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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

ENRIQUETA GONZALEZ ESPINO and
ANA DIAZ, on behalf of themselves and
all others similarly situated,

Plaintiffs,

v.

BERBER FOOD MANUFACTURING
LLC, a limited liability company; and
DOES 1 through 10, inclusive,

Defendants.

Case No. 24CV019140

**JOINT STIPULATION OF CLASS AND
PAGA SETTLEMENT AND RELEASE
OF CLAIMS**

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JOINT STIPULATION OF SETTLEMENT AND RELEASE

This Joint Stipulation of Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiffs Enriqueta Gonzalez Espino (“Espino”) and Ana Diaz (“Diaz”) (collectively “Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly situated, and Defendant Berber Food Manufacturing LLC (“Defendant”), on the other hand (collectively with Plaintiffs, the “Parties”).

DEFINITIONS

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

1. “Action” means the following lawsuit: *Enriqueta Gonzalez Espino; Ana Diaz v. Berber Food Manufacturing LLC*, Sacramento County Superior Court Case No. 24CV019140 (the “Action”), along with all complaints filed therein, as well as the pre-litigation PAGA Letters sent by Plaintiffs.

2. “Aggrieved Employees” means all current and former hourly, non-exempt employees that worked for Defendant in California during the PAGA Period.

3. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action (“Attorneys’ Fees”), and all costs incurred and to be incurred by Class Counsel in the Action, including but not limited to, costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, obtaining entry of a Judgment terminating the Action, and expenses for any experts. Class Counsel will request attorneys’ fees not in excess of one-third (33 1/3%) of the Gross Settlement Amount (currently estimated to be \$175,000.00). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of reasonable costs and expenses associated with Class Counsel’s litigation and settlement of the Action (“Litigation Costs”), subject to the Court’s approval.

4. “Class Period” means the period from September 24, 2020, through January 6, 2026, or the date of Preliminary Approval, whichever is sooner.

5. “Complaint” refers to the operative Second Amended Complaint that Plaintiffs filed in Sacramento County Superior Court on or about November 17, 2025.

1 6. “Class Payments” means payments made from the Net Settlement Amount to
2 Participating Class Members.

3 7. “Class Counsel” means Moon Law Group, PC.

4 8. “Class List” means a complete list of all Class Members that Defendant will diligently
5 and in good faith compile from their records and provide to the Settlement Administrator and to Class
6 Counsel within fifteen (15) business days after Preliminary Approval of this Settlement. The Class List
7 will include each Class Member’s full name; most recent mailing address; Social Security number; the
8 respective number of Workweeks that each Class Member worked during the Class Period; the
9 respective number of Pay Periods that each Aggrieved Employee worked during the PAGA Period; and
10 any other relevant information needed to calculate settlement payments.

11 9. “Class Member(s)” or “Settlement Class” means all current and former hourly, non-
12 exempt individuals that worked for Defendant in California during the Class Period that did not sign an
13 arbitration agreement.

14 10. “Class Representative Service Award” means the amount to be paid to Plaintiffs in
15 recognition of their efforts and work in prosecuting the Action on behalf of Class Members, and for their
16 general release of claims. Subject to the Court granting final approval of this Settlement Agreement and
17 subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of a Class
18 Representative Service Award for up to \$10,000.00 for Espino and up to \$10,000 for Diaz.

19 11. “Court” means the Superior Court of California, County of Sacramento, Hon. Jill H.
20 Talley, or any other court taking jurisdiction of the Settlement.

21 12. “Defendant” means Defendant Berber Food Manufacturing LLC.

22 13. “Effective Date” means the date on which the settlement is approved and the Court’s
23 order approving the settlement (“Judgment”) becomes final. For purposes of this Settlement Agreement,
24 the Court’s Judgment “becomes final” upon the latter of: (i) if no appeal is filed, the expiration date of
25 the time for the filing or noticing of any appeal from, or other challenge to, the Court’s Judgment (this
26 time period shall not be less than 60 calendar days after the Court’s Judgment is entered); (ii) the date
27 affirmance of an appeal of the Judgment becomes final under the California Code of Civil Procedure; or
28 (iii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding

on review of any court of appeal decision relating to the Judgment.

14. “Employee PAGA Payments” means payments to Aggrieved Employees made from the PAGA Fund, collectively amounting to 35% of the PAGA Fund. Employee PAGA Payments will be distributed to Aggrieved Employees regardless of whether they are also Class Members and/or whether they exclude themselves from the Class Settlement.

15. “Individual Class Payment” means each Participating Class Member’s respective share of the Net Settlement Amount.

16. “LWDA PAGA Payment” means the payment to the Labor and Workforce Development Agency made from the PAGA Fund, amounting to 65% of the PAGA Fund.

17. “Net Settlement Amount” means the portion of the Gross Settlement Amount remaining after deducting the Attorneys’ Fees and Costs, the Class Representative Service Award, the PAGA Fund, and Settlement Administration Costs. The entire Net Settlement Amount will be distributed to Participating Class Members. There will be no reversion of the Net Settlement Amount to Defendant.

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

19. “Notice Packet” means the Notice of Class Action Settlement, to be mailed to Class Members in English with a Spanish translation, substantially in the form attached hereto as Exhibit A.

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

21. “PAGA Fund” means that portion of the Gross Settlement Amount allocated to claims brought under the Private Attorneys General Act. The amount of the PAGA Fund shall be \$30,000.00. Of that fund, 65% will be allocated to the LWDA PAGA Payment, and 35% will be allocated to the Employee PAGA Payments.

22. “PAGA Period” means the period from September 22, 2023, through January 6, 2026 or the date of Preliminary Approval, whichever is sooner.

23. “Parties” means Plaintiffs and Defendant collectively.

24. “Participating Class Members” means all Class Members who do not submit timely and valid Requests for Exclusion.

25. “Pay Periods” means the number of pay periods during which Aggrieved Employees performed work in California for Defendant during the PAGA Period based on Defendant’s records.

26. “Plaintiffs” means Plaintiffs Enriqueta Gonzalez Espino and Ana Diaz.

27. “Preliminary Approval” means the Court order granting preliminary approval of the Settlement Agreement.

28. “Released Class Claims” means any and all claims that were alleged, or reasonably could have been alleged, in the Complaint based on the facts asserted therein by current and former hourly, non-exempt employees of Defendant in California during the Class Period. The Released Class Claims include, but are not limited to, claims for alleged violations of the following California Labor Code provisions: 201, 202, 203, 204, 210, 218.5, 218.6, , 226, 226.3, 226.7, 245–249, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802 the applicable IWC wage order, and the California Business and Professions Code § 17200 et seq., any claims for interest and attorneys’ fees and costs arising out of the alleged violations. The Released Class Claims do not include any other claims, such as claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers’ compensation or claims based on events occurring outside the Class Period.

The scope of the Released Class Claims is a material term of this Agreement. To the extent the Court seeks to narrow the scope of the Released Class Claims, the Parties shall first attempt to make good-faith efforts to address and resolve the Court’s concerns. If the Parties cannot reach an agreement as

1 to the scope of the Released Class Claims or if the Court declines to approve the Released Class Claims
2 even after the Parties have made good faith efforts to address and cure any concerns raised by the Court,
3 Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement or
4 Agreement. If Defendant exercises its right to rescind, the Settlement shall be deemed null and void, and
5 Defendant shall be responsible for any administration costs incurred to date.

6 29. "Released PAGA Claims" means any and all claims for PAGA penalties that were
7 alleged, or could have been alleged, in the Complaint or Plaintiff's LWDA notice(s), based on the facts
8 stated therein, related to work performed by current and former hourly, non-exempt employees of
9 Defendant in California during the PAGA Period. The Released PAGA Claims include, but are not
10 limited to, claims for PAGA penalties based on the alleged violations of the following California Labor
11 Code provisions: 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 227.3, 245-249, 510, 512,
12 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2699, 2802 and the applicable IWC wage
13 order, and any claims for interest and attorneys' fees and costs arising out of the alleged claims for
14 PAGA penalties.

15 The scope of the Released PAGA Claims is a material term of this Agreement. To the extent
16 Plaintiff or the Court seeks to narrow the scope of the Released Claims, the Parties shall first attempt to
17 make good-faith efforts to address and resolve the court's concerns with the release. If the Parties cannot
18 reach an agreement as to the scope of the Released Class Claims or if the Court declines to approve the
19 Released Class Claims even after the Parties have made good faith efforts to address and cure any
20 concerns raised by the Court, Defendant shall retain the right, in the exercise of its sole discretion, to
21 nullify the Settlement or Agreement. If Defendant exercises its right to rescind, the Settlement shall be
22 deemed null and void, Defendant shall be responsible for any administration costs incurred to date.

23 30. "Released Parties" means Defendant Berber Food Manufacturing LLC, C.H. Guenther
24 & Son LLC, and each and every one of their member companies, affiliated and related entities,
25 predecessors, successors and each of these parties' and entities' respective past and present officers,
26 directors, employees, partners, members, shareholders, owners, divisions, insurers, agents, attorneys, and
27 any other successors, assigns, or legal representatives.

28 31. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a

1 request to be excluded from the Class Settlement. The Request for Exclusion must: (i) set forth the
2 name, address, telephone number and last four digits of the Social Security Number of the Class
3 Member requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
4 Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement;
5 and (v) be faxed or postmarked on or before the Response Deadline.

6 32. "Response Deadline" means the deadline by which Class Members must postmark or
7 fax to the Settlement Administrator Requests for Exclusion, or postmark Notices of Objection to the
8 Settlement Administrator. The Response Deadline will be sixty (60) calendar days from the initial
9 mailing of the Notice Packet by the Settlement Administrator, unless the sixtieth (60th) calendar day falls
10 on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on
11 which the U.S. Postal Service is open.

12 33. "Settlement Administration Costs" means the costs payable from the Gross Settlement
13 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
14 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing and
15 redistributing the Settlement Amount, maintaining a static website to post Notices and Orders regarding
16 the Settlement, including the Order on Final Approval, and providing necessary reports and declarations,
17 as requested by the Parties. The Settlement Administration Costs shall not exceed \$8,000.00 and will be
18 paid from the Gross Settlement Amount, including, if necessary, any such reasonable costs in excess of
19 the amount represented by the Settlement Administrator as being the maximum costs necessary to
20 administer the Settlement.

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

26 35. "Gross Settlement Amount" or "GSA" means the Gross Settlement Amount of
27 \$525,000.00, unless increased pursuant to Paragraph 46 of this Agreement, to be paid by Defendant in
28 full satisfaction of all Released Class Claims and Released PAGA Claims arising from the Action, which

1 includes all Individual Class Payments to Participating Class Members, the PAGA Fund, Attorneys'
2 Fees and Costs to Class Counsel, the Class Representative Service Award to Plaintiffs, and the
3 Settlement Administration Costs to the Settlement Administrator. This Gross Settlement Amount has
4 been agreed to by Plaintiffs and Defendant based on the aggregation of the agreed-upon settlement value
5 of individual claims. In no event will Defendant pay more than the Gross Settlement Amount except as
6 otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to
7 Defendant. Defendant will be separately responsible for any employer payroll taxes required by law,
8 including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross
9 Settlement Amount. The Administrator will disburse the entire Gross Settlement Amount without asking
10 or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of
11 payment.

12 The Gross Settlement Amount is a material term of this Agreement. Except as pursuant to the
13 Escalator Clause defined in Paragraph 46 of this Agreement, to the extent Plaintiffs or the Court seeks to
14 require Defendant to pay more than the Gross Settlement Amount as part of this Settlement or
15 Agreement, Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement
16 or Agreement.

17 36. "Workweeks" means the number of calendar weeks during which Class Members
18 performed work in California for Defendant based on Defendant's records.

19 RECITALS

20 37. On September 22, 2024, Espino, on behalf of herself, the Aggrieved Employees, and the
21 State of California, gave written notice to the Labor Workforce and Development Agency ("LWDA") of
22 the Labor Code violations Defendant is alleged to have violated ("LWDA Exhaustion Letter").

23 38. On September 24, 2024, Espino filed a Class Action Complaint against Defendant in the
24 Sacramento County Superior Court, Case No. 24CV019140, alleging causes of action for (1) Failure to
25 Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal Periods;
26 (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Indemnify Necessary Business Expenses;
27 (6) Failure to Timely Pay Final Wages at Termination; (7) Failure to Provide Accurate Itemized Wage
28 Statements; and (8) Unfair Business Practices.

39. On November 27, 2024, Espino amended her Class Action Complaint to add a cause of action for Civil Penalties pursuant to the Private Attorneys' General Act of 2004 ("PAGA").

40. Thereafter, the Parties agreed to exchange informal discovery and attend mediation. On October 8, 2025, the Parties participated in an all-day mediation with Tripper Ortman, Esq., which led to this Agreement to settle the Action.

41. Prior to mediation, Plaintiffs obtained, in addition to other data, documents, and information, a sample of the time and corresponding payroll records of the Class, and the employee handbooks and relevant policies in effect during the Class Period and PAGA Period. This investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008), in that such information and investigation was sufficient to assess the merits of the Parties' respective positions and to reach a compromise in the Action on a fair and equitable basis.

42. On November 17, 2025, Espino filed a Second Amended Complaint to add Diaz as a named Plaintiff and Class Representative for the purposes of the Settlement.

43. The Court has not granted class certification.

44. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter asserting claims that will be affected by this Settlement.

TERMS OF AGREEMENT

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

45. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of the Gross Settlement Amount into a Qualified Settlement Fund to be established by the Settlement Administrator. After the Effective Date, the Gross Settlement Amount will be used for: (i) Individual Class Payments; (ii) the PAGA Fund; (iii) the Class Representative Service Award; (iv) Attorneys' Fees and Costs; and (v) Settlement Administration Costs. Defendant will deposit the Gross Settlement Amount within ten (10) business days of the Effective Date.

46. Escalator Clause. Based on its records, Defendant estimates that Class Members worked a total of 13,000 workweeks during the Class Period. If the actual number of workweeks that Class

Members worked during the Class Period exceeds 10% from the original estimate (i.e., more than 1,300 additional workweeks), Defendant agrees to increase the total Gross Settlement Amount pro rata by the percentage increase above 10% (for example, if the total workweeks increase by 11%, the GSA will increase by 1%). Alternatively, Defendant may elect to adjust the Class Period to a date that does not trigger the escalator clause (i.e., adjust the Class Period end date to a date in which the total number of workweeks is no greater than 14,300).

47. Attorneys' Fees and Costs. Defendant agrees not to oppose Plaintiffs' Counsel's request that the Court approve an award to Class Counsel for (a) Attorneys' Fees in an amount up to one-third (33 1/3%) of the Gross Settlement Amount (currently estimated to be \$175,000.00); and (b) Litigation Costs in the amount of up to \$26,000.00, supported by adequate documentation by Plaintiffs' counsel's billing statement. Except as provided in this Agreement, Defendant shall have no liability for any other attorneys' fees or costs for the claims alleged in the Action.

The Court's decision to award less than the amounts requested for the Attorneys' Fees and Costs is not a material modification of the Settlement or this Agreement. If the Court does not approve or approves only a lesser amount than that requested by Class Counsel for Attorneys' Fees or Litigation Costs, the other terms of the Settlement and this Agreement shall still apply. The Court's refusal to approve the award of Attorneys' Fees or Litigation Costs in the amounts requested by Class Counsel does not give the Class Members, Aggrieved Employees, or Plaintiffs' counsel any basis to abrogate the Settlement or this Agreement. Any amount of an Attorneys' Fees and Costs award requested by Class Counsel but unapproved by the Court shall be allocated to the Net Settlement Amount.

48. Class Representative Service Award. In exchange for a general release, and in recognition of their efforts and work in prosecuting the Action on behalf of Class Members, Defendant will not oppose Plaintiffs' request that the Court approve a Class Representative Service Award for up to \$10,000.00 for Espino and up to \$10,000.00 for Diaz. The Class Representative Service Award will be paid from the Gross Settlement Amount and will be in addition to any Individual Class Payment and any Employee PAGA Payment that Plaintiffs may be entitled to be paid pursuant to the Settlement. Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on their individual shares of the Class Representative Service Award.

1 The Court's decision to award less than the amount requested for the Class Representative
2 Service Award is not a material modification to the Settlement or this Agreement. If the Court does not
3 approve or approves only a lesser amount than that requested by Plaintiffs, the other terms of the
4 Settlement and this Agreement shall apply. The Court's refusal to approve the Class Representative
5 Service Award requested by Plaintiffs does not give either Plaintiffs or Plaintiffs' counsel any basis to
6 abrogate the Settlement or this Agreement. Any amount of a Class Representative Service Award
7 requested by Plaintiffs but unapproved by the Court shall be allocated to the Net Settlement Amount.

8 49. Settlement Administration Costs. The Settlement Administrator will be paid for the
9 reasonable costs of administration of the Settlement and distribution of payments from the Gross
10 Settlement Amount. The Administration Costs payment is not to exceed \$8,000.00 except for a showing
11 of good cause and as approved by the Court. Costs are currently estimated to be \$6,250.00. These costs,
12 which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting
13 on the Individual Class Payments, the issuing of 1099 and W-2 IRS Forms, distributing Notice Packets,
14 administering any disputes brought by Class Members regarding their payments or eligibility therefore,
15 calculating and distributing the Gross Settlement Amount, maintaining a static website to post Notices
16 and Orders regarding the Settlement, including the Order on Final Approval, and providing necessary
17 reports and declarations.

18 50. Net Settlement Amount. The entire Net Settlement Amount will be distributed to
19 Participating Class Members. No portion of the Net Settlement Amount will revert to or be retained by
20 Defendant.

21 51. PAGA Payment Calculations. The PAGA Fund, in the amount of \$30,000.00, will be
22 split into two types of payment. 65% of the PAGA Fund will be allocated to the LWDA PAGA
23 Payment and 35% will be allocated to the Employee PAGA Payments. Specific calculations of
24 Employee PAGA Payments will be made as follows:

25 51(a) Defendant will calculate the total number of Pay Periods worked by each
26 Aggrieved Employee during the PAGA Period and the aggregate total
27 number of Pay Periods worked by all Aggrieved Employees during the
28 PAGA Period.

1 51(b) To determine each Aggrieved Employee's Employee PAGA Payment, the
2 Settlement Administrator will use the following formula: 35% of the
3 PAGA Fund will be divided by the aggregate total number of Pay Periods,
4 resulting in the "Pay Period Value." Each Aggrieved Employee's
5 Employee PAGA Payment will be calculated by multiplying each
6 Aggrieved Employee's total number of Pay Periods by the Pay Period
7 Value. Each Aggrieved Employee will be credited with at least one Pay
8 Period.

9 52. Individual Class Payment Calculations. Individual Class Payments will be calculated
10 and apportioned from the Net Settlement Amount. Specific calculations of Individual Class Payments
11 will be made as follows:

12 52(a) Defendant will calculate the total number of Workweeks worked by each
13 Class Member during the Class Period and the aggregate total number
14 Workweeks worked by all Class Members during the Class Period.

15 52(b) To determine each Class Member's estimated Class Payment, the
16 Settlement Administrator will use the following formula: the Net Settlement
17 Amount will be divided by the aggregate total number of Workweeks,
18 resulting in the "Class Workweek Value." Each Class Member's Individual
19 Class Payment will be calculated by multiplying each individual Class
20 Member's total number of Workweeks by the Class Workweek Value.

21 52(c) All Individual Class Payments will be allocated as 20% wages (reported on
22 an IRS W-2 Form), and 80% non-wages (for which an IRS Form 1099-
23 MISC will be issued). The Individual Class Payment will be reduced by any
24 required deductions for each Participating Class Member as specifically set
25 forth herein, including employee-side tax withholdings or deductions.

26 52(d) The entire Net Settlement Amount will be disbursed to all Class Members
27 who do not submit timely and valid Requests for Exclusion. If there are any
28 valid and timely Requests for Exclusion, the Settlement Administrator shall

1 proportionately increase the Individual Class Payment for each Participating
2 Class Member according to the number of Workweeks worked, so that the
3 amount actually distributed to the Settlement Class equals 100% of the Net
4 Settlement Amount.

5 53. No Credit Toward Benefit Plans. The Individual Class Payments made to Participating
6 Class Members under this Settlement, as well as any other payments made pursuant to this Settlement,
7 will not count towards, or be utilized to calculate any additional benefits under any benefit plans to which
8 any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans,
9 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
10 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
11 contributions, or amounts to which any Class Members may be entitled under any benefit plans.

12 54. Administration Process. The Parties agree to cooperate in the administration of the
13 Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
14 administration of the Settlement.

15 55. Delivery of the Class List. Within fifteen (15) business days of Preliminary Approval,
16 Defendant will provide the Class List to the Settlement Administrator. The Settlement Administrator
17 shall keep confidential the Class List, as well as any other information provided to it as part of the
18 contemplated Settlement.

19 The Class List is being provided confidentially to the Settlement Administrator only (not to
20 Plaintiffs' counsel), and the Settlement Administrator shall treat the information as private and
21 confidential and take all necessary precautions to maintain the confidentiality of contact information of
22 the Class Members. This information is to be used only to carry out the Settlement Administrator's
23 duties as specified in this Settlement Agreement. The Settlement Administrator shall return the Class List
24 to Defendant or confirm its destruction upon completion of the Settlement Administrator's duties in
25 administering the Settlement.

26 56. Notice by First-Class U.S. Mail. Within fourteen (14) calendar days after receiving the
27 Class List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members
28 via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class

1 List.

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

14 58. Notice Packets. All Class Members will be mailed a Notice Packet, substantially in the
15 form attached as Exhibit A. Each Notice Packet will provide, among other information: (i) information
16 regarding the nature of the Action; (ii) a summary of the Settlement's principal terms; (iii) the Settlement
17 Class definition; (iv) the Aggrieved Employee definition; (v) the total number of Workweeks and Pay
18 Periods that each respective Class Member and Aggrieved Employee worked for Defendant during the
19 Class and PAGA Periods; (vi) each Class Member's estimated Individual Class Payment and the
20 formula for calculating Individual Class Payments; (viii) each Aggrieved Employee's estimated
21 Employee PAGA Payment and the formula for calculating Employee PAGA Payments; (ix) the dates
22 which comprise the Class Period and the PAGA Period; (x) instructions on how to submit Requests for
23 Exclusion or Notices of Objection; (xi) the deadlines by which the Class Member must postmark or fax
24 Requests for Exclusion or Notices of Objection to the Settlement; and (xii) the claims to be released.

25 59. Disputed Information on Notice Packets. Class Members and Aggrieved Employees
26 will have an opportunity to dispute the information provided in their Notice Packets. To the extent Class
27 Members or Aggrieved Employees dispute their employment dates or the number of Pay Periods or
28 Workweeks on record, Class Members and Aggrieved Employees may produce evidence to the

1 Settlement Administrator showing that such information is inaccurate. Class Members and Aggrieved
2 Employees must submit their dispute before the Response Deadline. The Settlement Administrator will
3 decide the dispute. Defendant's records will be presumed correct, but the Settlement Administrator will
4 evaluate the evidence submitted by the Class Member or Aggrieved Employee and will make the final
5 decision as to the merits of the dispute. All disputes will be decided within ten (10) business days of the
6 Response Deadline.

7 60. Request for Exclusion Procedures. Any Class Member wishing to opt out of the
8 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
9 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
10 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
11 for Exclusion has been timely submitted. The Settlement Administrator may not reject a Request for
12 Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The
13 Settlement Administrator shall accept any Request for Exclusion as valid if the Settlement Administrator
14 can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to
15 be excluded. The Settlement Administrator's determination shall be final and not appealable or otherwise
16 susceptible to challenge. If the Settlement Administrator has reason to question the authenticity of a
17 Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity.
18 The Administrator's determination of authenticity shall be final and not appealable or otherwise
19 susceptible to challenge. Aggrieved Employees will not have the opportunity to opt-out of the settlement
20 of PAGA claims. The Settlement of PAGA claims will be effective as to Aggrieved Employees
21 regardless of whether they are also Class Members and/or if they exclude themselves from the Class
22 Settlement.

23 61. Settlement Terms Bind All Aggrieved Employees, and all Class Members Who Do Not
24 Opt Out. All Participating Class Members will be bound by all of the terms of the Settlement
25 Agreement, including those pertaining to the Released Class Claims, as well as any Judgment that may
26 be entered by the Court if it grants final approval to the Settlement. All Aggrieved Employees, even if
27 they exclude themselves from the Class component of the Settlement (i.e., non-Participating Class
28 Member), are deemed to release the Released PAGA Claims and are eligible for an Employee PAGA

Payment.

62. Tolerance of Exclusions. Notwithstanding any other provision of this Settlement Agreement, Defendant shall retain the right, in its sole discretion, to rescind this Settlement Agreement within ten (10) calendar days after receiving from the Settlement Administrator the final list of Class Members submitting Requests for Exclusion (“Exclusion List”), if more than ten (10%) of Class Members choose to be excluded from this Settlement. Defendant agrees to meet and confer in good faith with Class Counsel before rescinding the Settlement Agreement. In the event that Defendant elects to rescind the Settlement Agreement, Defendant shall provide written notice of such rescission to Class Counsel within ten (10) calendar days of receiving the Exclusion List from the Settlement Administrator; late elections will have no effect. Such rescission shall have the same effect as a termination of the Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null and void and have no further force or effect; provided, however, Defendant will remain responsible for paying all Settlement Administration Costs incurred to that point. The Parties specifically agree not to solicit Requests for Exclusion, directly or indirectly, through any means.

63. Objection Procedures. To object to the Settlement Agreement, a Class Member must fax or postmark a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline or appear at the Final Approval Hearing to state his/her objections. All Class Members will have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court regardless of whether they submit a written Notice of Objection. Class Members who submit a written Notice of Objection must sign it and include all information required by Paragraph 18 of this Settlement Agreement. Class Members who fail to timely submit a Notice of Objection or appear at the Final Approval Hearing to present oral objections will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement.

64. Certification Reports Regarding Individual Class Payment Calculations. The Settlement

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

65. Distribution Timing of Individual Class Payments. Within fifteen (15) calendar days after Defendant funds the Gross Settlement Amount, the Settlement Administrator will issue payments to: (i) Participating Class Members; (ii) Aggrieved Employees; (iii) the Labor & Workforce Development Agency; (iv) Plaintiffs; and (v) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

66. Un-cashed Settlement Checks. The amount of any Individual Settlement Payments or Employee PAGA Payments that remain undeliverable or uncashed 180 calendar days after the postmarked date of the initial mailing will be sent to the California State Controller's Office to be held as "Unclaimed Property" in the name of the Participating Class Member or Aggrieved Employee. The Settlement Administrator shall notify Class Counsel and Defendant's Counsel of any undeliverable checks.

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

68. Tax Treatment of Payments. All Class Payments will be allocated as 20% wages (reported on an IRS W-2 Form), and 80% non-wages (for which an IRS Form 1099-MISC will be issued). All PAGA Payments will be reported as non-wages for which an IRS Form 1099-MISC will be issued. And the Class Representative Service Award will be allocated as non-wages for which an IRS Form 1099-MISC will be issued.

69. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding any payroll taxes

1 and penalties to the appropriate government authorities.

2 70. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
3 of the payments called for hereunder, and Plaintiffs and Participating Class Members are not relying on
4 any statement, representation, or calculation by Defendant or by the Settlement Administrator in this
5 regard. Neither Plaintiffs nor Class Counsel are providing any advice regarding taxes or taxability. Each
6 Party has relied on its own independent tax counsel for advice in connection with the tax implications of
7 this Settlement Agreement.

8 71. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
9 OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
10 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
11 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
12 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
13 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
14 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
15 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
16 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
17 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
18 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
19 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
20 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
21 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
22 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
23 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
24 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
25 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
26 ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER
27 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
28 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY

TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

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

73. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as null and void from the beginning.

74. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to request preliminary approval of the Settlement, and the entry of a Preliminary Approval Order for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii) preliminary approval of the proposed Settlement, (iii) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this Settlement and includes the proposed Notice Packet, and a signed declaration from the Settlement Administrator that provides the qualifications and experience of the Settlement Administrator, including evidence that the administrator has procedures in place to protect the security of class data, and sufficient insurance in the event of a data breach or mishandling of settlement funds. . Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Class Counsel shall send the preliminary approval motion and all supporting documents to Defendant's counsel for comment at least five (5) business days before filing. Defendant's counsel will have three (3) business days to review and provide comments/revisions. Class Counsel shall in good faith consider the comments of Defendant's counsel prior to filing the preliminary approval motion.

75. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the

1 deadlines to submit Requests for Exclusion or Notices of Objections to the Settlement Agreement, and
2 with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
3 determine the Final Approval of the Settlement Agreement along with the amounts properly payable for:
4 (i) Attorneys' Fees and Costs; (ii) the Class Representative Service Award; (iii) Individual Class
5 Payments; (iv) all Settlement Administration Costs. The Final Approval/Settlement Fairness Hearing
6 will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel will be
7 responsible for drafting all documents necessary to obtain final approval and the application for
8 Attorneys' Fees and Costs. Plaintiffs' Counsel shall send the final approval motion and all supporting
9 documents to Defendant's counsel for comment at least five (5) business days before filing. Defendant's
10 counsel will have three (3) business days to review and provide comments/revisions. Class Counsel
11 shall in good faith consider the comments of Defendant's counsel prior to filing the final approval
12 motion.

13 76. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
14 Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to
15 the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely
16 for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii)
17 Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under
18 court rules or as set forth in this Settlement Agreement.

19 77. Release of Claims by Participating Class Members and Aggrieved Employees. Upon the
20 date that Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the
21 Individual Class Payments, each of the Aggrieved Employees release all Released PAGA Claims against
22 the Released Parties, and each of the Participating Class Members, in exchange for their Individual Class
23 Payments, release all Released Class Claims against the Released Parties and waive any further attempt
24 by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind (including
25 participation to any extent in any representative, class, or collective action) to obtain a recovery based on
26 any Released Class Claim.

27 78. Release by Plaintiffs. Upon the date the Defendant fully funds the Gross Settlement
28 Amount and all employer payroll taxes owed on the Individual Class Payments, in addition to the claims

being released by all Participating Class Members and Aggrieved Employees, Plaintiffs will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiffs have or may have against the Released Parties as of the date of execution of this Settlement Agreement.

79. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

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.

80. Exhibits Incorporated by Reference. 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 Settlement Agreement are an integral part of the Settlement.

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

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

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

Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

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

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

86. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

87. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. 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.

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

89. Class Action Certification for Settlement Purposes Only. The Parties stipulate to class action certification under California Code of Civil Procedure section 382 for purposes of the Settlement only. If, for any reason, the Settlement is not finally approved, the stipulation to certification will be void, the Parties will not so stipulate and no party will be estopped. In that event, Defendant expressly reserves all rights to oppose class certification, and the Parties will revert to their positions prior to provisional certification. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification

1 motions and that this Settlement Agreement will not be admissible in this or any other proceeding as
2 evidence that either (i) a class action should be certified or (ii) Defendant is liable to Plaintiff or any Class
3 Member, other than according to the Settlement's terms.

4 90. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
5 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
6 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
7 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
8 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
9 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
10 respect to their employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor
11 any of the negotiations connected with it, will be construed as an admission or concession by Defendant
12 of any such violations or failures to comply with any applicable law. Except as necessary in a
13 proceeding to enforce the terms of this Settlement, this Settlement Agreement and its terms and
14 provisions will not be offered or received as evidence in any action or proceeding to establish any
15 liability or admission on the part of Defendant or to establish the existence of any condition constituting a
16 violation of, or a non-compliance with, federal, state, local or other applicable law.

17 91. No Publicity: Except for communications expressly permitted pursuant to this
18 Settlement Agreement (including communications with members of the Settlement Class and Aggrieved
19 Employees and filings required by the Court), the Defendant, Plaintiffs and Class Counsel specifically
20 agree they will not contact any media nor post or disclose in a public manner (including online, web or
21 internet postings, blogs or any other form of public media) the negotiations or details of the Settlement.
22 Defendant, Plaintiffs and Class Counsel may respond to questions from the media only with language
23 that is consistent with the Notice of Class Action Settlement. However, for the limited purpose of
24 allowing Class Counsel to prove adequacy as class counsel in other actions, or to seek approval of
25 comparable settlements, Class Counsel may disclose in court filings information about the Action and
26 Settlement available in the public record. The Sacramento County Superior Court shall have the power
27 to enjoin violations of this provision and the prevailing party shall be entitled to its attorneys' fees and
28 costs.

1 92. Waiver. No waiver of any condition or covenant contained in this Settlement
2 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to
3 imply or constitute a further waiver by such party of the same or any other condition, covenant, right or
4 remedy.

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

10 94. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
11 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
12 more strictly against one party than another merely by virtue of the fact that it may have been prepared
13 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
14 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

15 95. Representation By Counsel. The Parties acknowledge that they have been represented
16 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
17 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
18 Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

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

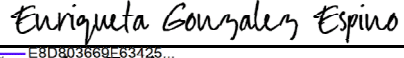
21 97. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
22 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
23 Settlement Agreement.

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

READ CAREFULLY BEFORE SIGNING

PLAINTIFF ESPINO

Dated: 12/5/2025

Firmado por:

Enriqueta Gonzalez Espino

PLAINTIFF DIAZ

Dated: 12/6/2025

Firmado por:

Ana Diaz

**DEFENDANT BERBER FOOD
MANUFACTURING LLC**

Dated: 12-4-2025


[TBD] Brooks Meltzer

APPROVED AS TO FORM

MOON LAW GROUP, PC

Dated: 12/8/2025

By: 
Kane Moon
Allen Feghali
Julie S. Oh
Jamie C. Osganian

Attorneys for Plaintiffs Enriqueta Gonzalez Espino
and Ana Diaz

SEYFARTH SHAW LLP

Dated: 12-4-2025

By: 
Phillip J. Ebsworth
Kyle W. Owen

Attorneys for Defendant BERBER FOOD
MANUFACTURING LLC

Exhibit A

NOTICE OF PROPOSED SETTLEMENT OF CLASS AND PAGA ACTION AND HEARING DATE

Enriqueta Gonzalez Espino and Ana Diaz v. Berber Food Manufacturing LLC
(Case Number 24CV019140)

***The Superior Court for the State of California authorized this Class Notice. Read it carefully!
It's not junk mail, spam, advertisement, or solicitation by an attorney. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendant Berber Food Manufacturing LLC ("Defendant") for alleged wage and hour violations. Defendant denies the allegations. The Action was filed by Plaintiffs Enriqueta Gonzalez Espino and Ana Diaz ("Plaintiffs"). The Action seeks payment of:

- (1) Unpaid wages and penalties for a class of all current and former hourly-paid or non-exempt employees of Defendant within the State of California who worked for Defendant at any time from September 24, 2020, through [REDACTED] ("Class Period"), who did not sign an arbitration agreement ("Class" or "Class Members"); and
- (2) Penalties under the Private Attorneys General Act of 2004 ("PAGA") for all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time from September 22, 2023, through [REDACTED] ("Aggrieved Employees" and "PAGA Period").

The settlement has two main parts: (1) class portion of the Settlement requiring Defendant to fund Individual Class Payments; and (2) PAGA portion of the Settlement requiring Defendant to fund Individual PAGA Payments. You may be eligible for an Individual Class Payment and an Individual PAGA Payment or just an Individual Class Payment.

Based on Defendant's records, your Individual Class Payment is estimated to be about \$ [REDACTED] (less withholding), and your Individual PAGA Payment is estimated to be about \$ [REDACTED]. The actual amount you may receive likely will be different and will depend on several factors.

These estimates are based on Defendant's records showing that you worked [REDACTED] workweeks during the Class Period and worked [REDACTED] pay periods during the PAGA Period. If you believe that you worked more workweeks during the Class Period and/or worked more pay periods during the PAGA Period, you can submit a challenge by the deadline date. See Section IV of this Class Notice.

The Court has already preliminarily approved the settlement and approved this Class Notice. The Court's approval of the settlement is not a finding of liability but an approval of the Parties' efforts to resolve the Action and end the litigation.

The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Class Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the settlement and how much of the settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the settlement and requires Class Members and Aggrieved Employees to release certain claims against Defendant.

If you worked for Defendant during the Class Period and/or PAGA Period, you have three (3) basic options under the settlement:

1. **Do Nothing.** You do not have to do anything to participate in the settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Class Member who does not submit a valid and timely Request for Exclusion (“Participating Class Members”), you will give up your right to assert Class Period wage-and-hour claims and PAGA Period penalty claims against Defendant.
2. **Opt Out of the Class Portion of the Settlement.** You can exclude yourself from the class portion of the Settlement by submitting a written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the settlement, you will not receive an Individual Class Payment but will preserve your right to personally pursue wage-and-hour claims against Defendant. If you are an Aggrieved Employee, you remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the settlement and will be bound by the release of PAGA penalty claims even if you opt out of the class portion of the Settlement.
3. **Object to the Class Portion of the Settlement but not the PAGA Portion of the Settlement.** You may also object to any aspect of the class portion of the settlement by sending written objections to the Administrator. See Section VII of this Class Notice.

Defendant will not retaliate against you for any actions you take with respect to the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don’t Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant covered by this settlement (Released Claims).
You Can Opt Out of the Class Portion of the Settlement but not the PAGA Portion of the Settlement The Opt Out Deadline is 	If you don’t want to fully participate in the settlement, you can opt out of the class portion of the Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and will no longer be eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the settlement. See Section VI of this Class Notice. You cannot opt out of the PAGA portion of the settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees, and the Aggrieved Employees will be bound by the PAGA portion of the release (defined below).

Participating Class Members Can Object to the Class Portion of the Settlement but not the PAGA Portion of the Settlement Written Objections Must be Submitted by 	All Participating Class Members can object to any aspect of the class portion of the settlement. The Court’s decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section VII of this Class Notice.
You Can Participate in the Final Approval Hearing	The Final Approval Hearing is scheduled to take place on . You don’t have to attend, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section VIII of this Class Notice.
You Can Challenge the Calculation of Your Workweeks and/or Pay Periods Written Challenges Must be Submitted by 	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depends on how many workweeks you worked during the Class Period and pay periods you worked during the PAGA Period respectively. The number of workweeks you worked during the Class Period and pay periods you worked during the PAGA Period according to Defendant’s records is stated on the first page of this Class Notice. See Section IV of this Class Notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action alleges that Defendant violated labor laws by failing to: (1) pay minimum wages; (2) pay overtime wages; (3) provide meal period premiums; (4) provide rest period premiums; (5) reimburse business expenses; (6) timely pay final wages; (7) provide compliant wage statements; and (8) comply with the requirements of Business & Professions Code section 17200. Plaintiffs also assert a claim for civil penalties under Labor Code section 2698 (PAGA). Plaintiffs are represented by attorneys Kane Moon, Allen Feghali, Julie Oh, and Jamie Osganian of Moon Law Group, PC. Defendant denies all allegations and contends that it did not violate any laws.

The Court has not made findings as to the allegations or whether any violations occurred. The settlement of the Action represents a compromise of disputed claims designed to avoid expensive and time-consuming litigation.

II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination on the merits of the allegations. The Parties hired an experienced, neutral mediator to resolve the Action by negotiating a settlement rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful following a full day of mediation. By signing the Class Action and PAGA Settlement Agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the

Action and enforcing the Agreement, the Parties have negotiated a settlement that is subject to final approval. Defendant does not admit any violations or concede the merit of any claims.

The Court has preliminarily approved the Agreement as fair, reasonable, and adequate, authorized this Class Notice, and scheduled a hearing to determine Final Approval.

III. WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

1. Defendant Will Pay \$525,000.00 as the Gross Settlement Amount. Defendant agreed to deposit the Gross Settlement Amount into an account controlled by the Settlement Administrator. The Settlement Administrator will use the Gross Settlement Amount to pay all amounts that are due under this Settlement, including the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, Administration Expenses Payment, Individual Class Payments, Individual PAGA Payments, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”).
 - a. Assuming the Court grants Final Approval, Defendant shall deposit the Gross Settlement Amount (including the employer payroll taxes) into the Qualified Settlement Fund maintained by the Administrator on the Effective Date. Within fifteen (15) calendar days after the funding of the Gross Settlement Amount, the Administrator will make all settlement payments, payroll tax payments, and remittance to relevant taxing authorities in accordance with this Agreement.
 - b. “Effective Date” means the date after which all of the following have occurred: (i) this Agreement and the contemplated settlement receive final approval from the Court; and (ii) the Judgment becomes Final. “Final” means the last of the following dates: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Court’s Judgment (this time period shall not be less than 60 calendar days after the Court’s Judgment is entered); (ii) the date affirmance of an appeal of the Judgment becomes final under the California Code of Civil Procedure; or (iii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Judgment.
2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following payments to be made from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - a. Up to (33 1/3)% of the Gross Settlement Amount) to Class Counsel as their Class Counsel Fees Payment and up to \$26,000.00 as their Class Counsel Litigation Expenses Payment.
 - b. Up to \$10,000.00 to Plaintiff Espino and up to \$10,000.00 to Plaintiff Diaz as the Class Representative Service Payments for filing the Action, working with Class Counsel, and effectively representing the Class. The Class Representative Service

Payment will be the only money Plaintiffs will receive other than the Individual Class Payment and any Individual PAGA Payment.

- c. Up to \$8,000.00 to the Settlement Administrator as the Administration Expenses Payment for services administering the Agreement.
 - d. Up to \$30,000.00 for PAGA Penalties, sixty-five percent (65%) of which (\$19,500.00) will be paid to the LWDA as the LWDA PAGA Payment and thirty-five percent (35%) of which (\$10,500.00) will be paid to the Aggrieved Employees as their Individual PAGA Payments based on their PAGA Pay Periods.
3. Net Settlement Amount. After making the above distributions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (“Net Settlement Amount”) by making out Individual Class Payments to Participating Class Members based on their workweeks worked during the Class Period.
4. Taxes Owed on Payments to Class Members. The Parties are asking the Court to approve an allocation of twenty percent (20%) of each Individual Class Payment to the settlement of wage claims (“Wage Portion”) eighty percent (80%) of each Individual Class Payment to the settlement of claims for interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS Form W-2. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and Non-Wage Portions of the Individual Class Payments on IRS Form 1099.
 - a. While the Parties agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the Agreement. You should consult a tax advisor if you have any questions about the tax consequences of the settlement.
5. Need to Promptly Cash Payment Checks. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller’s Unclaimed Property Fund in the name of the Class Member. If the monies represented by your check is sent to the California Controller’s Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Request for Exclusion from the Class Portion of the Settlement. You will be treated as a Participating Class Member, participating fully in the class portion of the Settlement, unless you notify the Administrator in writing that you wish to opt out. Class Members who request exclusion will not receive Individual Class Payments but will preserve their rights to personally pursue wage-and-hour claims against Defendant.

- a. You cannot opt out of the PAGA portion of the Settlement. In other words, Class Members who exclude themselves from the class portion of the Settlement remain eligible for Individual PAGA Payments and will be bound by the release of PAGA penalty claims.
7. Right to Object. Participating Class Members have the right to object to any of the above-mentioned payments. Class Members who opt out can only object to the PAGA Penalties. The Court will consider all objections.
8. The Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Agreement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. In either case, the Parties agreed if the Agreement will be void: (a) Defendant will not pay any money; and (b) Class Members will not release any claims against Defendant.
9. Administrator. The Court has appointed ILYM, Group (“Settlement Administrator”) to send this Class Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Settlement Administrator will also decide Class Member and Aggrieved Employee challenges over workweeks and pay periods, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Agreement. The Settlement Administrator’s contact information is contained in Section IX of this Class Notice.
10. Release by Participating Class Members. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Participating Class Members will waive and release the Released Parties from the Released Class Claims. The Released Class Claims means all claims that were alleged, or reasonably could have been alleged, in the Complaint based on the facts asserted therein by current and former hourly, non-exempt employees of Defendant in California during the Class Period. The Released Claims include, but are not limited to, claims for alleged violations of the following California Labor Code provisions: 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 245–249, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2699, 2802 and the applicable IWC wage order, and the California Business and Professions Code § 17200 et seq., any claims for interest and attorneys’ fees and costs arising out of the alleged violations. The Released Class Claims do not include any other claims, such as claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers’ compensation or claims based on events occurring outside the Class Period.
11. Release by Aggrieved Employees. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, State of California, and Aggrieved Employees will waive and release the Released Parties from the Released PAGA Claims.

The Released PAGA Claims means any and all claims for PAGA penalties that were alleged, or could have been alleged, in the Complaint or Plaintiff's LWDA notice(s), based on the facts stated therein, related to work performed by current and former hourly, non-exempt employees of Defendant in California during the PAGA Period. The Released PAGA Claims include, but are not limited to, claims for PAGA penalties based on the alleged violations of the following California Labor Code provisions: 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 227.3, 245–249, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2699, 2802, and the applicable IWC wage order, and any claims for interest, and attorneys' fees and costs arising out of the alleged claims for PAGA penalties.

12. Released Parties. The Released Parties are defined as Defendant Berber Food Manufacturing LLC, C.H. Guenther & Son LLC, and each and every one of their member companies, affiliated and related entities, predecessors, successors and each of these parties' and entities' respective past and present officers, directors, employees, partners, members, shareholders, owners, divisions, insurers, agents, attorneys, and any other successors, assigns, or legal representatives.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by: (a) dividing the Net Settlement Amount by the total number of workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by each Participating Class Member's workweeks during the Class Period.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by: (a) dividing the thirty-five percent (35%) share of PAGA Penalties by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's pay periods during the PAGA Period.
3. Workweek / Pay Period Challenges. The number of workweeks you worked during the Class Period and number of pay periods you worked during the PAGA Period, as reflected in Defendant's records, are stated on the first page of this Class Notice. You have until [REDACTED] to challenge the number of workweeks and pay periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail. Section IX of this Class Notice has the Administrator's contact information.
 - a. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of workweeks and pay periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve workweek and pay period challenges based on your submission and on input from Defense Counsel where applicable. The Administrator's decision is final, and you can't appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will mail a single check to every Participating Class Member, including those who also qualify as Aggrieved Employees. The single check will combine Individual Class Payment and Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will mail a single Individual PAGA Payment check to Aggrieved Employees who opt out of the class portion of the Settlement.
3. **Your check will be sent to the same address as this Class Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section IX of this Class Notice has the Administrator's contact information.**

VI. HOW DO I OPT OUT OF THE CLASS PORTION OF THE SETTLEMENT?

Submit a written and signed letter with your full name with a simple statement that you do not want to participate in the Agreement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Enriqueta Gonzalez Espino and Ana Diaz v. Berber Food Manufacturing LLC* (Case Number 24CV019140), and include your full name. You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid. Section IX of the Class Notice has the Administrator's contact information.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Agreement. A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment may wish to object. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Enriqueta Gonzalez Espino and Ana Diaz v. Berber Food Manufacturing LLC* (Case Number 24CV019140), include your full name, and sign the objection. Section IX of this Class Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain an attorney to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. Participating Class Members do not need to submit a written objection to the Administrator to be heard at the Final Approval Hearing. Finally, the Court will hear and consider objections to the PAGA portion of the Settlement. See Section VIII of this Class Notice for specifics regarding the Final Approval Hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department 23 of the Sacramento County Superior Court located at 720 9th Street, Sacramento, California 95814. At the Final Approval Hearing, the judge will decide whether to grant Final Approval of the Agreement and how much of the Gross Settlement Amount will be paid to Class

Counsel, Plaintiffs, and Administrator. The Court will invite comments from objectors, Class Counsel, and Defense Counsel before deciding.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [REDACTED] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

Although the Class Members may appear in person, the judge overseeing this case encourages remote appearances. (As of January 3, 2022, the Court's preferred remote platform is Zoom.) The Class Members who wish to appear remotely should contact class counsel at least three (3) days before the hearing if possible. The link for appearing at the hearing at the above referenced date and time in Department 23 can be accessed through the following address: <https://www.saccourt.ca.gov/civil/docs/civil-court-zoom-links.pdf>.

IX. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything the Parties have promised to do. The easiest way to read the Agreement, Judgment, or any other settlement documents is to go to Administrator's website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below.

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement, which is on file with the Clerk of the Court. The pleadings and other records in this matter, including the Settlement, may be examined (1) online on the Superior Court of California, County of Sacramento's Electronic Filing and Service Website at <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx>; or (2) in person at the Court's Civil Law and Motion Counter located at 813 6th Street, Sacramento, California 95814, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Administrator.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT.

Class Counsel:

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Allen Feghali
Julie Oh
Jamie Osganian
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joh@moonlawgroup.com
josganian@moonlawgroup.com

Administrator:

[ADMINISTRATOR]
[MAILING ADDRESS]

[TELEPHONE NUMBER]
[EMAIL]

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund at https://www.sco.ca.gov/search_upd.html for instructions on how to retrieve the funds.

XI. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

NOTICE OF PROPOSED SETTLEMENT OF PAGA ACTION AND HEARING DATE

Enriqueta Gonzalez Espino and Ana Diaz v. Berber Food Manufacturing LLC
(Case Number 24CV019140)

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, advertisement, or solicitation by an attorney. You are not being sued.

You may be eligible to receive money from an employee representative action lawsuit (“Action”) against Defendant Berber Food Manufacturing LLC (“Defendant”) for alleged wage and hour violations. Defendant denies the allegations. The Action was filed by Plaintiffs Enriqueta Gonzalez Espino and Ana Diaz (“Plaintiffs”). The Action seeks payment of:

Penalties under the Private Attorneys General Act of 2004 (“PAGA”) for all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time from September 22, 2023, through [REDACTED] (“Aggrieved Employees” and “PAGA Period”).

You are eligible for an Individual PAGA Payment as part of this settlement.

Based on Defendant’s records, your Individual PAGA Payment is estimated to be about \$ [REDACTED]. The actual amount you may receive likely will be different and will depend on several factors.

This estimate is based on Defendant’s records showing that you worked [REDACTED] pay periods during the PAGA Period. If you believe that you worked more pay periods during the PAGA Period, you can submit a challenge by the deadline date. See Section VII of this Notice.

The Court has already preliminarily approved the settlement and approved this Notice. The Court’s approval of the settlement is not a finding of liability but an approval of the Parties’ efforts to resolve the Action and end the litigation.

As a member of the Aggrieved Employee group within the PAGA Period, you cannot opt out of the PAGA settlement. You will be bound by the release of PAGA penalty claims.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don’t Have to Do Anything to receive your portion of the PAGA Settlement	Because you are a member of the Aggrieved Employee group, you do not have to do anything to collect a proportionate share of the PAGA settlement. You will also be bound by the release of the PAGA penalty claims by default and you do not have the option to opt out of the settlement.
You Can Challenge the Calculation of Your Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual PAGA Payment depends on how many pay periods you worked during the PAGA Period. The number of pay periods you worked during the PAGA Period according to Defendant’s records is stated on the first page of this Notice. See Section VII of this Notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action alleges that Defendant owes civil penalties under Labor Code section 2698 (PAGA) for failing to: (1) pay minimum wages; (2) pay overtime wages; (3) provide meal period premiums; (4) provide rest period premiums; (5) reimburse business expenses; and (6) timely pay final wages. Plaintiffs are represented by attorneys Kane Moon, Allen Feghali, Julie Oh, and Jamie Osganian of Moon Law Group, PC. Defendant denies all allegations and contends that it did not violate any laws.

The Court has not made findings as to the allegations or whether any violations occurred. The settlement of the Action represents a compromise of disputed claims designed to avoid expensive and time-consuming litigation.

II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination on the merits of the allegations. The Parties hired an experienced, neutral mediator to resolve the Action by negotiating a settlement rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful following a full day of mediation. By signing the PAGA Settlement Agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, the Parties have negotiated a settlement that is subject to final approval. Defendant does not admit any violations or concede the merit of any claims.

The Court has preliminarily approved the Agreement, authorized this Notice, and scheduled a hearing to determine Final Approval.

III. WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

1. Defendant Will Pay \$30,000.00 to the PAGA Fund. Defendant agreed to deposit the PAGA Fund into an account controlled by the Settlement Administrator. The Settlement Administrator will use the PAGA Fund to pay the amounts that are due under this Settlement, including the Individual PAGA Payments, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”).
 - a. Sixty-five percent (65%) of the PAGA Fund, or \$19,500.00, will be paid to the LWDA as the required LWDA PAGA Payment. The remaining thirty-five percent (35%), or \$10,500.00, will be paid to the Aggrieved Employees as their Individual PAGA Payments based on their PAGA Pay Periods.
2. Tax Treatment of PAGA Payments. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments on IRS Form 1099.
 - a. Reference to tax treatment in this Notice does not constitute tax advice. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the Agreement. You should consult a tax advisor if you have any questions about the tax consequences of the settlement.

3. Need to Promptly Cash Payment Checks. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. For any Individual PAGA Payment check that is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. If the monies represented by your check is sent to the California Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.
4. The Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Agreement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. In either case, the Parties agreed if the Agreement will be void: (a) Defendant will not pay any money; and (b) Aggrieved Employees will not release any claims against Defendant.
5. Administrator. The Court has appointed ILYM, Group ("Settlement Administrator") to send this Notice, calculate and make payments, and process Aggrieved Employee objections. The Settlement Administrator will also decide Aggrieved Employees' challenges over pay periods, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Agreement. The Settlement Administrator's contact information is contained in Section IX of this Notice.
6. Release by Aggrieved Employees. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiffs, the State of California, and Aggrieved Employees will waive and release the Released Parties from the Released PAGA Claims. The Released PAGA Claims means any and all claims for PAGA penalties that were alleged, or could have been alleged, in the Complaint or Plaintiff's LWDA notice(s) based on the facts stated therein related to work performed by current and former hourly, non-exempt employees of Defendant in California during the PAGA Period. The Released PAGA Claims include, but are not limited to, claims for PAGA penalties based on the alleged violations of the following California Labor Code provisions: 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 227.3, 245–249, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2699, 2802, and the applicable IWC wage order, and any claims for interest, and attorneys' fees and costs arising out of the alleged claims for PAGA penalties.
7. Released Parties. The Released Parties are defined as Defendant Berber Food Manufacturing LLC, C.H. Guenther & Son LLC, and each and every one of their member companies, affiliated and related entities, predecessors, successors and each of these parties' and entities' respective past and present officers, directors, employees, partners, members, shareholders, owners, divisions, insurers, agents, attorneys, and any other successors, assigns, or legal representatives.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by: (a) dividing the thirty-five percent (35%) share of PAGA Penalties by the total number

of pay periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's pay periods during the PAGA Period.

2. **Pay Period Challenges.** The number of pay periods you worked during the PAGA Period, as reflected in Defendant's records, are stated on the first page of this Notice. You have until [REDACTED] to challenge the number of pay periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail. Section IX of this Notice has the Administrator's contact information.
 - a. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of pay periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve pay period challenges based on your submission and on input from Defense Counsel where applicable. The Administrator's decision is final, and you can't appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

The Administrator will mail a single Individual PAGA Payment check to Aggrieved Employees.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section IX of this Notice has the Administrator's contact information.

IX. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything the Parties have promised to do. The easiest way to read the Agreement, Judgment, or any other settlement documents is to go to Administrator's website at [REDACTED]. You can also telephone or send an email to PAGA Counsel or the Administrator using the contact information listed below.

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this matter, including the Settlement, may be examined (1) online on the Superior Court of California, County of Sacramento's Electronic Filing and Service Website at <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx>; or (2) in person at the Court's Civil Law and Motion Counter located at 813 6th Street, Sacramento, California 95814, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact PAGA Counsel or the Administrator.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT.

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Administrator:

[ADMINISTRATOR]
[MAILING ADDRESS]
[TELEPHONE NUMBER]
[EMAIL]

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund at https://www.sco.ca.gov/search_upd.html for instructions on how to retrieve the funds.

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