

## STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Bernardo Santos aka Bernardo Santos Romero, Bernardo Romero, and Julio Garay (“Plaintiff”), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Torres Farm Labor Contractor, Inc. (“Defendant”), on the other hand. Plaintiff and Defendant are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Paul K. Haines of Haines Law Group, APC and Scott M. Lidman, Elizabeth Nguyen, Milan Moore, and Romina Tamiry of Lidman Law, APC (collectively, “Class Counsel”). Defendant is represented by Thomas P. Feher of Lebeau Thelen LLP.

On August 30, 2019, Plaintiff filed a Complaint against Defendant in Los Angeles County Superior Court, in the matter entitled *Bernardo Santos v. Torres Farm Labor Contractor, Inc.*, Kern County Superior Court Case No. BCV-19-102470, (the “Action”). In the operative Complaint, Plaintiff alleged that Defendant: (1) failed to pay all minimum wages owed; (2) failed to pay overtime wages owed; (3) failed to provide meal periods, or premium pay for non-compliant meal periods; (4) failed to authorize and permit rest periods, or premium pay for non-compliant rest periods; (5) failed to issue accurate, itemized wage statements; and (6) failed to pay all wages due upon separation of employment. As a result of the foregoing alleged violations, Plaintiff contends that Defendant are further liable to Plaintiff and the Settlement Class (defined below) because it engaged in unlawful business practices and for civil penalties under the Labor Code Private Attorneys General Act of 2004. Defendant denies Plaintiff’s claims.

Class Counsel has conducted significant informal discovery during the prosecution of the Action. This discovery, investigation, and prosecution has included, among other things, (a) telephonic conferences with Plaintiff; (b) inspection and analysis of voluminous documents and data and other information produced by Plaintiff and Defendant; (c) analysis of sample employment data for 20% of all Class Members; (d) an analysis of the legal positions taken by Defendant; (e) investigation into the viability of class treatment of the claims asserted in the Action; (f) analysis of potential class-wide damages, including information sufficient to understand Defendant’s potential defenses to Plaintiff’s claims; (g) research of the applicable law with respect to the claims asserted in the Complaint and the potential defenses thereto; and (h) assembling and analyzing of data for calculating damages.

Plaintiff’s counsel and the Class Representative have vigorously prosecuted this case, and Defendant has vigorously contested it. The Parties have engaged in sufficient investigation and discovery to assess the relative merits of the claims of the Class Representative and of Defendant’s defenses to them. On October 30, 2020, the Parties attended a full-day mediation with experienced employment law mediator Steve Mehta, which culminated in a settlement in principle, the terms of which are elaborated in this Settlement Agreement. Given the uncertainty of litigation, and to avoid costs of further litigation, Plaintiff and Defendant agreed to settle both individually and on behalf of the Settlement Class. This Settlement represents a compromise of materially disputed claims. Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

All current and former non-exempt, hourly, employees of Defendant Torres Farm Labor Contractor, Inc. who worked at Grimmway Enterprises, Inc. and related entities' facilities (including, but not limited to, Grimmway Enterprises, Inc. aka Grimmway Farms and Cal-Organic Farms) in California at any time between August 29, 2015 and the date of preliminary approval or May 1, 2021 whichever comes first.

For purposes of this Settlement Agreement, the "Class Period" shall mean the time period of August 29, 2015 through the date of preliminary approval or May 1, 2021, whichever comes first.

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, the Settlement Class, if conditionally certified for settlement purposes only will be decertified and this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

Defendant has agreed to the foregoing Settlement Class definition solely for the purposes of compromising and settling the Action.

2. **PAGA Employees.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant agree to the following definition of PAGA Employees:

All current and former non-exempt, hourly, employees of Defendant Torres Farm Labor Contractor, Inc. in California who worked at Grimmway Enterprises, Inc. and related entities' facilities (including, but not limited to, Grimmway Enterprises, Inc. aka Grimmway Farms and Cal-Organic Farms) at any time between August 29, 2018 and the date of preliminary approval or May 1, 2021 whichever comes first.

For purposes of this Settlement Agreement, the "PAGA Period" and release under the PAGA shall mean the time period between August 29, 2018 through the date of preliminary approval or May 1, 2021, whichever comes first.

3. **Amendment to Complaint.** In connection with the mediation, Defendant provided Plaintiff with time punch and pay data and other information relating to the members of the Settlement Class. In light of the Settlement and as a condition thereof, the Parties stipulate for purposes of effectuating the terms of the Settlement only, as part of this Settlement and subject to Court approval, the filing by Plaintiff of a First Amended Complaint which adds a cause of action under the Private Attorneys' General Act of 2004 ("PAGA") based on these facts, and such claim will be resolved as part of and in conjunction with this Settlement. The Proposed First Amended Complaint has been submitted to the Court pursuant to a stipulation and proposed order.

4. **Release by Settlement Class Members and Plaintiff.** Plaintiff and every member of the Settlement Class (except those who timely and properly submit a Request for Exclusion as set forth below) ("Settlement Class Member" or "Class Members") will fully and forever completely

release and forever discharge Defendant Torres Farm Labor Contractor, Inc., a California Corporation, and all the entities for whom Torres Farm Labor Contractor, Inc. provided labor (“Released Affiliates”) in the Class Period (including, but not limited to, Grimmway Enterprises, Inc. aka Grimmway Farms and Cal-Organic Farms) and all of Defendant’s and Released Affiliates present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be liable for any of the Released Claims as defined below, (collectively the “Released Parties”), as follows:

- A. Settlement Class Members’ Release: Settlement Class Members and Plaintiff will release and forever discharge all claims, demands, rights, liabilities and causes of action whether under state or federal law, that were pled in any of the Complaints in the Action, including the Proposed First Amended Complaint pursuant to the terms of this Agreement, or which could have been pled in any of the Complaints in the Action based on the factual allegations therein, that arose during the Class Period with respect to the following claims: arising out of or related to allegations set forth in the operative Complaint or any PAGA Notice to the Labor and Workforce Development Agency (LWDA) related to this matter, including but not limited to: claims for minimum wage violations; failure to pay overtime wages; failure to pay wages timely; penalties; rest period violations; meal period violations; failure to keep proper records; itemized wage statement violations; waiting time penalties; unfair competition; declaratory relief; (claims under Labor Code sections 201, 202, 203, 204, 210, 226, 226.2, 226.3, 226.7, 510, 512, 1102.5, sections 11 and 12 of the applicable IWC Wage Order(s) and the California Business and Professions Code § 17200 et seq. based on the foregoing Labor Code violations); and claims for civil penalties pursuant to the California Private Attorneys General Act; including, but not limited to, injunctive relief; liquidated damages, penalties of any nature; interest; fees; costs; and all other claims and allegations made or which could have been made in the Action and/or in the form of a PAGA claim from August 29, 2015 through the date of preliminary approval of the Settlement (collectively, “Released Claims”). Except for the release under the PAGA, the release period shall be the same time period as the Class Period.
  
- B. PAGA Release: PAGA Employees, including Plaintiff, will release and forever discharge all claims, demands, rights, liabilities and causes of action under the California Labor Code Private Attorneys General Act of 2004 against the Released Parties based on (as alleged in the letters to the Labor & Workforce Development Agency (“LWDA”) March 9, 2021): the (a) failure to pay all overtime wages owed; (b) failure to pay minimum wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements; and (f) failure to pay all wages due upon separation of employment that occurred during the PAGA Period (collectively, “PAGA Released Claim”). The release period of the PAGA Released Claims is the same time period as the PAGA Period.

- C. Upon the Effective Date, all Class Members shall be deemed to have, and by operation of Judgment (defined below) shall have, released, waived and relinquished the Released Claims. The Settlement Class Members (who do not submit a timely Request for Exclusion) shall be enjoined from filing any actions, claims, complaints or proceedings against the Released Parties regarding the Released Claims.
- D. In light of the Class Representative Service Award, Plaintiff agrees to release, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties through the date Plaintiff signs this Agreement. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims, which includes waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

**A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

Plaintiff, being aware of Section 1542, hereby expressly waives and relinquishes all rights and benefits he may have under Section 1542 as well as any other statutes or common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to or different from those which he now knows or believes to be true with respect to the subject matter of all the claims referenced herein, but stipulates and agrees that, upon the Effective Date, Plaintiff shall and hereby does fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery of existence of such different or additional facts.

**Plaintiff's Initials:** BS

- E. Notwithstanding the above, nor anything else in this Settlement, Plaintiff's waiver and release in this Settlement does not apply to (i) those rights that as a matter of law cannot be waived, including, but not limited to, workers' compensation claims, pending or otherwise; (ii) rights or claims arising after this Agreement is executed by Plaintiff; and (iii) rights or claims arising out of this Settlement. This Agreement in no way affects Plaintiff's entitlement and/or benefits to be received by Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation. An IRS Form 1099 shall issue for the enhancement award.
- F. The releases identified herein shall be null and void if the Gross Settlement Amount is not fully funded.

5. **Gross Settlement Amount.** As consideration, Defendant agrees to pay a “Gross Settlement Amount” of One Million Three Hundred Fifty Thousand Dollars and Zero Cents (\$1,350,000) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the “Settlement Administrator” to administer this Settlement. All administrative costs shall be paid from the Gross Settlement Amount.
- B. The Gross Settlement Amount shall be deposited by Defendant into a qualified settlement fund set up by the Settlement Administrator for the benefit of participating Settlement Class Members. Defendant will have the option to pay the Gross Settlement Amount in two (2) payments up to 90 days apart to the Administrator with the first payment commencing 30 days after the Effective Date of the Settlement and the second payment due no later than 120 days of the Effective Date. Defendant agrees to deposit the full amount of the Gross Settlement Amount with the Settlement Administrator by no later than 120 days after the Effective Date. “Effective Date” for performance and payment by Defendant shall be no sooner than the date when all of the following events have occurred: (a) the Settlement Agreement and related documents are approved and executed by all Parties and by Class Counsel and Defense Counsel; (b) the Court has given preliminary approval to the Settlement; (c) notice has been given to the Settlement Class Members providing them with an opportunity to Opt-Out of the Class Settlement; (d) the Court has held a Final Approval and Fairness Hearing and entered a final order and judgment certifying the Class and approving this Stipulation; (e) notice of final judgment has been given to the Settlement Class Members pursuant to California Rules of Court, rule 3.771(b); and (f) the later of the following events: (1) the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Class Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; (2) or the dismissal of any appeal, writ, or other appellate proceeding opposing the Class Settlement with no right to pursue further remedies or relief; or (3) any appeal, writ, or the issuance of such other final appellate order upholding the Court’s final order with no right to pursue further remedies or relief or (4) July 30, 2021. In the event there is a timely filed motion to set aside judgment or to intervene, the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Class Settlement will be based on the later of the court’s ruling or order on any such motion or entry of final order and judgment certifying the Class and approving this Stipulation but in no event will any payment be required sooner than July 30, 2021.
- C. With the sole exception of paying the employer’s share of payroll taxes or any increase to the Gross Settlement Amount (as set forth in this Settlement Agreement), Defendant shall fully discharge its obligations to Plaintiff and Class Members through the remittance of the Gross Settlement Amount, in full, to the Settlement Administrator as set forth in paragraph 5(B), regardless of whether checks representing individual Settlement Awards are actually received and/or negotiated by Class Members.

D. This is a non-reversionary settlement. The Gross Settlement Amount includes:

- (1) All payments (including interest) to the Settlement Class Members;
- (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Thirty-Five Thousand Five Hundred Dollars and Zero Cents (\$35,500.00);
- (3) Up to Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff's Class Representative Service Award, in recognition of his contributions to the Action, and his service to the Settlement Class. Even in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this Settlement Agreement, and this Settlement shall remain binding;
- (4) Up to one-third of the Gross Settlement Amount in Class Counsel's attorneys' fees (including up to one-third of any increase in the Gross Settlement Amount pursuant to Paragraph 12), plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees or costs, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and
- (5) Forty Thousand Dollars and Zero Cents (\$40,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty Thousand Dollars and Zero Cents (\$30,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or Ten Thousand Dollars and Zero Cents (\$10,000.00), will be payable to certain Settlement Class Members as the "PAGA Amount," as described below.

E. Defendant's share of payroll taxes shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount. Unless otherwise provided for in this Agreement, this is the sole exception of a required payment by either Defendant in addition to the Gross Settlement Amount.

6. **Payments to the Settlement Class.** Settlement Class Members are not required to submit a claim form to receive a payment ("Settlement Award") from the Settlement. Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative Service Award, the Settlement Administrator's fees and expenses for administration, and the amount

designated as PAGA civil penalties payable to the LWDA. The remaining amount shall be known as the “Net Settlement Amount.”

- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class Member’s Settlement Award based on the following formula:
- i. The Net Settlement Amount, not including the PAGA Amount payable to Settlement Class Members as described above, shall be allocated to Settlement Class Members who worked during the Class Period, as follows: each participating Settlement Class Member shall receive a proportionate settlement share based upon the number of workweeks worked during the Class Period, the numerator of which is the Settlement Class Member’s total workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all Settlement Class Members who worked during the Class Period.
  - ii. PAGA Amount: In addition, Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Amount has been designated as the “PAGA Amount” as described above. Each PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of workweeks that he or she worked during the PAGA Period, which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee’s number of workweeks worked during this time period, and the denominator of which is the total number of workweeks worked by all PAGA Employees.
- C. Within ten (10) business days following Defendant’s deposit of the full amount of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for the Parties for review and approval. Within seven (7) business days of approval by counsel for the Parties, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class Members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant’s counsel.
- D. For purposes of calculating applicable taxes and withholdings, each Settlement Award shall be allocated as follows: eighty percent (80%) as penalties and interest; and twenty percent (20%) as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. No tax advice has been given to any Settlement Class Member. No tax result is guaranteed as related to any payment under this Settlement. Defendant makes no representation as to the tax treatment or legal effect of the payments called for under this Settlement Agreement. Each Settlement Class Member who receives a Settlement Award will be responsible for correctly characterizing the payment for tax purposes and for payment of any taxes owing on

said amount. Notwithstanding the treatment of the payments to each Settlement Class Member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan.

- E. Each member of the Settlement Class who receives a Settlement Award must cash the check(s) within 120 days from the date the settlement checks are issued. Any check that is not negotiated within one hundred twenty (120) days of mailing to a Class Member will be distributed consistent with Code of Civil Procedure Section 384 (a *cy pres* to be selected by Defendant and approved by the Court, such as the Valley Children's Hospital, Juvenile Diabetes Research Foundation (JD RF) or American Cancer Society or other non-profit organization), or, in the alternative if Defendant cannot get court approval on any organization acceptable to the Defendant, any check that is not negotiated within the 120 days of mailing to a Class Member will transferred to the California's Secretary of State Controller's Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member.
- F. Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

7. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Gross Settlement Amount (including one-third of any increase of the Gross Settlement Amount pursuant to Paragraph 12), and which is currently estimated to be Four Hundred Fifty Thousand Dollars and Zero Cents (\$450,000.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court. Class Counsel is responsible for any and all taxes associated with any payments to Class Counsel under this Settlement Agreement.

8. **Class Representative Service Award.** Defendant will not object to a request for a Class Representative Service Award of up to Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff for his time and risk in prosecuting this case, and his service to the Settlement Class. This award will be in addition to Plaintiff's Settlement Award as a Settlement Class Member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested Service Award, Plaintiff shall not have the

right to revoke this Settlement, and it will remain binding. Plaintiff is responsible for any and all taxes associated with this Service Award.

9. **Settlement Administrator.** Defendant will not object the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiff's seeking permission to pay up to Thirty-Five Thousand Five Hundred Dollars and Zero Cents (\$35,500.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Settlement Awards and preparing all checks and mailings, calculating Defendant's share of taxes payable on the wages, which shall be paid by Defendant separate and apart from the Gross Settlement Amount, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Settlement Awards have been mailed to all participating Settlement Class Members. The Settlement Administrator shall keep counsel for Defendant and Class Counsel apprised of the status of its distribution of Settlement Awards. Upon completion of administration of the Settlement, the Settlement Administrator shall provide a detailed, written certification of such completion to the Court and counsel for the Parties.

10. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines of Haines Law Group, APC and Scott M. Lidman, Milan Moore, Elizabeth Nguyen, and Romina Tamiry of Lidman Law, APC as Class Counsel;
- C. Appointing Bernardo Santos aka Julio Garay as Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Notice of Pendency of Class Action and Settlement and Notice of Individual Settlement Award, drafts of which are attached collectively hereto as Exhibit A), and directing the mailing of same;
- G. Staying all other proceedings in the Action until Final Approval; and
- H. Scheduling a Final Approval hearing.

Class Counsel will draft the preliminary approval papers and final approval papers. Defendant agrees not to file an opposition to the Motion for Preliminary Approval or Motion for Final Approval.

11. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within twenty (20) business days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, the dates of employment and the number of workweeks worked by each Settlement Class Member while employed during the Class Period (the “Class Data”). The Class Data shall be marked “Confidential –Settlement Administrator’s Eyes Only.” Class Counsel shall not receive a copy of this list. The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.
- B. Within twenty (20) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class Members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class Members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Settlement Class member; and (iv) mail a Notice Packet in English and Spanish to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Notice Packets shall be mailed to all Settlement Class Members in the form of Exhibit A that is approved by the Court within twenty (20) business days from receipt of the Class Data. Plaintiff and Class Counsel will not distribute any other documents or notices (whether by mail, on-line, or otherwise) regarding this Action or Settlement.
- D. Requests for Exclusion. Any Settlement Class Member other than Plaintiff who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”). PAGA Employees are not permitted to request exclusion to the PAGA Settlement. By signing this Settlement Agreement, Plaintiff agrees to be bound by its terms, and further agrees not to request exclusion or object to any terms of the Settlement.
  - i. The Notice Packet shall state that Settlement Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the Settlement and should state something to the effect of: “I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE SANTOS V. TORRES FARM LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM

THE CLASS SETTLEMENT OF THIS LAWSUIT.”; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Class Member’s telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon.

- ii. The Settlement Administrator shall provide Class Counsel and Defendant’s counsel with weekly reports as to any Requests for Exclusion.

E. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by sending the written objection to the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant’s counsel). PAGA Employees are not permitted to request exclusion to the PAGA Settlement. Defendant’s counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval. To be valid, any written objection should: (1) contain the objecting Settlement Class Member’s full name and current address, as well as contact information for any attorney representing the objecting Settlement Class Member for purposes of the objection; (2) reasons for all objections; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence, if any; and (4) be postmarked no later than the Response Deadline. If an objector also wishes to appear at the Final Approval and Fairness Hearing, in person or through an attorney, he or she *must also* file a notice of intention to appear at the same time as the objection is filed. The Settlement Administrator will promptly serve copies of any objection or notice of intention to appear on Class Counsel and Defense Counsel. Unless otherwise ordered by the Court, Settlement Class Members shall not be entitled to appear and/or object at the Final Approval Hearing unless they have submitted a timely written objection and notice of intention to appear pursuant to this Section. Settlement Class Members who have properly and timely submitted objections may appear at the Final Approval Hearing, either remotely, in person or through a lawyer retained at their own expense. Members of the Settlement Class who do not submit an objection or appear at the Final Approval Hearing and voice an objection shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. The Settlement Administrator shall provide Class Counsel and Defendant’s counsel with weekly reports as to any written objections.

- F. Notice of Individual Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class Member shall disclose the amount of the Settlement Class Member's estimated Settlement Award as well as all of the information that was used from Defendant's records in order to calculate the Settlement Award, including the Settlement Class Member's number of workweeks worked during the Class Period, and the number of workweeks worked during the PAGA Period. Settlement Class Members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Individual Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Award shall be binding upon the Settlement Class Member and the Parties. In addition, the Notice Packets will include the url address to the website maintained by the Settlement Administrator in order to provide notice to the Settlement Class of the date, time, location of the Final Approval Hearing, opt-out deadline, or any changes thereto. The Settlement Administrator shall provide and maintain a website that will provide sufficient information to notify Settlement Class Members of the name of the case, case number, Final Approval Hearing date, time, location and opt-out deadline, and any changes thereto.
- G. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within three (3) business days of receiving the returned Notice Packet. If an updated mailing address is identified before the Response Deadline, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member. It will be presumed that, if an envelope so mailed has not been returned within twenty (20) calendar days of the mailing, the Settlement Class Member received the Notice Packet. Settlement Class Members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

12. **Escalator Clause.** Defendant represents that there are an estimated 163,000 workweeks worked by the Settlement Class Members during the Class Period as of February 26, 2021. If the number of workweeks during the Class Period is more than 20% greater than this figure (i.e., if there are 195,600 or more workweeks worked by the Settlement Class Members during the Class Period), Defendant has the option to either: (1) agree to increase the Gross Settlement Amount on a proportional basis (i.e., if there was 21% increase in the number workweeks during the Class Period, Defendant would agree to increase the Gross Settlement Amount by 1%); or (2) in the alternative, in the event that this escalator provision is triggered, then Defendant has the option to elect to end the Class Period and PAGA Period so as to have an earlier end date at the Defendant's discretion in order to limit the covered workweeks to 195,600 in lieu of paying an increase to the Gross Settlement Amount.

13. **Revocation Option for Defendant.** If more than five percent (5%) of the Class Members opt out of the Settlement, Defendant may, at its election, rescind the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel within ten (10) business days after the Settlement Administrator notifies the Parties of a greater than five (5%) opt-out rate. If the option to rescind is exercised, then Defendant shall be solely responsible for all costs of the Settlement Administration actually accrued to that point not to exceed, \$35,500. Any dispute may be address by motion to the court for determination of reasonableness of the costs.

14. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative Service Award, and settlement administration costs; and
- C. Entering Judgment pursuant to California Rule of Court 3.769. Notice of the Judgment to Class Members will be provided by posting it on the website to be maintained by the Settlement Administrator or as otherwise ordered by the court.

15. **Non-Admission of Liability.** Defendant contends that all of their employment practices have complied with applicable law, that Class Members were and are properly compensated for all wages, including (without limitation) overtime, and were and are provided all meal and rest breaks, in compliance with applicable law; and that their conduct was not willful or otherwise unlawful with respect to the payment of wages to Class Members. Defendant has denied and continue to deny each of the claims and contentions alleged by Plaintiff in the Action. Defendant denies any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Action and believes they have valid defenses to Plaintiff's claims. This Agreement reflects the compromise and settlement of disputed claims between the Parties, and its provisions and any and all drafts, communications or discussions relating thereto do not constitute, are not intended to constitute, and will not under any circumstances be deemed to constitute an admission by either Party as to the merits, validity or accuracy of any of the allegations or claims in the Action, nor a

waiver of any defense. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. In particular, but without limiting the generality of the foregoing, nothing about this Settlement Agreement shall be offered or construed as an admission of liability, wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or the Released Parties, and it shall not be construed as or deemed to be evidence of, or an admission or concession that the any Settling Class member has suffered any damage. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

16. **Non-disclosure and Non-publication.** Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class Members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel.

17. **Different Facts.** The Parties hereto, and each of them, acknowledge that, except for matters expressly represented herein, the facts in relation to the dispute and all claims released by the terms of this Stipulation may turn out to be other than or different from the facts now known by each party and/or its counsel, or believed by such Party or counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or presently unknown facts, and agrees that this Stipulation shall be in all respects effective and binding despite such difference.

18. **No Prior Assignments.** The Parties 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 except as set forth herein.

19. **Non-Admission.** Nothing in this Stipulation shall be construed as or deemed to be an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing toward each other or any other person. Each of the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by either Defendant regarding the merits of the Claims in this Action, including but not limited to claims for unpaid wages or violations under California and/or federal law. Nothing herein shall constitute an admission by either Defendant

that the Action was properly brought as a class or representative action other than for settlement purposes. To the contrary, Defendant has denied and continue to deny each and every material factual allegation and all Claims. To this end, the Class Settlement of the Action, the negotiation and execution of this Stipulation, and all acts performed or documents executed pursuant to or in furtherance of this Stipulation or the Class Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of Defendant or of the truth of any of the factual allegations in the Complaint in the Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the part of Defendant in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal.

20. **Non-Evidentiary Use.** Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation or drafting of it, shall be offered or used as evidence by Plaintiff, any Class Member (including any individual who requested to be excluded from the Class), in the Action, except as is reasonably necessary to effectuate the Agreement's purpose and terms. This Agreement may be used by Defendant and the Released Parties to prove or defend against any claim released herein by any Class Member in any judicial, quasi-judicial, administrative, or governmental proceeding.

21. **Legal Developments.** The Parties agree that Plaintiff will submit to the Court a motion for preliminary approval of this Settlement containing all of the terms and conditions contained herein notwithstanding any new legal developments regarding the Released Claims.

22. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

23. **No Construction Against Drafter.** This Settlement Agreement shall be deemed to have been drafted jointly by the Parties, and any rule that a document shall be interpreted against the drafter shall not apply to this Agreement. The Parties agree that any earlier drafts of this Agreement and/or related documents cannot be used as alleged evidence of intent of any Party.

24. **Governing Law.** This Stipulation is intended to and shall be governed by the laws of the State of California, without regard to conflict of law principles, in all respects, including execution, interpretation, performance, and enforcement and any dispute arising out of this shall be venued in Kern County.

25. **Attorneys' Fees.** In the event of any dispute arising out of the interpretation, performance, or breach of any provision of this Settlement Agreement, the prevailing party in such dispute(s) shall be entitled to recover her and/or its reasonable attorneys' fees and costs incurred arising from such dispute.

26. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the

addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Thomas P. Feher, Esq., Lebeau Thelen LLP, 5001 E Commercenter Dr 300, Bakersfield, CA 93309; [tfeher@lebeauthelen.com](mailto:tfeher@lebeauthelen.com)

if to Plaintiff: Scott M. Lidman, Elizabeth Nguyen, Milan Moore, and Romina Tamiry of Lidman Law, APC, 2155 Campus Drive, Suite 150 El Segundo, California 90245; [slidman@lidmanlaw.com](mailto:slidman@lidmanlaw.com); [enguyen@lidmanlaw.com](mailto:enguyen@lidmanlaw.com); [mmoore@lidmanlaw.com](mailto:mmoore@lidmanlaw.com); [rtamiry@lidmanlaw.com](mailto:rtamiry@lidmanlaw.com)

Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; [phaines@haineslawgroup.com](mailto:phaines@haineslawgroup.com)

27. **Cooperation.** The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

28. **Entire Agreement.** This Settlement Agreement including the Exhibits, which are incorporated into and made a part of this Settlement Agreement, contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof, including (without limitation) the Parties' Memorandum of Understanding memorializing the Settlement terms. This Settlement Agreement is executed without reliance upon any promise, representation or warranty by any Party or any representative of a Party, other than those expressly set forth in this Agreement.

29. **Agreement Binding on Successors in Interest.** This Settlement Agreement shall be binding and inure to the benefit of the respective heirs, personal representatives, successors and assigns of the Parties.

30. **Jurisdiction of the Court.** Any dispute regarding the interpretation or validity of or otherwise arising out of this Settlement Agreement, or relating to the Action or the Released Claims, shall be subject to the exclusive jurisdiction of the Court, and Plaintiff, Class Members and Defendant agree to submit to the personal and exclusive jurisdiction of the Court for the purpose of resolving any such dispute. Following the Effective Date, the Court shall retain jurisdiction solely with respect to the interpretation, implementation and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the Settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

31. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Signatures by facsimile or in Portable Document Format (PDF) shall have the same force and effect as original signatures.

DATED: 4-24-21

DEFENDANT TORRES FARM LABOR CONTRACTORS, INC.

By: Humberto Torres

Its: Manager

DATED:

PLAINTIFF BERNARDO SANTOS

By: \_\_\_\_\_  
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED:

LEBEAU THELEN LLP

By: \_\_\_\_\_  
Thomas P. Feher, Esq.  
Attorneys for Defendant Torres Farm Labor Contractor, Inc.

DATED:

HAINES LAW GROUP, APC

By: \_\_\_\_\_  
Paul K. Haines  
Attorneys for Plaintiff Bernardo Santos

DATED:

LIDMAN LAW, APC

By: \_\_\_\_\_  
Scott M. Lidman  
Attorneys for Plaintiff Bernardo Santos

DATED:

DEFENDANT TORRES FARM LABOR CONTRACTORS, INC.

By: \_\_\_\_\_

Its: \_\_\_\_\_

DATED: Apr 23, 2021

PLAINTIFF BERNARDO SANTOS

*Bernardo Santos*

By: BernardoSantos (Apr 23, 2021 15:25 PDT)

Plaintiff and Settlement Class Representative

**APPROVED AS TO FORM:**

DATED:

LEBEAU THELEN LLP

By: \_\_\_\_\_

Thomas P. Feher, Esq.  
Attorneys for Defendant Torres Farm Labor Contractor, Inc.

DATED: April 23, 2021

HAINES LAW GROUP, APC

*[Handwritten Signature]*

By: \_\_\_\_\_

Paul K. Haines  
Attorneys for Plaintiff Bernardo Santos

DATED: April 23, 2021

LIDMAN LAW, APC

*[Handwritten Signature]*

By: \_\_\_\_\_

Scott M. Lidman  
Attorneys for Plaintiff Bernardo Santos

DATED:

DEFENDANT TORRES FARM LABOR CONTRACTORS, INC.

By: \_\_\_\_\_

Its: \_\_\_\_\_

DATED:

PLAINTIFF BERNARDO SANTOS

By: \_\_\_\_\_  
Plaintiff and Settlement Class Representative

**APPROVED AS TO FORM:**

DATED: 4/24/21

LEBEAU THELEN LLP

By:  \_\_\_\_\_

Thomas P. Feher, Esq.  
Attorneys for Defendant Torres Farm Labor Contractor, Inc.

DATED:

HAINES LAW GROUP, APC

By: \_\_\_\_\_  
Paul K. Haines  
Attorneys for Plaintiff Bernardo Santos

DATED:

LIDMAN LAW, APC

By: \_\_\_\_\_  
Scott M. Lidman  
Attorneys for Plaintiff Bernardo Santos

# EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF KERN

BERNARDO SANTOS,

Plaintiff,

vs.

TORRES FARM LABOR CONTRACTOR, INC., a  
California corporation; and Does 1 through 100,

Defendants.

Case No. BCV-19-102470

**NOTICE OF PENDENCY OF CLASS  
ACTION AND PROPOSED SETTLEMENT**

To: All current and former non-exempt, hourly, employees of Defendant Torres Farm Labor Contractor, Inc. who worked at Grimmway Enterprises, Inc. and related entities' facilities (including, but not limited to, Grimmway Enterprises, Inc. aka Grimmway Farms and Cal-Organic Farms) in California at any time between August 29, 2015 and [the date of preliminary approval or May 1, 2021 whichever comes first]. Collectively, these employees will be referred to as "Settlement Class Members."

**PLEASE READ THIS NOTICE CAREFULLY  
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

***Why should you read this notice?***

The Court has granted preliminary approval of a proposed class action settlement (the "Settlement") in entitled *Bernardo Santos v. Torres Farm Labor Contractor, Inc.*, Kern County Superior Court Case No. *BCV-19-102470* (the "Lawsuit"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendant's records show that you were employed by Defendant as an hourly, non-exempt employee in California between from August 29, 2015 through [the date of preliminary approval or May 1, 2021 whichever comes first] (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

***What is this case about?***

Plaintiff Bernardo Santos ("Plaintiff") brought this Lawsuit against Defendant, seeking to assert claims on behalf of a class of current and former hourly, non-exempt employees who worked for Defendant, in California at any time on or after August 29, 2015. Plaintiff Bernardo Santos is known as the "Class Representative," and his attorneys, who also represent the interests of all Settlement Class Members, are known as "Class Counsel."

The Lawsuit alleges that Defendant failed to pay all minimum and overtime wages owed, failed to provide to Settlement Class Members all required meal and rest periods, and failed to provide Settlement Class Members with itemized wage statements in compliance with California law. The Lawsuit also alleges that Defendant failed to timely pay all wages owed to Settlement Class Members upon their separation of

employment from Defendant. As a result of the foregoing alleged violations, Plaintiff also alleges that Defendant engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorney General Act.

Defendant denies that it has done anything wrong. Defendant further denies that it owes Settlement Class Members any wages, restitution, penalties, or other damages. No Court has made any determination as to the factual allegations in the Lawsuit. Rather, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant, and it expressly denies all liability.

The Court has not ruled that Defendant violated any laws or whether Plaintiff or any other person is entitled to damages or other relief. However, to avoid additional expense, inconvenience, and interference with their business operations, Defendant has concluded that it is in its best interest and the interests of Settlement Class Members to settle the Lawsuit on the terms summarized in this Notice. After Defendant provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the Parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

**If you are still employed by Defendant, your decision about whether to participate in the Settlement will not affect your employment. California law strictly prohibit unlawful retaliation.** Defendant will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class Member because of the Settlement Class Member's decision to either participate or not participate in the Settlement.

***Who are the Attorneys?***

<p>Attorneys for the Plaintiff / Settlement Class Members:</p> <p><b>LIDMAN LAW, APC</b> Scott M. Lidman slidman@lidmanlaw.com Elizabeth Nguyen enguyen@lidmanlaw.com Milan Moore <a href="mailto:mmoore@lidmanlaw.com">mmoore@lidmanlaw.com</a> Romina Tamiry rtamiry@lidmanlaw.com 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 322-4772 Fax: (424) 322-4775 www.lidmanlaw.com</p> <p><b>HAINES LAW GROUP, APC</b> Paul K. Haines phaines@haineslawgroup.com 155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com</p>	<p>Attorneys for Defendant Torres Farm Labor Contractor, Inc.</p> <p><b>LEBEAU THELEN LLP</b> Thomas P. Feher tfeher@lebeauthelen.com 5001 E. Commercenter Dr. 300 Bakersfield, CA 93309 Tel: (661) 325-8962</p>
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### ***What are the terms of the Settlement?***

On [INSERT DATE OF PRELIMINARY APPROVAL], the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt employees who worked for Defendant at any time in California from August 29, 2015 through [the date of preliminary approval or May 1, 2021 whichever comes first]. Settlement Class Members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendant as described below.

Defendant has agreed to pay \$1,350,000.00 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, which includes payments to Settlement Class Members, attorneys’ fees and expenses, payment to the Labor Workforce Development Agency (“LWDA”), settlement administration costs, and the Class Representative’s Service Award. Defendant’s share of payroll taxes associated with any wage payments to Settlement Class Members shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount.

The following deductions from the Gross Settlement Amount will be requested by the Parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators, to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting an amount not to exceed \$35,500.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$450,000.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement in an amount not to exceed \$25,000.00 for verified costs Class Counsel incurred in connection with the Lawsuit.

Service Award to Class Representative. Class Counsel will ask the Court to award the Class Representative a service award in the amount not to exceed \$5,000.00, to compensate him for his service and extra work provided on behalf of the Settlement Class Members.

LWDA Payment. Class Counsel will ask the Court to approve a payment in the total amount of \$40,000.00 as and for alleged civil penalties, payable pursuant to the California Labor Code Private Attorney General Act (“PAGA”). Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty Thousand Dollars and Zero Cents (\$30,000.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Ten Thousand Dollars and Zero Cents (\$10,000.00), will be payable to certain Settlement Class Members as the “PAGA Amount,” as described below.

Calculation of Individual Settlement Class Members’ Settlement Award. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class Members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$<< >>, to be shared among an up to << >> estimated Settlement Class Members.

The Net Settlement Fund shall be allocated to Settlement Class Members who worked during the Class Period, as follows: each participating Settlement Class Member shall receive a proportionate settlement share based upon the number of workweeks worked during the Class Period, the numerator of which is the Settlement Class Member’s total workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all Settlement Class Members who worked during the Class Period.

In addition, Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Amount has been designated as the “PAGA Amount” as described above. All PAGA Employees shall receive a portion of the PAGA. “PAGA Employees” include all current and former non-exempt, hourly, employees of Defendant who worked in California (including those who submit a Request for Exclusion) at any time between from August 29, 2018 and [the end of the Class Period] (“PAGA Period”). A PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of Workweeks that he or she worked during the period the PAGA Period and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee’s number of Workweeks worked during the PAGA Period, and the denominator of which is the total number of Workweeks worked by all PAGA Employees during the PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to all Settlement Class Members who did not submit a valid and timely Request for Exclusion.

If you submit a Request for Exclusion, you will still receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you are a PAGA Employee.

Each member of the Settlement Class who receives a Settlement Award must cash the check within 120 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class Members who checks were not cashed within 120 days after mailing will be submitted to designated the non-profit organization approved by the Court.

Payment by Defendant of Gross Settlement Amount. The Gross Settlement Amount shall be paid by Defendant with the Settlement Administrator in two equal payments. The first payment in the amount of \$675,000 is due within 30 days of the Effective Date. The second payment in the amount of \$675,000 is due within 120 days of the Effective Date.

“Effective Date” for performance and payment by Defendant shall be no sooner than the date when all of the following events have occurred: (a) the Settlement Agreement and related documents are approved and executed by all Parties and by Class Counsel and Defense Counsel; (b) the Court has given preliminary approval to the Settlement; (c) notice has been given to the Settlement Class Members providing them with an opportunity to Opt-Out of the Class Settlement; (d) the Court has held a Final Approval and Fairness Hearing and entered a final order and judgment certifying the Class and approving this Stipulation; (e) notice of final judgment has been given to the Settlement Class Members pursuant to California Rules of Court, rule 3.771(b); and (f) the later of the following events: (1) the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Class Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; (2) or the dismissal of any appeal, writ, or other appellate proceeding opposing the Class Settlement with no right to pursue further remedies or relief; or (3) any appeal, writ, or the issuance of such other final appellate order upholding the Court’s final order with no right to pursue further remedies or relief or (4) July 30, 2021. In the event there is a timely filed motion to set aside judgment or to intervene, the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Class Settlement will be based on the later of the court’s ruling or order on any such motion or entry of final order and judgment certifying the Class and approving this Stipulation but in no event will any payment be required sooner than July 30, 2021.

Within ten (10) business days following Defendant’s deposit of the full amount of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Award amounts and provide the same to the Parties’ counsel for review and approval. Within seven (7) business days of approval by the Parties’ counsel, the Settlement Administrator will prepare and mail Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class Members.

If the Court grants final approval of the Settlement, the Settlement Awards are expected to be mailed in 2022.

Allocation and Taxes. For tax purposes, each Settlement Award shall be allocated as follows: eighty percent (80%) as penalties and interest; and twenty percent (20%) as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class Members are responsible for the proper income tax treatment of the Individual Settlement Awards. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, the Settlement Class, and each Settlement Class Member who has not submitted a timely and valid Request for Exclusion, will release Defendant Torres Farm Labor Contractor, Inc. and all the entities for whom Torres Farm Labor Contractor, Inc. provided labor (“Released Affiliates”) in the Class Period (including, but not limited to, Grimmway Enterprises, Inc. aka Grimmway Farms and Cal-Organic Farms) and all of Defendant’s and Released Affiliates present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be liable for any of the Released Claims as defined below (hereinafter “Released Parties”) will release the Released Parties from those claims alleged in the operative Complaint or that could have been raised in the complaint (“Complaint”) based on the factual allegations therein, that arose during the Class Period, including, but not limited to, all claims under state, federal or local law, whether statutory, common law or administrative law, arising out of or related to allegations set forth in the operative Complaint or any PAGA Notice to the Labor and Workforce Development Agency (LWDA) related to this matter, including but not limited to: claims for minimum wage violations; failure to pay overtime wages; failure to pay wages timely; penalties; rest period violations; meal period violations; failure to keep proper records; itemized wage statement violations; waiting time penalties; unfair competition; declaratory relief; (claims under Labor Code sections 201, 202, 203, 204, 210, 226, 226.2, 226.3, 226.7, 510, 512, 1102.5, sections 11 and 12 of the applicable IWC Wage Order(s) and the California Business and Professions Code § 17200 *et seq.* based on the foregoing Labor Code violations); and claims for civil penalties pursuant to the California Private Attorneys General Act; including, but not limited to, injunctive relief; liquidated damages, penalties of any nature; interest; fees; costs; and all other claims and allegations made or which could have been made in the Action and/or in the form of a PAGA claim from August 29, 2015 through the date of preliminary approval of the Settlement (collectively, “Released Claims”).

The time period of the Released Claims shall be the same time as the Class Period.

PAGA Release and PAGA Employees. If the Court approves the Settlement, all PAGA Employees will release the Released Parties, from all claims, demands, rights, liabilities and causes of action under the California Labor Code Private Attorneys General Act of 2004 based on (as alleged in the letter to the LWDA dated March 9, 2021) the (a) failure to pay all overtime wages owed; (b) failure to pay minimum wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements; and (f) failure to pay all wages due upon separation of employment (collectively, “PAGA Released Claim”).

The time period of the PAGA Released Claim is August 29, 2018 through [the end of the Class Period] (“PAGA Period”).

The Parties acknowledge that under the release, the right of the LWDA to investigate the PAGA Released claim is not released, but the PAGA Released Claim does include any claims for penalties by a PAGA Employee as a result of any such LWDA investigation, and PAGA Employees are barred from their right to act as a private attorney general as to the PAGA Released Claims.

You cannot submit a Request for Exclusion from the PAGA Release.

The releases are null and void if Defendant fails to fully fund the Gross Settlement Amount.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

***How can I claim money from the Settlement?***

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period (as explained above), and as stated in the accompanying Notice of Individual Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

***What other options do I have?***

Dispute Information in Notice of Individual Settlement Award. Your award is based on the proportionate number of workweeks you worked during the Class Period, whether you have worked during the PAGA Period, and whether your employment was separated during the Class Period. The information contained in Defendant's records regarding all of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Individual Settlement Award. If you disagree with the information in your Notice of Individual Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Individual Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than **<<RESPONSE DEADLINE>>**.

**DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class Members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion from the Class Action Settlement" letter or card postmarked no later than **<<RESPONSE DEADLINE>>**, with your name, address, telephone number, last four digits of your social security number, and your signature. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE SANTOS V. TORRES FARM LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS ACTION SETTLEMENT OF THIS LAWSUIT."

Send the Request for Exclusion directly to the Settlement Administrator at **<<INSERT ADMINISTRATOR CONTACT INFO>>**. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class Member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement.

If you submit a Request for Exclusion, you will only be excluded from the Released Claims. You cannot submit a Request for Exclusion from the PAGA Release. You will receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you were employed between August 29, 2018 and **[ CLOSE DATE OF THE CLASS PERIOD ]**.

**Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of

your objection, and any legal or factual support for each objection together with any evidence in support of your objection.

If you also wish to appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department of the Kern County Superior Court, located at 1415 Truxtun Avenue, Bakersfield, California 93301, either remotely, in person or through an attorney, you must also file a notice of intention to appear with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Bernardo Santos v. Torres Farm Labor Contractor, Inc.*, Kern County Superior Court Case No. BCV-19-102470.

Any Class Member who elects to appear personally at the Court for any reason related to this Lawsuit must comply with the Court's social distancing and mandatory face covering requirements, as well and other orders related to COVID-19. All such rules and orders can be located at the Court's website kern.courts.ca.gov.

For more information on how to appear remotely, please visit the Court's website at [https://www.kern.courts.ca.gov/online\\_services/remote\\_court\\_hearings](https://www.kern.courts.ca.gov/online_services/remote_court_hearings).

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

#### ***What is the next step?***

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department of the Kern County Superior Court, located at 1415 Truxtun Avenue, Bakersfield, California 93301. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class Members. **You are not required to attend the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.**

Any changes to date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website (<http://.com>).

Notice of the Court's final judgment will be posted on the Settlement Administrator's website (<http://.com>).

#### ***How can I get additional information?***

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement by requesting judicial records online at [https://www.kern.courts.ca.gov/online\\_services/judicial\\_records\\_requests/disclaimer](https://www.kern.courts.ca.gov/online_services/judicial_records_requests/disclaimer) or at the Office of the Clerk of the Kern County Superior Court, located at , during regular court hours. You may also contact Class Counsel using the contact information listed above for more information.

**PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANT OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS**

#### ***REMINDER AS TO TIME LIMITS***

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

**BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.**

**NOTICE OF INDIVIDUAL SETTLEMENT AWARD**

*Bernardo Santos v. Torres Farm Labor Contractor, Inc.*  
Kern County Superior Court Case No. BCV-19-102470

Please complete, sign, date and return this form to <<ADMINISTRATOR CONTACT INFO>> ONLY IF (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

**(I) Please type or print your name:**

\_\_\_\_\_  
(First, Middle, Last)

**(II) Please type or print the following identifying information if your contact information has changed:**

\_\_\_\_\_  
Former Names (if any)

\_\_\_\_\_  
New Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

**(III) Information Used to Calculate Your Individual Settlement Award:**

According to Torres Farm Labor Contractor, Inc.’s records (“Defendants”):

(a) You were employed by Defendant and worked a total of [ ] workweeks during the time period August 29, 2015 through [ <<date of preliminary approval or May 1, 2021 whichever comes first>>].

(b) You were employed by Defendant and worked a total of [ ] workweeks during the time period August 29, 2018 through [ <<End of Class Period>>].

**Based on the above, your Individual Settlement Award is estimated to be \$ [ ] .**

**(IV) If you disagree with items in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this form:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you dispute the above information from Defendant’s records, Defendant’s records will control unless you are able to provide documentation that establishes that Defendant’s records are mistaken. If there is a dispute about whether Defendant’s information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the “Notice of Pendency of Class Action and Proposed Settlement” that accompanies this Form. Any unresolved disputes will be submitted to the Court for a final determination.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>**