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15
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17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

18 **COUNTY OF STANISLAUS**

19
 20 CHRISTIAN PONCE, EDWARD NANEZ,
 21 DEMETRIUS POWELL, and LUIS J. FERRER
 GONZALEZ, individually, and on behalf of all
 others similarly situated,

22 Plaintiff,

23 vs.

24 CALIFORNIA DAIRIES, INC., a California
 25 corporation; and DOES 1 through 10, inclusive,

26 Defendants.

Case No.: CV-22-004659

CLASS ACTION

[Hon. Sonny S. Sandhu]

**CLASS ACTION AND PAGA SETTLEMENT
 AGREEMENT AND CLASS NOTICE**

Complaint filed: October 11, 2022
 FAC filed: January 24, 2023
 Trial date: Not set

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE**

2 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between
3 plaintiffs Christian Ponce, Demetrius Powell, Edward Nanez, and Luis J. Ferrer Gonzalez (“Plaintiffs”)
4 and defendant California Dairies, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant
5 collectively as “Parties,” or individually as “Party.”

6
7 **1. DEFINITIONS.**

8 1.1. “Action” means the Plaintiffs’ lawsuit, inclusive of all Parties, allegations, causes of action
9 and prayers for relief set forth in the Fifth Amended Complaint against Defendant
10 captioned *Christian Ponce v. California Dairies, Inc., et al.*, Case No.: CV-22-004659
11 initiated on October 11, 2022, and pending in the Superior Court of the State of California,
12 County of Stanislaus.

13 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to
14 appoint to administer the Settlement.

15 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
16 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
17 accordance with the Administrator’s “not to exceed” bid submitted to the Court in
18 connection with Preliminary Approval of the Settlement.

19 1.4. “Aggrieved Employee” means all current and former non-exempt employees of Defendant
20 who worked in the state of California during the PAGA Period.

21 1.5. “Class” means all current and former non-exempt employees of Defendant who worked in
22 the state of California during the Class Period.

23 1.6. “Class Counsel” means Moon Law Group, P.C. and Lavi & Ebrahimian, LLP.

24 1.7. “Class Counsel Fees Payment” and “Class Litigation Expenses Payment” mean the
25 amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and to
26 Class Counsel and Co-Counsel for reimbursement of litigation expenses incurred to
27 prosecute the Action.

28 1.8. “Class Data” means Class Member identifying information in Defendant’s possession

1 including the Class Member’s name, last-known mailing address, Social Security number,
2 and number of Class Period Workweeks and PAGA Pay Periods.

3 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a
4 Participating Class Member or Non-Participating Class Member (including a Non-
5 Participating Class Member who qualifies as an Aggrieved Employee).

6 1.10. “Class Member Address Search” means the Administrator’s investigation and search for
7 current Class Member mailing addresses using all reasonably available sources, methods
8 and means including, but not limited to, the National Change of Address (“NCOA”)
9 database, skip traces, and direct contact by the Administrator with Class Members.

10 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION
11 SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be
12 mailed to Class Members in English with a Spanish translation, if applicable in the form,
13 without material variation unless otherwise agreed by the Parties, attached as Exhibit A
14 and incorporated by reference into this Agreement. The Parties, through counsel, may
15 agree to modifications to the Class Notice required to correct errors or effectuate changes
16 required by the Court without the need to amend this Agreement, and any revised Class
17 Notice shall be incorporated herein in place of the original Exhibit A.

18 1.12. “Class Period” means the period from October 11, 2018, through June 30, 2025.

19 1.13. “Class Representatives” means the named Plaintiffs in the operative complaint in the
20 Action seeking Court approval to serve as Class Representatives.

21 1.14. “Class Representative Service Payments” means the payments to the Class Representatives
22 for initiating the Action and providing services in support of the Action.

23 1.15. “Court” means the Superior Court of California, County of Stanislaus.

24 1.16. “Defendant” means named Defendant California Dairies, Inc.

25 1.17. “Defense Counsel” means Sutton Hague Law Corporation, P.C.

26 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the
27 Court enters a Judgment on its order granting final approval of the Settlement; and (b) the
28 Approval Order and Judgment is final. The Approval Order and Judgment is final as of the

1 latest of the following occurrences:(i) the 65th day after the Court enters its Approval
 2 Order and Judgment, if no appeal has been filed, or (ii) if a Class Member or the LWDA
 3 timely and properly intervenes or files a motion to vacate the Judgment under Code of
 4 Civil Procedure § 663 or initiates another collateral attack, and if a timely appeal is filed,
 5 then the date of final resolution of that appeal or other collateral attack (including any
 6 requests for rehearing and/or petitions for *certiorari*), resulting in final judicial approval of
 7 the Settlement. .

8 1.19. “Final Approval” or “Approval Order” means the Court’s order granting final approval of
 9 the Settlement.

10 1.20. “Final Approval Hearing” means the Court’s hearing on the motion for final approval of
 11 the Settlement.

12 1.21. “Gross Settlement Amount” means Two Million Dollars and Zero Cents (\$2,000,000.00)
 13 which is the total amount Defendant agrees to pay under the Settlement except as provided
 14 in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class
 15 Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees
 16 Payment, Class Litigation Expenses Payment, Class Representative Service Payments and
 17 the Administration Expenses Payment.

18 1.22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the
 19 Net Settlement Amount calculated according to the number of Workweeks worked during
 20 the Class Period.

21 1.23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of
 22 the PAGA Penalties calculated according to the number of PAGA Pay Periods worked
 23 during the PAGA Period.

24 1.24. “Judgment” means the judgment entered by the Court based upon the Final Approval.

25 1.25. “LWDA” means the California Labor and Workforce Development Agency, the agency
 26 entitled, under Labor Code § 2699(i).

27 1.26. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA
 28 under Labor Code § 2699(i).

- 1 1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following
2 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA
3 PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment,
4 Class Litigation Expenses Payment, and the Administration Expenses Payment. The
5 remainder is to be paid to Participating Class Members as Individual Class Payments.
- 6 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Class
7 portion of the Settlement by sending the Administrator a valid and timely Request for
8 Exclusion.
- 9 1.29. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked
10 for Defendant for at least one day during the PAGA Period.
- 11 1.30. “PAGA Period” means the period from October 11, 2021, through June 30, 2025.
- 12 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 13 1.32. “PAGA Notices” means Plaintiff Ponce’s PAGA letter and Plaintiff Gonzalez’s PAGA
14 letter to Defendant and the LWDA and any supplements thereto, providing notice pursuant
15 to Labor Code § 2699.3(a).
- 16 1.33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
17 Gross Settlement Amount (\$100,000.00), allocated 25% to the Aggrieved Employees
18 (\$25,000.00) and the 75% to LWDA (\$75,000.00) in settlement of PAGA claims.
- 19 1.34. “Participating Class Member” means a Class Member who does not submit a valid and
20 timely Request for Exclusion from the Class portion of the Settlement.
- 21 1.35. “Plaintiffs” means Christian Ponce, Demetrius Powel, Edward Nanez, and Luis J. Ferrer
22 Gonzalez, the named plaintiffs in the Action.
- 23 1.36. “Preliminary Approval” means the Court’s order granting preliminary approval of the
24 Settlement.
- 25 1.37. “Preliminary Approval Order” means the proposed order granting preliminary approval of
26 the Settlement.
- 27 1.38. “Released Class Claims” means the claims being released as described in Paragraph 5.2
28 below.

1 1.39. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3
2 below.

3 1.40. “Released Parties” means: Defendant and all of its current and former subsidiaries,
4 affiliates, parents, predecessors, successors, divisions, units, partners, component
5 companies, assigns, licensees, owners, directors, officers, executives, supervisors,
6 managers, partners, agents, representatives, health and welfare benefit plans including but
7 not limited to any long- and short-term benefit plans, insurers, reinsurers, servants,
8 executors, administrators, accountants, investigators, heirs, and attorneys, and all persons
9 acting under, by through, or in concert with any of them.

10 1.41. “Request for Exclusion” means a Class Member’s submission of a written request to be
11 excluded from the Class Settlement signed by the Class Member.

12 1.42. "Response Deadline" means sixty (60) days after the Administrator mails Notice to Class
13 Members and Aggrieved Employees and shall be the last date on which Class Members
14 may: (a) fax, email, or mail Requests for Exclusion from the Class portion of the
15 Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. The Response
16 Deadline for Class Members to whom Notice Packets are resent after having been returned
17 undeliverable to the Administrator shall be extended by 14 days beyond the original
18 Response Deadline.

19 1.43. “Settlement” means the disposition of the Action effected by this Agreement and the
20 Judgment.

21 1.44. “Workweek” means any week during which a Class Member worked for Defendant for at
22 least one day, during the Class Period.

23
24 **2. RECITALS.**

25 2.1. On October 11, 2022, Plaintiff Christian Ponce commenced this Action by filing a Class
26 Action Complaint alleging causes of action against Defendant for failure to pay minimum
27 wages, failure to pay overtime compensation, failure to provide meal periods, failure to
28 authorize and permit rest breaks, failure to indemnify necessary business expenses, failure

1 to timely pay final wages at termination, failure to provide accurate itemized wage
2 statements, and unfair business practices. On January 24, 2023, Plaintiff Christian Ponce
3 filed a First Amended Complaint alleging causes of action against Defendant for failure to
4 pay minimum wages, failure to pay overtime compensation, failure to provide meal
5 periods, failure to authorize and permit rest breaks, failure to indemnify necessary business
6 expenses, failure to timely pay final wages at termination, failure to provide accurate
7 itemized wage statements, unfair business practices, and civil penalties under PAGA. On
8 March 8, 2024, Plaintiffs Christian Ponce and Edward Nanez filed a Second Amended
9 Complaint to add Plaintiff Edward Nanez as a named plaintiff. On May 9, 2024, Plaintiffs
10 Christian Ponce and Edward Nanez filed a Third Amended Complaint to add an additional
11 cause of action for civil penalties under PAGA for Plaintiff Edward Nanez. On January
12 27, 2025, Plaintiffs filed a Fourth Amended Complaint to add Plaintiff Demetrius Powell
13 as a named plaintiff. On September 5, 2025, the Parties filed a Fifth Amended Complaint
14 in order to add Plaintiff Luiz J. Ferrer Gonzalez as a named plaintiff and add a cause of
15 action for failure to pay sick day wages. The Fifth Amended Complaint is the operative
16 complaint in the Action (the “Operative Complaint.”) Defendant denies the allegations in
17 the Operative Complaint, denies any failure to comply with the laws identified in in the
18 Operative Complaint and denies any and all liability for the causes of action alleged.

19 2.2. Pursuant to Labor Code § 2699.3(a), Plaintiffs gave timely written notice to Defendant and
20 the LWDA by sending the PAGA Notice.

21 2.3. On March 31, 2025, the Parties participated in an all-day mediation presided over by
22 experienced employment law mediator the Hon. Carl West (Ret.) which ultimately led to
23 this Agreement to settle the Action.

24 2.4. Prior to mediation, Plaintiffs obtained, through informal discovery: (1) a representative
25 randomized sampling of corresponding time and payroll records for the putative class; (2)
26 company handbooks and written policies in effect during the Class and PAGA Periods; (3)
27 Plaintiffs’ personnel records and employment files; (4) Class data points, including, for
28 both current and formerly-employed Class Members between the start of the Class Period

(October 11, 2018) and the date of mediation (March 31, 2025), total numbers of Class Members, average hourly rates, and approximate numbers of workweeks worked, pay periods, and wage statements issued; and (5) PAGA (and wage statement penalty) group data points, including, for both current and formerly-employed Aggrieved Employees between the start of the PAGA Period (October 11, 2021) and the date of mediation (March 31, 2025), total numbers of Aggrieved Employees, average hourly rates, and approximate numbers of workweeks worked, pay periods, and wage statements issued. Plaintiffs' 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) ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

2.6. The Parties, Class Counsel, Co-Counsel, and Defense Counsel represent that, with the exception of pending cases filed by Plaintiff and proposed Class Representative Luis J. Ferrer Gonzalez in Tulare County Superior Court (Case Nos. VCU301419 and VCU303245), which Plaintiff Gonzalez will dismiss with prejudice following Judgment and Final Approval in the instant case, they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Two Million Dollars and Zero Cents (\$2,000,000.00) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed. Defendant has no obligation to pay the Gross Settlement Amount or any payroll taxes prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the

1 following payments from the Gross Settlement Amount, in the amounts specified by the
2 Court in the Final Approval:

3 3.2.1. To Plaintiffs: Class Representative Service Payments to the Class Representatives
4 of not more than Ten Thousand Dollars and Zero Cents (\$10,000.00) each in
5 addition to any Individual Class Payment and any Individual PAGA Payment the
6 Class Representatives are entitled to receive as Participating Class Members and/or
7 Aggrieved Employees. Defendant will not oppose Plaintiffs' request for Class
8 Representative Service Payments that do not exceed this amount. As part of the
9 motion for Class Counsel Fees Payment and Class Litigation Expenses Payment,
10 Plaintiffs will seek Court approval for any Class Representative Service Payments
11 no later than 16 court days prior to the Final Approval Hearing. If the Court
12 approves Class Representative Service Payments less than the amount requested,
13 the Administrator will retain the remainder in the Net Settlement Amount. The
14 Administrator will pay the Class Representative Service Payments using IRS Form
15 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on
16 the Class Representative Service Payment.

17 3.2.2. To Class Counsel and Co-Counsel: A Class Counsel Fees Payment of not more
18 than 33 1/3%, which is currently estimated to be Six Hundred Sixty-Six Thousand
19 Six Hundred Sixty-Six Dollars and Sixty Six Cents (\$666,666.66) and a Class
20 Litigation Expenses Payment of not more than Sixty Five Thousand Dollars and
21 Zero Cents (\$65,000.00). Defendant will not oppose requests for these payments
22 provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel
23 will file a motion for Class Counsel Fees Payment and Class Litigation Expenses
24 Payment no later than 16 court days prior to the Final Approval Hearing. If the
25 Court approves a Class Counsel Fees Payment and/or a Class Litigation Expenses
26 Payment less than the amounts requested, Class Counsel reserves the right to
27 appeal such order and if such appeal is denied then the Administrator will allocate
28 the remainder to the Net Settlement Amount. Released Parties shall have no

1 liability to Class Counsel or any other Plaintiffs’ Counsel arising from any claim to
 2 any portion any Class Counsel Fee Payment and/or Class Litigation Expenses
 3 Payment. The Administrator will pay the Class Counsel Fees Payment and Class
 4 Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel
 5 assumes full responsibility and liability for taxes owed on the Class Counsel Fees
 6 Payment and the Class Litigation Expenses Payment and holds Defendant
 7 harmless, and indemnifies Defendant, from any dispute or controversy regarding
 8 any division or sharing of any of these Payments.

9 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed
 10 Nineteen Thousand Dollars and Zero Cents (\$19,000.00) except for a showing of
 11 good cause and as approved by the Court. To the extent the Administration
 12 expenses are less or the Court approves payment less than \$19,000.00, the
 13 Administrator will retain the remainder in the Net Settlement Amount.

14 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by
 15 (a) dividing the Net Settlement Amount by the total number of Workweeks worked
 16 by all Participating Class Members during the Class Period and (b) multiplying the
 17 result by each Participating Class Member’s Workweeks.

18 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
 19 Class Member’s Individual Class Payment will be allocated to settlement
 20 of wage claims (the “Wage Portion”). The Wage Portions are subject to tax
 21 withholding and will be reported on an IRS W-2 Form. The 80% of each
 22 Participating Class Member’s Individual Class Payment will be allocated
 23 to settlement of claims for interest and penalties (the “Non-Wage
 24 Portion”). The Non-Wage Portions are not subject to wage withholdings
 25 and will be reported on IRS 1099 Forms. Participating Class Members
 26 assume full responsibility and liability for any employee taxes owed on
 27 their Individual Class Payment.

28 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual

Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Workweeks of Non-Participating Class Members are not included in the calculation of payments to Participating Class Members and therefore have no effect on the calculation of Individual Class Payments paid from the Net Settlement Amount.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) to be paid from the Gross Settlement Amount, with 75% (\$75,000.00) allocated to the LWDA PAGA Payment and 25% (\$25,000.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$25,000.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099-MISC Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 2,059 Class Members who collectively worked a total of approximately 228,619 Workweeks (between the start of the Class Period on October 11, 2018, and the date of mediation on March 31, 2025), and 1,629 Aggrieved Employees who worked a total of 71,654 PAGA Pay Periods (between the start of the

PAGA Period on October 11, 2021, and the date of mediation on March 31, 2025).

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel and Co-Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant’s share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Litigation Expenses Payment, and Class Representative Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Litigation Expenses Payment and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the

1 date (not less than 180 days after the date of mailing) when the check will be
2 voided. The Administrator will cancel all checks not cashed by the void date. The
3 Administrator will send checks for Individual Settlement Payments to all
4 Participating Class Members (including those for whom Class Notice was returned
5 undelivered). The Administrator will send checks for Individual PAGA Payments
6 to all Aggrieved Employees including Non-Participating Class Members who
7 qualify as Aggrieved Employees (including those for whom Class Notice was
8 returned undelivered). The Administrator may send Participating Class Members a
9 single check combining the Individual Class Payment and the Individual PAGA
10 Payment. Before mailing any checks, the Settlement Administrator must update
11 the recipients' mailing addresses using the NCOA database.

12 4.4.2. The Administrator must conduct a Class Member Address Search for all other
13 Class Members whose checks are returned undelivered without a United States
14 Postal Service ("USPS") forwarding address. Within 7 days of receiving a
15 returned check the Administrator must re-mail checks to the USPS forwarding
16 address provided or to an address ascertained through the Class Member Address
17 Search. The Administrator need not take further steps to deliver checks to Class
18 Members whose re-mailed checks are returned as undelivered. The Administrator
19 shall promptly send a replacement check to any Class Member whose original
20 check was lost or misplaced, requested by the Class Member prior to the void date.

21 4.4.3. For any Class Member whose Individual Class Payment check or Individual
22 PAGA Payment check is uncashed and cancelled after the void date, the
23 Administrator shall transmit the funds represented by such checks to the California
24 Controller's Unclaimed Property Fund in the name of the Class Member thereby
25 leaving no "unpaid residue" subject to the requirements of California Code of Civil
26 Procedure § 384(b).

27 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
28 not obligate Defendant to confer any additional benefits or make any additional

1 payments to Class Members (such as 401(k) contributions or bonuses) beyond
2 those specified in this Agreement.

3
4 **5. RELEASES OF CLAIMS.**

5 Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all
6 employer payroll taxes owed, Plaintiffs, Class Members, and Aggrieved Employees will release claims
7 against all Released Parties as follows:

8 5.1. Plaintiffs' Release.

9 5.1.1. Scope of Plaintiffs' Release. Plaintiffs and their respective former and present
10 spouses, representatives, agents, attorneys, heirs, administrators, successors, and
11 assigns generally, release and discharge Released Parties from all claims,
12 transactions, or occurrences, including, but not limited to: (a) all claims that were,
13 or reasonably could have been, alleged, based on the facts contained, in the
14 Operative Complaint; (b) all PAGA claims that were, or reasonably could have
15 been, alleged based on facts contained in the Operative Complaint, Plaintiffs'
16 PAGA Notices, or ascertained during the Action and released under 5.2, below;
17 and (c) all claims, demands, rights, liabilities, and causes of action of every nature
18 and description whatsoever, known or unknown, asserted or that might have been
19 asserted, whether in tort, contract, or for violation of any state or federal statute,
20 rule, or regulation arising out of, relating to, or in connection with any act or
21 omission by or on the part of any of the Released Parties committed or omitted
22 prior to the execution hereof with the sole exception of any claims which cannot be
23 released as a matter of law. (The release set forth in this Paragraph shall be referred
24 to hereinafter as the "General Release"). The General Release includes any
25 unknown claims that the Named Plaintiffs do not know or suspect to exist in their
26 favor at the time of the General Release, which, if known by them, might have
27 affected their settlement with, and release of, the Released Parties by the Class
28 Representatives or might have affected their decision not to object to this

1 Settlement or the General Release. Plaintiffs’ General Release does not extend to
 2 any claims or actions to enforce this Agreement, or to any claims for vested
 3 benefits, unemployment benefits, disability benefits, social security benefits, or
 4 workers’ compensation benefits that arose at any time. Plaintiffs acknowledge that
 5 Plaintiffs may discover facts or law different from, or in addition to, the facts or
 6 law that Plaintiffs now know or believe to be true but agrees, nonetheless, that
 7 Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding
 8 such different or additional facts or Plaintiffs’ discovery of them.

9 5.1.2. Plaintiffs’ Waiver of Rights Under California Civil Code § 1542. For purposes of
 10 Plaintiffs’ General Release, Plaintiffs expressly waives and relinquishes the
 11 provisions, rights, and benefits, if any, of Section 1542 of the California Civil
 12 Code, which reads:

13 **A general release does not extend to claims that the creditor or**
 14 **releasing party does not know or suspect to exist in his or her favor**
 15 **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.

16 5.2. Release by Participating Class Members: Effective on the date when Defendant fully funds
 17 the entire Gross Settlement Amount and funds all employer payroll taxes owed, and upon
 18 the final approval of the Settlement by the Court, the Participating Class Members will
 19 fully release and discharge the Released Parties of the claims stated in the Operative
 20 Complaint and those based solely upon the facts in the Operative Complaint, including: (a)
 21 failure to pay minimum and/or overtime wages, (b) failure to provide meal breaks, (c)
 22 failure to authorize and permit rest breaks, (d) failure to reimburse business expenses, (e)
 23 failure to timely pay wages during employment, (f) failure to provide accurate itemized
 24 wage statements, (g) failure to pay sick day wages, (h) failure to timely pay all earned
 25 wages at time of separation of employment, and (i) unfair and unlawful competition. The
 26 time period governing the Released Class Claims shall be the Class Period.

27 5.3. Release by Aggrieved Employees: Effective on the date when Defendant fully funds the
 28 entire Gross Settlement Amount and funds all employer payroll taxes owed, and upon the

1 final approval of the Settlement by the Court, Plaintiffs – in their individual capacity and
 2 on behalf of the State of California and the LWDA – shall completely release and
 3 discharge the Released Parties of only PAGA claims that Plaintiffs alleged against the
 4 Released parties, on behalf of the Aggrieved Employees and the State of California, based
 5 on the facts stated in the Operative Complaint and in their LWDA notice letters, including
 6 all PAGA claims seeking civil penalties premised upon: (a) failure to pay minimum and/or
 7 overtime wages (Labor Code §§ 210, 510, 558 1194, 1197.1 and 2699(f)(2)), (b) failure to
 8 provide meal periods (Labor Code §§ 210, 512, 558 and 2699(f)(2)), (c) failure to provide
 9 rest breaks (Labor Code §§ 210, 226.7, 558 and 2699(f)(2)), (d) failure to maintain
 10 accurate records of hours worked and meal periods (Labor Code §§ 1174, 1174.5, IWC
 11 Wage Order § 7(A)(3)), (e) failure to reimburse business expenses (Labor Code § 2802),
 12 (f) failure to pay accrued vacation wages at termination (Labor Code § 227.3 and
 13 2699(f)(2)), (g) failure to timely pay wages during employment (Labor Code §§ 204 and
 14 210), (h) failure to provide accurate itemized wage statements (Labor Code §§ 226 and
 15 226.3), (i) failure to timely pay all earned wages at time of separation of employment
 16 (Labor Code §§ 201, 202, 203 and 2699(f)(2)), and (g) all other claims for civil penalties
 17 recoverable under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.* based on
 18 the facts or claims alleged in the Operative Complaint. The time period governing the
 19 PAGA Released Claims shall be the PAGA Period. The PAGA Released Claims do not
 20 release any Aggrieved Employees’ claims for wages or statutory penalties.

21
 22 **6. MOTION FOR PRELIMINARY APPROVAL.**

23 Plaintiffs agree to prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”)
 24 that complies with the Court’s current checklist for preliminary approvals, to the extent the Court
 25 maintains such a checklist.

26 6.1. Because funds from uncashed checks will be transmitted to the California Controller’s
 27 Office, Unclaimed Property Fund, Defendant and Defense Counsel have no obligation to
 28 provide declarations disclosing any facts relevant to any actual or potential conflicts with a

1 “*cy pres* recipient.”

2 6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
 3 Preliminary Approval and/or the supporting declarations and documents, Class Counsel,
 4 Co-Counsel, and Defense Counsel will expeditiously work together on behalf of the Parties
 5 by meeting and conferring, and in good faith, to resolve the disagreement. If the Court
 6 does not grant Preliminary Approval or conditions Preliminary Approval on any material
 7 change to this Agreement, Class Counsel, Co-Counsel, and Defense Counsel will
 8 expeditiously work together on behalf of the Parties by meeting and conferring, and in
 9 good faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

10
 11 **7. SETTLEMENT ADMINISTRATION.**

12 7.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve
 13 as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc.
 14 agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in
 15 this Agreement in exchange for payment of Administration Expenses. The Parties and
 16 their Counsel represent that they have no interest or relationship, financial or otherwise,
 17 with the Administrator other than a professional relationship arising out of prior
 18 experiences administering settlements.

19 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
 20 Identification Number for purposes of calculating payroll tax withholdings and providing
 21 reports state and federal tax authorities.

22 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
 23 the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation §
 24 468B-1.

25 7.4. Notice to Class Members.

26 7.4.1. No later than three 3 business days after receipt of the Class Data, the
 27 Administrator shall notify Class Counsel and Co-Counsel that the list has been
 28 received and state the number of Class Members, Aggrieved Employees,

1 Workweeks, and Pay Periods in the Class Data.

2 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14 days
3 after receiving the Class Data, the Administrator will send to all Class Members
4 identified in the Class Data, via first-class USPS mail, the Class Notice with
5 Spanish translation, if applicable substantially in the form attached to this
6 Agreement as Exhibit A. The first page of the Class Notice shall prominently
7 estimate the dollar amounts of each Individual Class Payment and/or Individual
8 PAGA Payment payable to the Class Member and/or Aggrieved Employee, and the
9 number of Workweeks and PAGA Pay Periods (if applicable) used to calculate
10 these amounts. Before mailing Class Notices, the Administrator shall update Class
11 Member addresses using the NCOA database.

12 7.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice
13 returned by the USPS as undelivered, the Administrator shall re-mail the Class
14 Notice using any forwarding address provided by the USPS. If the USPS does not
15 provide a forwarding address, the Administrator shall conduct a Class Member
16 Address Search, and re-mail the Class Notice to the most current address obtained.
17 The Administrator has no obligation to make further attempts to locate or send
18 Class Notice to Class Members whose Class Notice is returned by the USPS a
19 second time.

20 7.4.4. The deadlines for Class Members' written objections, challenges to Workweeks
21 and/or pay periods, and Requests for Exclusion will be extended an additional 14
22 days beyond the 60 days otherwise provided in the Class Notice for all Class
23 Members whose notices are re-mailed. The Administrator will inform the Class
24 Member of the extended deadline with the re-mailed Class Notice.

25 7.4.5. If the Administrator, Defendant, Class Counsel, or Co-Counsel is contacted by or
26 otherwise discovers any persons who believe they should have been included in the
27 Class Data and should have received Class Notice, the Parties will meet and confer,
28 and in good faith, in an effort to agree on whether to include them as Class

1 Members. If the Parties agree, such persons will be Class Members entitled to the
2 same rights as other Class Members, and the Administrator will send, via email or
3 overnight delivery, a Class Notice requiring them to exercise options under this
4 Agreement not later than 14 days after receipt of Class Notice, or the deadline
5 dates in the Class Notice, which ever are later.

6 **7.5. Requests for Exclusion (Opt-Outs).**

7 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class portion of
8 the Settlement must send the Administrator, by fax, email, or mail, a signed written
9 Request for Exclusion not later than 60 days after the Administrator mails the Class
10 Notice (plus an additional 14 days for Class Members whose Class Notice is re-
11 mailed). A Request for Exclusion is a letter from a Class Member or his/her
12 representative that reasonably communicates the Class Member's election to be
13 excluded from the Class portion of the Settlement and includes the Class Member's
14 name, address, and email address or telephone number. To be valid, a Request for
15 Exclusion must be timely faxed, emailed, or postmarked by the Response
16 Deadline.

17 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
18 fails to contain all the information specified in the Class Notice. The Administrator
19 shall accept any Request for Exclusion as valid if the Administrator can reasonably
20 ascertain the identity of the person as a Class Member and the Class Member's
21 desire to be excluded. The Administrator's determination shall be final and not
22 appealable or otherwise susceptible to challenge. If the Administrator has reason to
23 question the authenticity of a Request for Exclusion, the Administrator may
24 demand additional proof of the Class Member's identity. The Administrator's
25 determination of authenticity shall be final as to the Parties, but a Class Member
26 whose Request for Exclusion is rejected by the Administrator may present a
27 challenge to that determination to the Court.

28 7.5.3. Every Class Member who does not submit a timely and valid Request for

1 Exclusion is deemed to be a Participating Class Member under this Agreement,
2 entitled to all benefits and bound by all terms and conditions of the Settlement,
3 including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3
4 of this Agreement, regardless of whether the Participating Class Member actually
5 receives the Class Notice or objects to the Settlement.

6 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
7 Non-Participating Class Member and shall not receive an Individual Class
8 Payment or have the right to object to the class action components of the
9 Settlement. Because future PAGA claims are subject to claim preclusion upon
10 entry of the Judgment, Non-Participating Class Members who are Aggrieved
11 Employees are deemed to release the claims identified in Paragraph 5.3 of this
12 Agreement and are eligible for an Individual PAGA Payment.

13 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the
14 Administrator mails the Class Notice (plus an additional 14 days for Class Members whose
15 Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay
16 Periods (if any) allocated to the Class Member in the Class Notice. The Class Member
17 may challenge the allocation by communicating with the Administrator via fax, email or
18 mail. The Administrator must encourage the challenging Class Member to submit
19 supporting documentation. In the absence of any contrary documentation, the
20 Administrator is entitled to presume that the Workweeks contained in the Class Notice are
21 correct so long as they are consistent with the Class Data. The Administrator's
22 determination of each Class Member's allocation of Workweeks and/or PAGA Pay
23 Periods shall be final as to the Parties (although Defendant shall retain the right to correct
24 erroneous Class Data if subsequently discovered), but a Class Member whose Workweek
25 and/or Pay Period challenge is rejected by the Administrator may present the same
26 evidence supporting the Workweek and/or Pay Period challenge to the Court for review.
27 The Administrator shall promptly provide copies of all challenges to calculation of
28 Workweeks and/or PAGA Pay Periods to Defense Counsel, Class Counsel, and Co-

1 Counsel and the Administrator’s determination of the challenges.

2 7.7. Objections to Settlement.

3 7.7.1. Only Participating Class Members may object to the class action components of
4 the Settlement and/or this Agreement, including contesting the fairness of the
5 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
6 Litigation Expenses Payment and/or Class Representative Service Payments.

7 7.7.2. Participating Class Members may send written objections to the Administrator, by
8 fax, email, or mail. In the alternative, Participating Class Members may appear in
9 Court (or hire an attorney to appear in Court) to present verbal objections at the
10 Final Approval Hearing. A Participating Class Member who elects to send a
11 written objection to the Administrator must do so not later than 60 days after the
12 Administrator’s mailing of the Class Notice (plus an additional 14 days for Class
13 Members whose Class Notice was re-mailed).

14 7.7.3. Non-Participating Class Members have no right to object to any of the class action
15 components of the Settlement.

16 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
17 performed or observed by the Administrator contained in this Agreement or otherwise.

18 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish
19 and maintain and use an internet website to post information of interest to Class
20 Members including the date, time and location for the Final Approval Hearing and
21 copies of the Settlement Agreement, Motion for Preliminary Approval, the
22 Preliminary Approval Order, the Class Notice, the Motion for Final Approval, the
23 Motion for Class Counsel Fees Payment, Class Litigation Expenses Payment and
24 Class Representative Service Payment, the Final Approval Order, and the
25 Judgment. The Administrator will also maintain and monitor an email address and
26 a toll-free telephone number to receive Class Member calls, faxes and emails.

27 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
28 promptly review on a rolling basis Requests for Exclusion to ascertain their

1 validity. Not later than 5 days after the expiration of the deadline for submitting
2 Requests for Exclusion, the Administrator shall email a list to Class Counsel, Co-
3 Counsel, and Defense Counsel containing (a) the names and other identifying
4 information of Class Members who have timely submitted valid Requests for
5 Exclusion (“Exclusion List”); (b) the names and other identifying information of
6 Class Members who have submitted invalid Requests for Exclusion; and (c) copies
7 of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

8 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
9 reports to Class Counsel, Co-Counsel, and Defense Counsel that, among other
10 things, tally the number of: Class Notices mailed or re-mailed, Class Notices
11 returned undelivered, Requests for Exclusion (whether valid or invalid) received,
12 objections received, and challenges to Workweeks and/or PAGA Pay Periods
13 received and/or resolved (“Weekly Report”). The Weekly Reports must include
14 the Administrator’s assessment of the validity of Requests for Exclusion and attach
15 copies of all Requests for Exclusion and objections received. In addition to the
16 Weekly Reports, the Administrator shall report to the Parties when it has
17 completed the initial distribution of the Individual Class Payments and Individual
18 PAGA Payments to all individuals with valid addresses.

19 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
20 address and make decisions consistent with the terms of this Agreement on all
21 Class Member challenges over the calculation of Workweeks and/or PAGA Pay
22 Periods. The Administrator’s determination of each Class Member’s allocation of
23 Workweeks and/or PAGA Pay Periods shall be final as to the Parties (although
24 Defendant shall retain the right to correct erroneous Class Data if subsequently
25 discovered), but a Class Member whose Workweek and/or Pay Period challenge is
26 rejected by the Administrator may present the same evidence supporting the
27 Workweek and/or Pay Period challenge to the Court for review.

28 7.8.5. Administrator’s Declaration. Before the date by which Plaintiffs are required to file

1 the Motion for Final Approval of the Settlement, the Administrator will provide to
 2 Class Counsel, Co-Counsel, and Defense Counsel, a signed declaration suitable for
 3 filing in Court attesting to its due diligence and compliance with all of its
 4 obligations under this Agreement, including, but not limited to, its mailing of Class
 5 Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices,
 6 attempts to locate Class Members, the total number of Requests for Exclusion from
 7 Settlement it received (both valid or invalid), and the number of written objections
 8 and attach the Exclusion List. The Administrator will supplement its declaration as
 9 needed or requested by the Parties and/or the Court. Plaintiffs are responsible for
 10 filing the Administrator's declaration(s) in Court.

11 7.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator
 12 disburses all funds in the Gross Settlement Amount, the Administrator will provide
 13 Class Counsel, Co-Counsel, and Defense Counsel with a final report detailing its
 14 disbursements by employee identification number only of all payments made under
 15 this Agreement. At least 7 days before any deadline set by the Court, the
 16 Administrator will prepare, and submit to Class Counsel, Co-Counsel, and Defense
 17 Counsel, a signed declaration suitable for filing in Court attesting to its
 18 disbursement of all payments required under this Agreement. Plaintiffs are
 19 responsible for filing the Administrator's declaration in Court.
 20

21 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

22 Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are
 23 2,059 Class Members and approximately 228,619 Total Workweeks (between the start of the Class Period
 24 on October 11, 2018, and the date of mediation on March 31, 2025) and (2) there were 1,629 Aggrieved
 25 Employees who worked 71,654 Pay Periods (between the start of the PAGA Period on October 11, 2021,
 26 and the date of the mediation on March 31, 2025).

27 8.1 Increase in Workweeks. In the event the number of Workweeks worked by Class Members
 28 during the Class Period increases by more than 10%, or reaches more than 251,480 Workweeks,

1 then Defendant has the option to either (i) pay a pro-rata increase in the Gross Settlement Amount
 2 resulting from this escalator clause being triggered, (e.g. if the number of workweeks increases by
 3 12%, then a 2% increase in the Gross Settlement Amount), or (ii) end the Class Period on the date
 4 immediately prior to the escalator clause being triggered.

5
 6 **9. DEFENDANT’S RIGHT TO WITHDRAW.**

7 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 15% of the total of
 8 all Class Members, Defendant may, but is not obligated to, withdraw from the Settlement. The Parties
 9 agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect
 10 whatsoever, and that neither Party will have any further obligation to perform under this Agreement;
 11 provided, however, Defendant will remain responsible for paying all Settlement administration expenses
 12 incurred to that point. Defendant must notify Class Counsel, Co-Counsel, and the Court of its election to
 13 withdraw not later than 14 days after the Administrator sends the final Exclusion List to Defense Counsel;
 14 late elections will have no effect.

15
 16 **10. MOTION FOR FINAL APPROVAL.**

17 Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a
 18 motion for final approval of the Settlement that includes a request for approval of the PAGA settlement
 19 under Labor Code § 2699(I), a Proposed Final Approval Order and a proposed Judgment (collectively
 20 “Motion for Final Approval”). .

21 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by
 22 a Participating Class Member, including the right to file responsive documents in Court no
 23 later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or
 24 accepted by the Court.

25 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
 26 Approval on any material change to the Settlement (including, but not limited to, the scope
 27 of release to be granted by Class Members), the Parties will expeditiously work together in
 28 good faith to address the Court’s concerns by revising the Agreement as necessary to

1 obtain Final Approval. The Court's decision to award less than the amounts requested for
2 the Class Representative Service Payment, Class Counsel Fees Payment, Class Litigation
3 Expenses Payment and/or Administration Expenses Payment shall not constitute a material
4 modification to the Agreement within the meaning of this paragraph, but Plaintiffs reserve
5 the right to appeal any such decision by the Court to award less than the amounts
6 requested.

7 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
8 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
9 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
10 administration matters, and (iii) addressing such post-Judgment matters as are permitted by
11 law.

12 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
13 conditions of this Agreement, specifically including the Class Counsel Fees Payment and
14 Class Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
15 respective counsel, and all Participating Class Members who did not object to the
16 Settlement as provided in this Agreement, waive all rights to appeal from the Judgment,
17 including all rights to post-judgment and appellate proceedings, the right to file motions to
18 vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of
19 appeal does not include any waiver of the right to oppose such motions, writs or appeals. If
20 an objector appeals the Judgment, the Parties' obligations to perform under this Agreement
21 will be suspended until such time as the appeal is finally resolved and the Judgment
22 becomes final.

23 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
24 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
25 material modification of this Agreement (including, but not limited to, the scope of release
26 to be granted by Class Members), this Agreement shall be null and void. The Parties shall
27 nevertheless expeditiously work together in good faith to address the appellate court's
28 concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis,

1 any additional Administration Expenses reasonably incurred after remittitur. An appellate
 2 decision to vacate, reverse, or modify the Court’s award of the Class Representative
 3 Service Payment or any payments to Class Counsel shall not constitute a material
 4 modification of the Judgment within the meaning of this paragraph, as long as the Gross
 5 Settlement Amount remains unchanged

6 10.6. Dismissal of Other Pending Matters. Plaintiffs agree that not later than ten (10) business
 7 days following the date upon which Defendant fully funds the entire Gross Settlement
 8 Amount as set forth in Paragraph 4.3, Plaintiffs shall file requests for dismissal with
 9 prejudice, together with any supplementary declarations as the California Rules of Court
 10 and/or the court may of its own request require, (1) the matter captioned *Luis J. Ferrer*
 11 *Gonzalez v. California Dairies, Inc.*, Case No. VCU301419, and (2) the matter captioned
 12 *Luis J. Ferrer Gonzalez v. California Dairies, Inc.*, Case No. VCU303245, both of which
 13 are pending in Tulare County Superior Court. The Parties agree that they will cooperate in
 14 good faith to file and/or provide with the court in these actions with any further
 15 information needed to effectuate the dismissal with prejudice of these matters.

16
 17 **11. AMENDED JUDGMENT.**

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

20
 21 **12. ADDITIONAL PROVISIONS.**

22 12.1. No Admission of Liability, Class Certification or Representative Manageability for Other
 23 Purposes. This Agreement represents a compromise and settlement of highly disputed
 24 claims. Nothing in this Agreement is intended or should be construed as an admission by
 25 Defendant that any of the allegations in the Operative Complaint have merit or that
 26 Defendant has any liability for any claims asserted; nor should it be intended or construed
 27 as an admission by Plaintiffs that Defendant’s defenses in the Action have merit. The
 28 Parties agree that class certification and representative treatment is for purposes of this

1 Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final
2 Approval or enter Judgment, Defendant reserves the right to contest certification of any
3 class for any reasons, and Defendant reserves all available defenses to the claims in the
4 Action, and Plaintiffs reserve the right to move for class certification on any grounds
5 available and to contest Defendant's defenses. The Settlement, this Agreement and Parties'
6 willingness to settle the Action will have no bearing on, and will not be admissible in
7 connection with, any litigation (except for proceedings to enforce or effectuate the
8 Settlement and this Agreement).

9 12.2. Confidentiality Prior to Preliminary Approval. The Parties separately agree that, until the
10 Motion for Preliminary Approval of Settlement is filed, they and each of them will not
11 disclose, disseminate, and/or publicize, or cause or permit another person to disclose,
12 disseminate, or publicize, any of the terms of the Agreement directly or indirectly,
13 specifically or generally, to any person, corporation, association, government agency, or
14 other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will
15 be instructed to keep this Agreement confidential; (2) to counsel in a related matter; (3) to
16 the extent necessary to report income to appropriate taxing authorities; (4) in response to a
17 court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or
18 federal government agency. Each Party agrees to immediately notify each other Party of
19 any judicial or agency order, inquiry, or subpoena seeking such information. The Parties
20 separately agree not to, directly or indirectly, initiate any conversation or other
21 communication, before the filing of the Motion for Preliminary Approval, with any third
22 party regarding this Agreement or the matters giving rise to this Agreement except to
23 respond only that "the matter was resolved," or words to that effect. This paragraph does
24 not restrict Class Counsel's or Co-Counsel's communications with Class Members in
25 accordance with Class Counsel's or Co-Counsel's ethical obligations owed to Class
26 Members.

27 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and
28 employees will not solicit any Class Member to opt out of or object to the Settlement, or

1 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
2 Counsel's or Co-Counsel's ability to communicate with Class Members in accordance
3 with Class Counsel's or Co-Counsel's ethical obligations owed to Class Members.

4 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
5 together with its attached exhibits shall constitute the entire agreement between the Parties
6 relating to the Settlement, superseding any and all oral representations, warranties,
7 covenants, or inducements made to or by any Party.

8 12.5. Attorney Authorization. The Parties separately warrant and represent that they have
9 authorized their Counsel, respectively, to take all appropriate action required or permitted
10 to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to
11 execute any other documents reasonably required to effectuate the terms of this Agreement
12 including any amendments to this Agreement.

13 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
14 best efforts, in good faith, to implement the Settlement by, among other things, modifying
15 the Settlement Agreement, submitting supplemental evidence and supplementing points
16 and authorities as requested by the Court. In the event the Parties are unable to agree upon
17 the form or content of any document necessary to implement the Settlement, or on any
18 modification of the Agreement that may become necessary to implement the Settlement,
19 the Parties will seek the assistance of a mediator and/or the Court for resolution.

20 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not
21 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
22 encumber to any person or entity and portion of any liability, claim, demand, action, cause
23 of action, or right released and discharged by the Party in this Settlement.

24 12.8. No Tax Advice. Neither Plaintiffs, Class Counsel, Co-Counsel, Defendant nor Defense
25 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
26 Settlement be relied upon as such within the meaning of United States Treasury
27 Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

28 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,

1 modified, changed, or waived only by an express written instrument signed by all Parties
2 or their representatives, and approved by the Court.

3 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the
4 benefit of, the successors of each of the Parties.

5 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
6 governed by and interpreted according to the internal laws of the state of California,
7 without regard to conflict of law principles.

8 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
9 this Agreement. This Agreement will not be construed against any Party on the basis that
10 the Party was the drafter or participated in the drafting.

11 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
12 during Action and in this Agreement relating to the confidentiality of information shall
13 survive the execution of this Agreement.

14 12.14. Use and Return of Class Data. Information provided to Class Counsel and Co-Counsel,
15 pursuant to Evidence Code § 1152, and all copies and summaries of the Class Data
16 provided to Class Counsel and Co-Counsel by Defendant in connection with the
17 mediation, other settlement negotiations, or in connection with the Settlement, may be used
18 only with respect to this Settlement, and no other purpose, and may not be used in any way
19 that violates any existing contractual agreement, statute, or rule of court.

20 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
21 inserted for convenience of reference only and does not constitute a part of this
22 Agreement.

23 12.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be
24 to calendar days. In the event any date or deadline set forth in this Agreement falls on a
25 weekend or federal legal holiday, such date or deadline shall be on the first business day
26 thereafter.

27 12.17. Notice. All notices, demands or other communications between the Parties in connection
28 with this Agreement will be in writing and deemed to have been duly given as of the third

1 business day after mailing by United States mail, or the day sent by email or messenger,
2 addressed as follows:

3
4
5
6
7
8
9 To Plaintiffs:
10 Kane Moon
E-mail: kmoon@moonlawgroup.com
11 Allen Feghali
E-mail: afeghali@moonlawgroup.com
12 Enzo Nabiev
E-mail: enabiev@moonlawgroup.com
13 Jason Kwak
E-mail: jkwak@moonlawgroup.com
14 **MOON LAW GROUP, P.C.**
725 S. Figueroa St., 31st Floor
15 Los Angeles, California 90017

16 Joseph Lavi, Esq. (SBN 209776)
17 Vincent Granberry, Esq. (SBN 276483)
James Clark, Esq. (SBN 349799)
18 **LAVI & EBRAHIMIAN, LLP**
8889 W. Olympic Blvd., Suite 200
19 Beverly Hills, CA 90211
Telephone: (310) 432-0000
20 Facsimile: (310) 432-0001
Email: jlavi@lelawfirm.com
vgranberry@lelawfirm.com
21 jclark@lelawfirm.com
WHTS@lelawfirm.com

22
23 To Defendant:
24 S. Brett Sutton
brett@suttonhague.com
25 Jared Hague
jared@suttonhague.com
26 **SUTTON HAGUE LAW CORPORATION, P.C.**
5200 N. Palm Ave., Ste. 203
27 Fresno, California 93704
28

1 12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts
2 by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement
3 shall be accepted as an original. All executed counterparts and each of them will be
4 deemed to be one and the same instrument if counsel for the Parties will exchange between
5 themselves signed counterparts. Any executed counterpart will be admissible in evidence
6 to prove the existence and contents of this Agreement.

7 12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
8 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties
9 further agree that upon the signing of this Agreement that pursuant to Code of Civil
10 Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil
11 Procedure § 583.310 for the entire period of this settlement process.

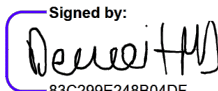
12
13
14
15
16 **Plaintiff & Class Representative:**

17 Dated: 10/8/2025

By: 
0A91CD40E3FA4F3...
Christian Ponce

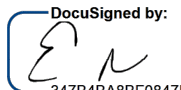
18
19 **Plaintiff & Class Representative:**

20 Dated: 10/8/2025

By: 
83C200E248B04DF...
Demetrius Powell

21
22 **Plaintiff & Class Representative:**

23 Dated: 10/8/2025

By: 
347B4B48BF0847E...
Edward Nanez

24
25 **Plaintiff & Class Representative:**

26 Dated:

By: _____
Luis J. Ferrer Gonzalez

1 **Defendant:**

2 Dated: California Dairies, Inc.

3
4 By: _____
Print Name

5
6 _____
Signature

7
8 _____
Title

9
10 **APPROVED AS TO FORM ONLY:**

11 **Plaintiffs' Counsel:**

12 Dated: MOON LAW GROUP, PC

13 By: _____
14 Kane Moon
Enzo Nabiev

15 Jason Kwak
16 Attorneys for Plaintiffs

17
18 Dated: LAVI & EBRAHIMIAN, LLP

19 By: _____
20 Joseph Lavi, Esq.
Vincent Granberry, Esq.
21 Attorney for Plaintiff Luis J. Ferrer Gonzalez

22 **Defendant's Counsel:**

23 Dated: SUTTON HAGUE LAW CORPORATION, P.C.

24 By: _____
25 S. Brett Sutton
Jared Hague
26 Attorneys for Defendant

27
28

1 12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts
2 by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement
3 shall be accepted as an original. All executed counterparts and each of them will be
4 deemed to be one and the same instrument if counsel for the Parties will exchange between
5 themselves signed counterparts. Any executed counterpart will be admissible in evidence
6 to prove the existence and contents of this Agreement.

7 12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
8 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties
9 further agree that upon the signing of this Agreement that pursuant to Code of Civil
10 Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil
11 Procedure § 583.310 for the entire period of this settlement process.

12
13
14
15
16 **Plaintiff & Class Representative:**

17 Dated: _____ By: _____
18 Christian Ponce

19 **Plaintiff & Class Representative:**

20 Dated: _____ By: _____
21 Demetrius Powell

22 **Plaintiff & Class Representative:**

23 Dated: _____ By: _____
24 Edward Nanez

25 **Plaintiff & Class Representative:**

26 Dated: 10/13/2025 By: LUIS J. FERRER GONZALEZ
27 Luis J. Ferrer Gonzalez
28

1 **Defendant:**

2 Dated: California Dairies, Inc.

3
4 By: _____
Print Name

5
6 _____
Signature

7
8 _____
Title

9
10 **APPROVED AS TO FORM ONLY:**

11 **Plaintiffs' Counsel:**

12 Dated: MOON LAW GROUP, PC

13 By: _____
14 Kane Moon
Enzo Nabiev

15 Jason Kwak
16 Attorneys for Plaintiffs

17
18 Dated: 10/13/2025 LAVI & EBRAHIMIAN, LLP

19 By: *Joseph Lavi*
20 _____
Joseph Lavi, Esq.
Vincent Granberry, Esq.

21 Attorney for Plaintiff Luis J. Ferrer Gonzalez

22 **Defendant's Counsel:**

23 Dated: SUTTON HAGUE LAW CORPORATION, P.C.

24 By: _____
25 S. Brett Sutton
Jared Hague

26 Attorneys for Defendant
27
28

1 **Defendant:**

2 Dated: October 20, 2025

California Dairies, Inc.

3
4 By: Mathew M. Brady
Print Name

5
6 
Signature

7
8 Chief Legal Officer
Title

9
10 **APPROVED AS TO FORM ONLY:**

11 **Plaintiffs' Counsel:**

12 Dated: MOON LAW GROUP, PC

13 By: _____
14 Kane Moon
15 Enzo Nabiev

16 Jason Kwak
17 Attorneys for Plaintiffs

18 Dated: LAVI & EBRAHIMIAN, LLP

19 By: _____
20 Joseph Lavi, Esq.
21 Vincent Granberry, Esq.

Attorney for Plaintiff Luis J. Ferrer Gonzalez

22 **Defendant's Counsel:**

23 Dated: SUTTON HAGUE LAW CORPORATION, P.C.

24 By: 
25 S. Brett Sutton
26 Jared Hague

27 Attorneys for Defendant
28