does not extend to any claims for vested benefits, unemployment

benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.2. Plaintiff's Waiver of Rights Under California Civil Code § 1542. For purposes of Plaintiff's Release, upon receipt of the considerations set forth in this Agreement, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of Section 1542 of the California Civil Code, which reads:

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.

5.2. Released PAGA Claims: Upon the Effective Date of this Settlement and funding of the Gross Settlement Amount, Plaintiff, as agent and proxy of the Labor and Workforce Development Agency and the State of California, will fully and finally release Defendant from any and all claims for civil penalties, penalties, statutory remedies, and related relief under the California Private Attorneys General Act of 2004 ("PAGA"), California Labor Code sections 2698 et seq, 2699, and 2699 et seq., arising out of or relating to any and all alleged violations of the Labor Code and applicable Industrial Welfare Commission ("IWC") Wage Orders that were alleged, could have been alleged, or are reasonably related to the facts described in any PAGA notice(s) submitted by Plaintiff to the Labor and Workforce Development Agency ("LWDA"), for all current and former non-exempt employees who worked for Defendant in the State of California during the PAGA Period. This release expressly includes, without limitation, alleged violations of IWC Wage Order No. 13-2001 and 14-2001, including sections 3, 4, 7, 7(a)(3), 9, 11, 12, and 13, and the following California Labor Code sections: 201, 202, 203, 204, 205, 206.5, 210, 226, 226(a), 226(c)(2)(B)(iii), 226(e)(2)(B)(iii), 226(e)(1), 226.2, 226.3, 226.7, 227.3, 246, 248, 510, 510(a), 512, 516, 558, 1174, 1174(d), 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, and 2804, whether arising under statute, regulation or Wage Order.

1 **6. MOTION FOR APPROVAL**

2 Plaintiff shall prepare and file a motion for approval of the Settlement (“Motion for PAGA
3 Settlement Approval”) that complies with any applicable and current checklist for Approval.

4 6.1. Plaintiff’s Responsibilities. Plaintiff will prepare all documents necessary for obtaining
5 Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Approval that
6 includes an analysis of the Settlement’s terms and a request for approval of the PAGA Settlement under
7 Labor Code § 2699(f)(2)); (ii) a draft proposed Order Granting Approval of the PAGA Settlement; (iii) a
8 draft proposed Notice Letter to the Aggrieved Employees; (iv) a signed declaration from the Administrator
9 attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve;
10 competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of
11 insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any
12 actual or potential conflicts of interest with Aggrieved Employees; and the nature and extent of any financial
13 relationship with Plaintiff, PAGA Counsel or Defense Counsel; (v) a signed declaration from Plaintiff
14 confirming willingness and competency to serve as PAGA Representative and disclosing all facts relevant
15 to any actual or potential conflicts of interest with Aggrieved Employees or the Administrator; (v) a signed
16 declaration from PAGA Counsel firm attesting to its competency; its timely transmission to the LWDA of
17 all necessary PAGA documents (initial notice of violations (Labor Code § 2699.3(a)), Operative Complaint
18 (Labor Code § 2699(l)(1)), this Agreement (Labor Code § 2699(l)(2)) and (vi) all facts relevant to any actual
19 or potential conflict of interest with Aggrieved Employees or the Administrator. Responsibilities of Counsel.

20 PAGA Counsel is responsible for expeditiously finalizing and filing the Motion for Approval of this
21 Settlement; obtaining a prompt hearing date for the Motion for Approval; and for appearing in Court to
22 advocate in favor of the Motion for Approval. PAGA Counsel is responsible for delivering the Court’s
23 Approval and any other necessary documents to the Administrator. Plaintiff and PAGA Counsel will ensure
24 that the PAGA Claims are dismissed with prejudice upon the Court’s approval of the settlement.

25 6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
26 Approval and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will
27 expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith,
28 to resolve the disagreement. If the Court does not grant Approval or conditions Approval on any material

change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration ("Phoenix") to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation § 468B-1.

7.4. Receipt of Data. No later than three (3) business days after receipt of the Aggrieved Employee Data, the Administrator shall notify PAGA Counsel that the list has been received and state the number of Aggrieved Employees and PAGA Pay Periods in the Aggrieved Employee Data.

7.5. Objections to Settlement. Pursuant to their understanding of California law, the Parties agree that Aggrieved Employees and/or other PAGA Representatives other than those named in this Settlement may not and have no right to object to or intervene in any components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and/or PAGA Representative Enhancement Payment.

7.6. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.6.1. Final Report by Settlement Administrator. Within fourteen (14) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator

will provide PAGA Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fourteen (14) days before any deadline set by the Court, the Administrator will prepare, and submit to PAGA Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. PAGA Counsel is responsible for filing the Administrator's declaration in Court.

8. AGGRIEVED EMPLOYEE ESTIMATES and ESCALATOR CLAUSE.

Based on its records, Defendant estimates that are 14,312 pay periods during the PAGA Period negotiated during mediation. Should the pay periods increase beyond 10% worked by the Aggrieved Employees during the PAGA Period, Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the Class Members above 10% (e.g., if the number of pay period increases by 11% the Total Settlement Amount will increase by 1%). However, if the escalator clause is triggered, Defendants may alternatively choose at its sole discretion to end the PAGA Period(s) on the date that the increase would otherwise be triggered.

9. AMENDED JUDGMENT.

If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

10. ADDITIONAL PROVISIONS.

10.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit, that the Aggrieved Employees as defined in this Agreement were aggrieved as that term is used in the Labor Code, or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Settlement in this matter is a compromise of highly disputed claims. Upon the Effective Date of this Settlement and funding of the Gross Settlement Amount, the Plaintiff agrees to dismiss any individual claims against Defendant with prejudice. The Settlement, this Agreement and Parties' willingness

1 to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation
2 (except for proceedings to enforce or effectuate the Settlement and this Agreement).

3 10.2. Court Approval. In the event that the Court fails to approve the settlement notwithstanding
4 the good faith efforts of the Parties pursuant to Paragraph 10.6 of this Agreement, or if the appropriate
5 appellate court fails to approve the settlement, or if the Settlement Agreement is otherwise terminated: (1)
6 the Settlement Agreement shall have no force and effect and the Parties shall be restored to their respective
7 positions prior to entering into it, and no Party shall be bound by any of the terms of the Settlement
8 Agreement; (2) Defendant shall have no obligation to make any payments to the Aggrieved Employees, the
9 LWDA, Plaintiff or Plaintiff's counsel; (3) any existing approval order or judgment shall be vacated; and
10 (4) the Settlement Agreement and all negotiations, statements, proceedings and data relating thereto shall be
11 deemed confidential mediation settlement communications and not subject to disclosure for any purpose in
12 any proceeding.

13 10.3. Confidentiality Prior to Motion for Approval. Plaintiff, PAGA Counsel, Defendant, and
14 Defense Counsel agree that, until full execution of this Settlement and submission for Approval, they shall
15 not publicly disclose, disseminate, or publicize the material terms of this Agreement, except as provided
16 herein. This provision is not intended to, and does not, restrict communications made in the ordinary course
17 of litigation, including communications with counsel in other matters, nor does it restrict disclosures
18 reasonably necessary to fulfill professional, legal, or ethical obligations. Notwithstanding the foregoing, the
19 Parties may disclose the terms of this Agreement: (1) to their respective attorneys, accountants, insurers, or
20 spouses, who shall be instructed to maintain confidentiality; (2) to counsel in other matters as reasonably
21 necessary; (3) as required for tax reporting purposes; (4) in response to a court order or subpoena; or (5) in
22 response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to
23 promptly notify the other of any such compelled disclosure, to the extent permitted by law. Nothing in this
24 provision prohibits any Party from stating that the matter has been resolved. The Parties further agree that
25 the Settlement and this Agreement are not confidential following submission for Approval.

26
27 10.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
28 together with its attached exhibits shall constitute the entire agreement between the Parties relating to the

1 Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or
2 by any Party.

3 10.5. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and
4 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action
5 required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to
6 execute any other documents reasonably required to effectuate the terms of this Agreement including any
7 amendments to this Agreement.

8 10.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best
9 efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement
10 Agreement, submitting supplemental evidence and supplementing points and authorities as requested by
11 the Court. In the event the Parties are unable to agree upon the form or content of any document necessary
12 to implement the Settlement, or on any modification of the Agreement that may become necessary to
13 implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

14 10.7. No Prior Assignments. The Parties separately represent and warrant that they have not
15 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any
16 person or entity and portion of any liability, claim, demand, action, cause of action, or right released and
17 discharged by the Party in this Settlement.

18 10.8. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are
19 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as
20 such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended)
21 or otherwise.

22 10.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified,
23 changed, or waived only by an express written instrument signed by all Parties or their representatives, and
24 approved by the Court.

25 10.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the
26 benefit of, the successors of each of the Parties.

27 10.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
28 governed by and interpreted according to the internal laws of the state of California, without regard to

1 conflict of law principles.

2 10.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this
3 Agreement. This Agreement will not be construed against any Party on the basis that the Party was the
4 drafter or participated in the drafting.

5 10.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
6 during Action and in this Agreement relating to the confidentiality of information shall survive the execution
7 of this Agreement.

8 10.14. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel
9 pursuant to Evidence Code § 1152, and all copies and summaries of the Aggrieved Employee Data provided
10 to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in
11 connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and
12 may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not
13 later than 90 days after the date when the Court discharges the Administrator's obligation to provide a
14 Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and
15 electronic versions of Aggrieved Employee Data received from Defendant.

16 10.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted
17 for convenience of reference only and does not constitute a part of this Agreement.

18 10.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be
19 to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal
20 legal holiday, such date or deadline shall be on the first business day thereafter.

21 10.17. Notice. All notices, demands or other communications between the Parties in connection
22 with this Agreement will be in writing and deemed to have been duly given as of the third business day after
23 mailing by United States mail, or the day sent by email or messenger, addressed as follows:

24 To Plaintiff:

25 Seung L. Yang
26 seung.yang@thesentinelfirm.com
27 Tiffany Hyun
28 tiffany.hyun@thesentinelfirm.com
Jeffrey P. Jackson
jeffrey.jackson@thesentinelfirm.com
THE SENTINEL FIRM, APC

355 S Grand Ave. Suite 1450
Los Angeles, California 90071
Telephone: (213) 985-1150
Facsimile: (213) 985-2155

To Defendant:

ROSASCO LAW GROUP, APC

Erica L. Rosasco

erica@rosascolawgroup.com

Michael G. Blankinship

mike@rosascolawgroup.com

Sophia Calamari

sophia@rosascolawgroup.com

6540 Lonetree Blvd., Ste. 100

Rocklin, CA 95765

Telephone: (916) 672-6552

Facsimile: (916) 672-6563

10.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

[SIGNATURES ON NEXT PAGE]

1 **IT IS SO AGREED.**

2
3 **Plaintiff & PAGA Representative:**

4 Dated: 04 / 30 / 2026

By: _____

**MELQUISEDEC ALVARADO
CONTRERAS**

6 **Plaintiff's Counsel:**

7 Dated: 4/30/2026

THE SENTINEL FIRM, APC

9 By: _____

Seung L. Yang
Tiffany Hyun
Jeffrey P. Jackson

Attorneys for Plaintiff
MELQUISEDEC ALVARADO CONTRERAS

12 **Defendant:**

13 Dated: _____

**FARMERS' FRESH MUSHROOMS
CALIFORNIA, INC.**

16 By: _____

Print Name

18 _____
Signature

19 _____
Title

21 **Defendant's Counsel:**

22 Dated: _____

ROSASCO LAW GROUP, APC

24 By: _____

Erica L. Rosasco
Michael G. Blankinship
Sophia Calamari

Attorneys for Defendant

1 IT IS SO AGREED.

2
3 **Plaintiff & PAGA Representative:**

4 Dated: _____

By: _____

MELQUISEDEC ALVARADO
CONTRERAS

6 **Plaintiff's Counsel:**

7 Dated: _____

THE SENTINEL FIRM, APC

9 By: _____

Seung L. Yang
Tiffany Hyun
Jeffrey P. Jackson

Attorneys for Plaintiff
MELQUISEDEC ALVARADO CONTRERAS

12 **Defendant:**

13 Dated: 4-21-26

FARMERS' FRESH MUSHROOMS
CALIFORNIA, INC.

15 By: Laura Deniz
16 Print Name

17 Laura Deniz
18 Signature

19 General Manager
20 Title

21 **Defendant's Counsel:**

22 Dated: 4-21-26

ROSASCO LAW GROUP, APC

23 By: [Signature]
24

Erica L. Rosasco
Michael G. Blankinship
Sophia Calamari

Attorneys for Defendant