CALIFORNIA SUPERIOR COURT, COUNTY OF BUTTE

Morgan v. Wehah Farm, Inc. d/b/a Lundberg Family Farms Case No. 20CV02554

NOTICE OF CLASS ACTION SETTLEMENT

A court authorized this notice. This is not a solicitation.

This is not a lawsuit against you, and you are not being sued.

However, your legal rights are affected by whether you act or don't act.

TO: All non-exempt California employees of Wehah Farm, Inc. d/b/a Lundberg Family Farms during the period from July 5, 2016, to December 31, 2021, who did not previously sign individual separation agreements.

The California Superior Court, County of Butte has granted preliminary approval to a proposed settlement ("Settlement") of the above-captioned action (the "Class Action"). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action Settlement ("Notice") carefully.

The Court has certified the following class for settlement purposes ("Class" or "Class Members"):

All non-exempt California employees of Wehah Farm, Inc. d/b/a Lundberg Family Farms during the period from July 5, 2016, to December 31, 2021, who did not previously sign individual separation agreements.

The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

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1. Why Have I Received this Notice?

The personnel records of Wehah Farm, Inc. d/b/a Lundberg Family Farms ("Defendant") indicate that you may be a Class Member. The Settlement will resolve all Class Members' Released Claims, as described in Section No. 9 below, from the time period from July 5, 2016, to December 31, 2021 (the "Class Period").

A Preliminary Approval Hearing was held on February 16, 2022, in the Superior Court of California, County of Butte. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing.

The Court will hold a Final Approval Hearing concerning the proposed Settlement on July 6, 2022 at 10:30 a.m., before Hon. Stephen E. Benson, in the Superior Court of California, County of Butte, located at 1775 Concord Avenue, Chico, California 95928, Department 6.

2. What Is this Case About?

On July 9, 2020, Plaintiff Allen Morgan ("Plaintiff") provided initial written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the Labor Code he contends were violated and the theories supporting his contentions.

On December 30, 2020, Plaintiff filed a wage-and-hour class action lawsuit against Defendant in the Superior Court of California, County of Butte, Case Number 20CV02554, alleging the following causes of action: (1) violation of Labor Code sections 510 and 1198 (unpaid overtime); (2) violation of Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) violation of Labor Code sections 226.7 (unpaid rest period premiums); (4) violation of Labor Code sections 1194 and 1197 (unpaid minimum wages); (5) violation of Labor Code sections 201 and 202 (final wages not timely paid); (6) violation of Labor Code section 226(a) (noncompliant wage statements); (7) violation of Labor Code sections 2800 and 2802 (unreimbursed business expenses); (8) violation of Labor Code section 2698, *et seq.* (Private Attorneys General Act of 2004 ("PAGA")); and (9) violation of Business & Professions Code section 17200, *et seq.* (the "Class Action").

Plaintiff and Defendant (collectively, the "Parties") attended mediation on the claims alleged in the Class Action on November 12, 2021. Under the auspices of mediator David A. Rotman, the Parties were able to reach a settlement of the Class Action.

The Court has not made any determination as to whether the claims advanced by Plaintiff have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendant; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all Parties avoid the risks and cost of a trial.

Defendant expressly denies that it did anything wrong or that it violated the law and further denies any liability whatsoever to Plaintiff or to the Class.

3. Am I a Class Member?

You are a Class Member if you are currently or were formerly employed as a non-exempt California employee of Defendant during the period from July 5, 2016, to December 31, 2021, and you did not previously sign an individual separation agreement.

4. How Does this Class Action Settlement Work?

In this Class Action, Plaintiff sued on behalf of himself and all other similarly situated individuals who were employed as non-exempt California employees of Defendant during the Class Period. Plaintiff and these other current and former employees comprise a "Class" and are "Class Members." The Settlement of this Class Action resolves the Released Claims (defined in Section No. 9 below) of all Class Members, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below.

Plaintiff and Plaintiff's counsel (also, "Class Counsel") believe the Settlement is fair and reasonable. The Court must also review the terms of the Settlement and determine if it is fair and reasonable to the Class. The Court file has the Settlement documents, which explain the Settlement in greater detail. If you would like copies of the Settlement documents, you can contact Class Counsel, whose contact information is below, and they will provide you with copies free of charge.

5. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff and the Class	Attorneys for Defendant
JUSTICE LAW CORPORATION	WEINTRAUB TOBIN CHEDIAK COLEMAN
Douglas Han	GRODIN LAW CORPORATION
Shunt Tatavos-Gharajeh	Meagan Bainbridge
Talia Lux	Katie A. Collins
751 N. Fair Oaks Avenue, Suite 101	400 Capitol Mall, 11th Floor
Pasadena, California 91103	Sacramento, California 95814
Telephone: (818) 230-7502	Telephone: (916) 558-6000
Facsimile: (818) 230-7259	Facsimile: (916) 446-1611

The Court has decided that Justice Law Corporation is qualified to represent you and all other Class Members simultaneously. Class Counsel are working on your behalf. If you want your own attorney, you may hire one at your own cost.

6. What Are My Options?

The purpose of this Notice is to inform you of the proposed Settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

<u>Important Note</u>: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

• **DO NOTHING:** If you do nothing and the Court grants Final Approval of the Settlement, you will become part of

this lawsuit and will receive an Individual Settlement Share based on the total number of workweeks you were employed as a non-exempt California employee of Defendant during the Class Period. You will release all the Released Claims, as defined in Section No. 9 below, and you will give up your

right to pursue the Released Claims, as defined in Section No. 9 below.

• OPT OUT: If you do not want to participate as a Class Member, you may "opt out," which will remove you from

the Class and this Class Action. If the Court grants Final Approval of the Settlement, you will not receive an Individual Settlement Share, and you will not give up the right to sue the Released Parties,

including Defendant, for any the Released Claims as defined in Section No. 9 below.

• **OBJECT:** You may mail a legal objection to the proposed Settlement. If you would like to object, you may not

opt out of this Settlement.

The procedures for opting out and objecting are set forth below in the sections entitled "How Do I Opt Out or Exclude Myself from this Settlement?" and "How Do I Object to the Settlement?"

Regardless of which option you choose, you must keep the Settlement Administrator advised of any change of address.

7. How Do I Opt Out or Exclude Myself from this Settlement?

If you do not wish to participate in the Settlement, you may be excluded from the Settlement (i.e., "opt out") by sending a timely request for exclusion. A form ("ELECTION NOT TO PARTICIPATE IN ('OPT OUT' FROM) CLASS ACTION SETTLEMENT") ("Exclusion Form") has been provided to you along with this Notice, which can be used for this purpose; alternatively, you can submit your own written document that includes this same information. If you opt out of the Settlement, you will not be releasing the claims set forth in Section No. 9. If you opt out of the Settlement, the amount to be paid by Defendant will not decrease and will remain the same. The request for exclusion must be signed, dated, and mailed by first-class U.S. Mail, postmarked no later than May 13, 2022 ("Response Deadline") to: WEHAH FARM, INC. d/b/a LUNDBERG FAMILY FARMS SETTLEMENT ADMINISTRATOR C/O PHOENIX CLASS ACTION, PO Box 7208, Orange, California 92863. You cannot exclude yourself by phone.

Eligible Aggrieved Employees May Not Opt Out of PAGA Settlement. Notwithstanding the foregoing, you do not have the right to opt out or otherwise exclude yourself from the PAGA portion of the Settlement, which releases the PAGA Released Claims, described in Section III(L) of the Settlement Agreement. If you submit a valid and timely request for exclusion, you will still receive your share of the PAGA Payment and will release the PAGA Released Claims.

If you received a re-mailed Class Notice and Exclusion Form (collectively, "Notice Packet"), whether by skip-trace or forwarded mail, you will have an additional ten (10) calendar days from the original Response Deadline to postmark a request for exclusion or an objection to the Settlement. The envelope should indicate whether the Notice Packet has been forwarded or re-mailed. We encourage you to keep copies of all documents, including the envelope, in the event the deadline is challenged.

The Court will exclude any Class Member who submits a complete and timely request for exclusion as described in the paragraph above. The request for exclusion must: (a) include the Class Member's name and address, and the last four digits of the Class Member's Social Security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member or his or her lawful representative; and (d) be postmarked no later than **May 13, 2022**. Requests for exclusion that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. Any Class Member who fails to submit a valid and timely request for exclusion on or before the above-specified Response Deadline shall be bound by all terms of the Settlement, release, and any Judgment entered in the Class Action if the Settlement receives Final Approval from the Court.

You are responsible for ensuring that the Settlement Administrator receives any request for exclusion you submit.

8. How Do I Object to the Settlement?

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by mailing an objection to the Settlement Administrator at PO Box 7208, Orange, California 92863 by May 13, 2022. The objection must: (a) state the objecting Class Member's full name, address, and telephone number, as well as the name and address of counsel, if any; (b) include the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list any identifying witness(es) the objecting Class Member may call to testify at the Final Approval Hearing; (e) include true and correct copies of any exhibit(s) the objecting Class Member intends to offer at the Final Approval Hearing; (f) be signed by the objecting Class Member or his or her attorney; and (g) state whether the objecting Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing.

Class Members may appear at the Final Approval Hearing, either in person or through the objecting Class Member's own counsel and orally object to the Settlement. Class Members' timely and valid objections to the Settlement will still be considered even if the objector does not appear at the Final Approval Hearing.

Class Members who fail to object in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement.

Again, to be valid and effective, any objections must be mailed to the Settlement Administrator postmarked on or before **May 13**, **2022**.

If the Court rejects the notice of objection, the Class Member will receive an Individual Settlement Share and will be bound by the terms of the Settlement.

9. How Does this Settlement Affect My Rights? What Are the Released Claims?

Released Parties.

If the proposed Settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court's Final Judgment and will fully and finally release and discharge Defendant and its present and former officers, directors, employees, shareholders, agents, trustees, representatives, attorneys, insurers, reinsurers, parent companies, subsidiaries, divisions, affiliates, predecessors, successors, and assigns ("Released Parties").

Released Claims.

Upon Defendant's fulfillment of its payment obligations pursuant to Section III (J)(9)(a) of the Settlement Agreement, the claims that Plaintiff and the other Participating Class Members are releasing in exchange for the consideration provided for by the Settlement Agreement are any and all facts and claims asserted in the Class Action and Plaintiff's PAGA notice to the LWDA or any other claims that could have been asserted in the Class Action and any PAGA notice to the LWDA based on the facts alleged, including, but not limited to, minimum, overtime and double time wages (including, but not limited to, any claims for additional wages owed due to "off-the-clock" work); meal and rest breaks; failure to keep time records; wage statement violations; separation pay violations; unreimbursed business expenses; untimely payment of wages; failure to maintain records; unfair business practices; and related PAGA penalties ("Released Claims").

10. How Much Can I Expect to Receive from this Settlement?

The total maximum amount that Defendant could be required to pay under the Settlement Agreement shall be up to but no more than Two Million Dollars (\$2,000,000.00) ("Gross Settlement Amount").

The "Net Settlement Amount" means the portion of the Gross Settlement Amount available for distribution to all Class Members who do not submit valid and timely requests to exclude themselves from the Settlement ("Participating Class Members") after the deduction of (1) the Class Representative Enhancement Payment to Plaintiff in an amount of up to \$10,000.00 for the prosecution of the Class Action, undertaking the risk of paying attorneys' fees and costs in the event the Class Action had not successfully resolved, and a general release of all claims; (2) Administration Costs to the Settlement Administrator, Phoenix Class Action Administration Solutions, in an amount currently estimated at \$10,000.00 and not to exceed \$12,000.00; (3) the PAGA Payment of \$50,000.00, seventy-five percent (75%) of which (\$37,500.00) shall be paid to the LWDA, and twenty-five percent (25%) of which (\$12,500.00) shall be distributed to Eligible Aggrieved Employees, on a pro rata basis; (4) the Attorney Fee Award to Class Counsel in an amount not to exceed \$760,000.00 (38% of the Gross Settlement Amount); and (5) the Cost Award to Class Counsel in an amount not to exceed \$25,000.00 for litigation costs. All these payments are subject to Court approval.

After deducting the above-referenced items, the remaining Net Settlement Amount will be proportionately distributed among all Participating Class Members. The Settlement Administrator will pay an Individual Settlement Share to each Participating Class Member from the Net Settlement Amount. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to: (i) the number of weeks he or she worked as a non-exempt California employee of Defendant during the Class Period, based on the Class Data provided by Defendant, divided by (ii) the total number of weeks worked by any and all Participating Class Members collectively during the Class Period based on the same Class Data, (iii) which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a week for purposes of this calculation. Therefore, the value of each Participating Class Member's Individual Settlement Share is tied directly to the number of weeks he or she worked during the Class Period.

If you believe the number of eligible workweeks with which you have been credited is incorrect, you must provide documentation and/or an explanation showing contrary information to the Settlement Administrator at PO Box 7208, Orange, California 92863 on or before May 13, 2022. If you do not provide documents and/or an explanation supporting your challenge, the number of workweeks reported in Defendant's records will be presumed correct, and your challenge will be rejected by the Settlement Administrator. Class Counsel and Counsel for Defendant will review any evidence submitted and will make a final determination as to the number of eligible workweeks with which you will be credited.

Twenty percent (20%) of your Individual Settlement Share will be treated as wages. Applicable taxes will be withheld from the wages portion of your Individual Settlement Share only and reported on an IRS Form W-2. The remaining eighty percent (80%) of your Individual Settlement Share will be treated as penalties and interest and will be paid pursuant to an IRS Form 1099.

Upon the Effective Final Settlement Date, Defendant is expected to fund the Gross Settlement Amount of Two Million Dollars (\$2,000,000.00). The Effective Final Settlement Date will be the later of the following: (i) if no objections to the Settlement have been filed, or timely objections have been filed and then withdrawn, then the date the Court enters judgment granting Final Approval; (ii) if an objection to the Settlement has been filed, then the date on which time expires to file an appeal of the Court's grant of Final Approval; or (iii) if an objection was filed and a Notice of Appeal of the Court's grant of Final Approval was timely filed, then the date the appeal is finally resolved, with the grant of Final Approval unaffected. Your Individual Settlement Share will be calculated and distributed within fourteen (14) calendar days after Defendant funds the entire Gross Settlement Amount.

It is strongly recommended that upon receipt of your Individual Settlement Share check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and pay the amount of the Individual Settlement Shares to the California State Controller: Unpaid Wage Fund.

11. What Is the PAGA Payment and Am I Eligible for It?

Under the terms of the Settlement, Fifty Thousand Dollars (\$50,000.00) has been set aside as the PAGA Payment. This portion is the total amount of civil penalties collected on behalf of the State of California. Of this \$50,000.00, \$37,500.00 will be sent to the State of California. Eligible Aggrieved Employees will share the remaining \$12,500.00, based on the number of pay periods they worked during the PAGA Period.

You are an "aggrieved employee" eligible to share in the PAGA Payment under the Settlement ("Eligible Aggrieved Employee"), if you are a current or former California non-exempt employee of Defendant at any time during the period from June 9, 2019, to December 31, 2021 ("PAGA Timeframe").

The Settlement Administrator shall pay each Eligible Aggrieved Employee according to his or her proportional share of the \$12,500.00 of the PAGA Payment allocated to the Eligible Aggrieved Employees, which will be based upon the total number of pay periods during which the Eligible Aggrieved Employee worked as a California non-exempt employee of Defendant during the PAGA Timeframe. Each individual share will be calculated by (i) determining the total number of pay periods during the

PAGA Timeframe during which the Eligible Aggrieved Employee was employed, (ii) dividing this number by the total number of pay periods during the PAGA Timeframe during which all Eligible Aggrieved Employees were employed (i.e., the sum of all pay periods of employment for all Eligible Aggrieved Employees), and (iii) multiplying this number by the \$12,500.00 allocated to the Eligible Aggrieved Employees.

Based on the total number of pay periods during the PAGA Timeframe during which you were employed, your individual share of the PAGA Payment is \$_____. This is based on Defendant's records, which show you worked ____ pay periods during the PAGA Timeframe. One hundred percent (100%) of this payment will be considered penalties, and you and will be issued an IRS Form 1099 if this payment exceeds \$600.00. You are responsible for paying any federal, state, or local taxes owed as a result of this payment.

If you believe the number of eligible pay periods with which you have been credited is incorrect, you must provide documentation and/or an explanation showing contrary information to the Settlement Administrator at PO Box 7208, Orange, California 92863 on or before May 13, 2022. If you do not provide documents and/or an explanation supporting your challenge, the number of pay periods reported in Defendant's records will be presumed correct, and your challenge will be rejected by the Settlement Administrator. Class Counsel and Counsel for Defendant will review any evidence submitted and will make a final determination as to the number of eligible pay periods with which you will be credited.

Because these penalties can only be sought by California, you cannot exclude yourself from the PAGA portion of the Settlement if the Court gives Final Approval.

It is strongly recommended that upon receipt of your Settlement check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and pay the amount of the individual shares to the California State Controller: Unpaid Wage Fund.

If you are not an Eligible Aggrieved Employee, this Section does not apply to you.

12. How Will the Attorneys for the Class and the Class Representative Be Paid?

The attorneys for Plaintiff and the Class will be paid from the Gross Settlement Amount. Subject to Court approval, the attorneys for Plaintiff and the Class shall be paid an amount not to exceed thirty-eight percent (38%) of the Gross Settlement Amount (or \$760,000.00) for attorneys' fees and up to \$25,000.00 for litigation costs.

Defendant has paid all its own attorneys' fees and costs.

As set forth in Section No. 10 above, the Plaintiff will also be paid a Class Representative Enhancement Payment, subject to Court approval.

13. Final Approval Hearing

The Court will hold a Final Fairness and Approval Hearing concerning the proposed Settlement on July 6, 2022 at 10:30 a.m., before Hon. Stephen E. Benson, in the Superior Court of California, County of Butte, located at 1775 Concord Avenue, Chico, California 95928, Department 6. You are not required to appear at this hearing. Any changes to the hearing date will be available on the website http://www.phoenixclassaction.com/.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel, listed above, or the Settlement Administrator at the telephone number listed below, toll free. Please refer to the "Wehah Farm, Inc. d/b/a Lundberg Family Farms class action settlement."

This Notice does not contain all the terms of the proposed Settlement or all the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the Butte County Superior Court at 1775 Concord Avenue, Chico, California 95928 between 8:30 a.m. and 4:00 p.m.

You may also contact Class Counsel by visiting Justice Law Corporation at 751 North Fair Oaks Avenue, Suite 101, Pasadena, California 91103 during regular business hours, from 9:00 a.m. to 6:00 p.m., or by calling (818) 230-7502. Class Counsel will provide you with an electronic copy of the Settlement documents or case documents free of charge.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.