

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Domingo Munoz Morales (“Plaintiff”), individually and on behalf of all members of the Settlement Class, defined below, on the one hand and Defendants Juan Carlos Arrellano Medina dba Cypress FLC (“Cypress”), Castlerock Farming, LLC, Castlerock Farm Holdings, LLC, Castlerock Farming and Transport, LLC (Collectively, Castlerock Farm Holdings, LLC, Castlerock Farming and Transport, LLC are referred to herein as “Castlerock”) (Cypress and Castlerock are referred to herein as “Defendants”) on the other. Plaintiff and Defendants are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Daniel J. Brown of Stansbury Brown Law, PC (“Class Counsel”). Defendants are represented by Thomas P. Feher of LeBeau Thelen, LLP.

Plaintiff filed a Class Action Complaint (“Complaint” or “Lawsuit”) against Defendants on December 16, 2020, in Kern County Superior Court, Case No. BCV-20-102941, which alleges class action claims for unpaid wages and penalties including but not limited to: (1) minimum wage violations (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties; and (7) unfair competition. Plaintiff filed a First Amended Class and Representative Action Complaint on January 29, 2021 adding an additional cause of action (8) for civil penalties under the Private Attorneys General Act.

Class Counsel has conducted significant informal discovery during the prosecution of the Lawsuit. 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 Defendants; (c) analysis of sample employment data of all Class Members; (d) an analysis of the legal positions taken by Defendants; (e) investigation into the viability of class treatment of the claims asserted in the Lawsuit; (f) analysis of potential class-wide damages, including information sufficient to understand Defendants’ 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 Defendants 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 Defendants’ defenses to them. On December 8, 2021, the Parties attended a full-day mediation with experienced employment law mediator Laurie Saldaña, Esq., 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 Defendants agreed to settle both individually and on behalf of the Settlement Class. This Settlement represents a compromise of materially disputed claims.

Therefore, given the risks and uncertainties of litigation, the Parties have agreed to settle this Lawsuit on the terms set forth herein and subject to the approval of Court. Nothing herein shall be construed as an admission of any wrongdoing or of liability as the Settlement Agreement is

intended solely to allow the Parties to buy their peace and resolve the disputed claims asserted in this Lawsuit.

1. Certification for Settlement Purposes. For the purposes of this Settlement Agreement only, the Parties stipulate to certification of the following Settlement Class:

1. **Settlement Class** – All persons employed by Juan Carlos Arrellano Medina dba Cypress FLC who worked at least one shift performing work for Castlerock Farming, LLC, Castlerock Farm Holdings, LLC, and/or Castlerock Farming Transport, LLC (collectively “Defendants”) in California as non-exempt employees subject to the requirements of Wage Order 14 from December 16, 2016 through May 16, 2022 (the “Class Period”). (“Settlement Class” or “Settlement Class Members”).

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure or Federal Rule of Civil Procedure Rule 23.

If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, 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.

2. Releases.

- A. **Releases by Settlement Class Members.** Plaintiff and every member of the Settlement Class (except those who opt out, as described below) will fully release and discharge Defendants Juan Carlos Arrellano Medina dba Cypress FLC (“Cypress”); Castlerock Farming, LLC; Castlerock Farm Holdings, LLC; Castlerock Farming and Transport, LLC and all the related persons and entities (“Released Affiliates”) and their past and present parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, members, successors and assigns, and heirs (collectively the “Released Parties”) for any and 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 Lawsuit, including the First Amended Complaint pursuant to the terms of this Agreement, or which could have been pled in any of the Complaints in the Lawsuit based on the factual allegations therein, that arose during the Class Period for work performed by Defendant Juan Carlos Arrellano Medina dba Cypress FLC for Castlerock Farming, LLC and/or Castlerock Farm Holdings, LLC and/or Castlerock Farming and Transport, LLC; and/or Released Parties 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; failure to pay all wages due, penalties; rest period violations; meal period violations; failure to keep proper records; itemized wage statement violations; waiting time penalties; unfair competition; declaratory relief;

(including, but not limited to, claims under Labor Code sections 201 through 205.5, 210, 226, 226.2, 226.3, 226.7, 248.2, 510, 512, 516, 558, 1102.5, 1182.12, 1194, 1194.2, 1197 through 1198 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, wages, injunctive relief; liquidated damages, penalties of any nature; interest; fees; costs; and all other claims and allegations made in the Lawsuit and/or in the form of a PAGA claim from December 16, 2016, through May 16, 2022.

- B. **Parties' Mutual Release of Unknown Claims.** The Parties have agreed to release, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against each other and the Released Parties. Each Party understands that this release includes unknown claims and that she or it is, as a result, expressly waiving and relinquishing 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.

However, to the extent that either Party has claims that cannot be released as a matter of law (i.e., workers' compensation claims), then those claims will not be released. The Parties being aware of Section 1542, hereby expressly waive and relinquish all rights and benefits they 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. 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.

Plaintiff's Initials: D

- C. **Effective Date of Releases:** 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. Plaintiff and all Settlement Class Members (who do not submit a timely request to opt out) shall be enjoined from filing any actions, claims, complaints or proceedings against the Released Parties regarding the Released Claims. The releases identified herein shall be null and void if the Maximum Settlement Amount is not fully funded.
3. **Settlement Payment.** In exchange for the releases set forth in this Settlement Agreement, Defendants agrees to pay a common fund of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) (the "Maximum Settlement Amount" or "MSA") in full and complete settlement of this matter, as follows:
- A. The Maximum Settlement Amount shall be deposited with the Settlement Administrator within 30 days after the Effective Date of the Settlement. "Effective Date" for performance and payment by Defendants 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. 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. The Settlement Administrator shall disburse its settlement administration fees, Plaintiff's Class Representative Enhancement Payment, payment to the Labor and Workforce Development Agency ("LWDA") for its share of PAGA penalties, Class Counsel's litigation costs and expenses, and Class Counsel's attorneys' fees within ten (10) business days of Final Approval.
- B. With the sole exception of paying the employer's share of payroll taxes, Defendants shall fully discharge their obligations to Plaintiff and Class Members through the remittance of the MSA, in full, to the Settlement Administrator as set forth in paragraph 3(A), regardless of whether checks representing individual Settlement Awards are actually received and/or negotiated by Class Members.

- C. This is a non-reversionary settlement. The Maximum Settlement Amount includes:
- (1) All payments (including interest) to the Settlement Class;
 - (2) All fees and expenses of the Settlement Administrator associated with the administration of the settlement, which are anticipated to be no greater than Seven Thousand Five Hundred Fifty Dollars (\$7,500.00).
 - (3) Up to Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff's Enhancement Payment, subject to Court approval, in recognition of Plaintiff's general release of claims, contributions to the Lawsuit, and service to the Settlement Class. In the event that the Court reduces or does not approve the requested Enhancement Payment, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding;
 - (4) Up to one-third of the Maximum Settlement Amount in attorneys' fees, which is currently estimated to be Thirty-Three Thousand Three Hundred Thirty Dollars and Zero Cents (\$33,330.00), plus up to Ten Thousand Dollars and Zero Cents (\$10,000.00) in verified costs and expenses related to the Lawsuit as supported by declaration. In the event that the Court reduces or does not approve Class Counsel's requested fees and costs, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding; and
 - (5) Five Thousand Dollars and Zero (\$5,000.00) of the Maximum 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 Three Thousand Seven Hundred Fifty Dollars and Zero Cents (\$3,750.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or One Thousand Two Hundred Fifty Dollars and Zero Cents (\$1,250.00) will be payable to the Settlement Class as the "PAGA Amount."
- D. Defendants' share of payroll taxes calculated by the Claims Administrator shall be paid by Defendants separately from, and in addition to, the Maximum Settlement Amount.
- E. **Escalator Clause.** Defendants represent that there are an approximately 519 weekly pay periods worked by the Settlement Class Members during the Class Period as of December 16, 2021. If the number of workweeks during the Class Period is more than 10% greater than this figure (i.e., if there are 571 or more weekly pay period worked by Settlement Class Members), Defendants have the option to either: (1) agree to increase the Gross Settlement Amount on a proportional basis (i.e., if there was 11% increase in the number workweeks during the Class Period, Defendants 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 Defendants have the option to elect to end the Class Period so as to have an earlier end date at the Defendants' discretion in order to limit the covered workweeks to 571 in lieu of paying an increase to the Maximum Settlement Amount.

- F. **Revocation Option for Defendants.** If more than ten percent (10%) of the Class Members opt out of the Settlement, Defendants may, at their election, rescind the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendants must exercise this right of rescission, in writing, to Class Counsel within fifteen (15) 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 Defendants shall be solely responsible for all costs of the Settlement Administration actually accrued to that point not to exceed, \$7,500.00. Any dispute may be address by motion to the court for determination of reasonableness of the costs.
4. **Settlement Award Procedures.** Settlement Class Members are not required to submit a claim form to receive their Individual Settlement Award. Individual Settlement Awards will be determined and paid as follows:
- A. The Settlement Administrator shall first deduct from the Maximum Settlement Amount the amounts approved by the Court for the Settlement Administrator's fees and expenses, Plaintiff's Enhancement Payment, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the LWDA's share of the PAGA payment. The remaining amount shall be known as the "Net Settlement Fund."
 - B. From the Net Settlement Fund, the Settlement Administrator will calculate each Settlement Class Member's Individual Settlement Award.

Settlement Awards shall be based on the following formula:

- i. **PAGA Amount:** Each participating Settlement Class Member who was employed by Defendants at any time from December 16, 2019, to May 16, 2022, shall receive a portion of the One Thousand Two Hundred Fifty Dollars and Zero Cents (\$1,250.00) of the Net Settlement Fund that has been designated as the "PAGA Amount" proportionate to the number of pay periods that he or she worked during the period from December 16, 2019, to May 16, 2022 ("PAGA Period").
- ii. The remainder of the Net Settlement Fund shall be distributed to each participating Settlement Class Member based on their proportionate share of Eligible Workweeks (defined below) during the Class Period, by multiplying the remaining Net Settlement Fund by a fraction, the numerator of which is the participating Settlement Class Member's Eligible Workweeks during the Class Period, and the denominator of which is the total Eligible Workweeks of all participating Settlement Class Members during the Class Period.

An "Eligible Workweek" shall be any workweek in which the Class Member worked at least one day during the workweek performing work for Defendants based on Defendants' records.

- C. Within ten business (10) days following the funding of the Maximum Settlement Amount with the Settlement Administrator by Defendants, the Settlement Administrator will calculate Individual Settlement Award amounts less the amount, if any, they received as part of their Individual Settlement Agreements 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 Defendants' 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. Defendants make 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 one hundred twenty (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 not be reissued and will be distributed consistent with Code of Civil Procedure Section 384 to the 501(c)(3) non-profit organization Valley Children's Hospital, or, in the alternative if the Court does not approve Valley Children's Hospital as the *cy pres* recipient the unclaimed funds 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 Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by her or its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Class Counsel's Attorneys' Fees and Litigation Costs.** Defendants will not object to a request for a total award of attorneys' fees to Class Counsel of one-third of the Maximum Settlement Amount, which is currently estimated to be Thirty-Three Thousand Three Hundred Thirty Dollars (\$33,330.00), plus up to Ten Thousand Dollars and Zero Cents (\$10,000.00) in verified costs and expenses related to the Lawsuit as supported by declaration. 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, responses to any intervenors and any appeals necessitated by those objections or intervenors. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award as approved by the Court.

6. **Plaintiff's Enhancement Payment.** Defendants will not object to a request for a Class Representative Enhancement Payment for Plaintiff of Five Thousand Dollars and Zero Cents (\$5,000.00) in exchange for the general release of her claims, his time and risks in prosecuting this case, and her service to the Settlement Class. This payment will be in addition to Plaintiff's Individual Settlement Award as a Settlement Class Member and shall be reported on an IRS Form 1099 by the Settlement Administrator. It is the intent of the Parties that the Enhancement Payment to the Plaintiff is for her services in connection with this Lawsuit and is not wages, therefore the Settlement Administrator shall not withhold any taxes from the Enhancement and shall report it on an IRS Form 1099, which shall be provided to Plaintiff and to the pertinent taxing authorities as required by law. Although it is the contemplation of the Parties that the Enhancement does not represent wages, the Internal Revenue Service, the California Franchise Tax Board, or some other taxing authority may take the position that some or all of the Enhancement Payment constitutes wages for income tax and withholding purposes. Plaintiff agrees to assume the responsibility of remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, to be withheld by Defendants from the Enhancement paid under this Settlement Agreement. In addition, Plaintiff shall hold Defendants, Released Parties and Class Counsel harmless and indemnify Defendants, Released Parties and Class Counsel for all taxes, interest, penalties, other payments and costs, incurred by Defendants by reason of any claims relating to the non-withholding of taxes from the Enhancement. Even in the event that the Court reduces or does not approve the requested Enhancement Payment, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

7. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator nor to Class Counsel seeking Court approval to pay up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) from the Maximum Settlement Amount for its services. The Settlement Administrator shall be responsible for sending all required notices, calculating the Net Settlement Fund, calculating each Class Member's Individual Settlement Award amount, preparing all checks and mailings and disbursing all residuals resulting from uncashed settlement checks as set forth in Section 4(E). The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount by Class Counsel only after checks have been mailed to all Settlement Class Members.

8. **Preliminary Approval.** 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 Daniel J. Brown of Stansbury Brown Law, PC as Class Counsel;
 - C. Appointing Domingo Munoz Morales 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 Class Notice Packet (which is comprised of the Class Notice, Request for Exclusion Form, and Objection Form), and directing the mailing of same; and
 - G. Scheduling a Final Approval hearing.
 - H. Class Counsel will draft the preliminary approval papers and final approval papers. Defendants agree not to file an opposition to the Motion for Preliminary Approval or Motion for Final Approval.
9. **Notice Procedures.** Following preliminary approval, the Settlement Class shall be notified as follows:
- A. Within ten (10) business days after entry of an order preliminarily approving this Agreement, Defendants 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. Plaintiff and Class Counsel will not distribute any other documents or notices (whether by mail, on-line, or otherwise) regarding this Lawsuit or Settlement.

- C. The Settlement Administrator shall use its best professional efforts, including utilizing a “skip trace,” to track any Settlement Class Member’s mailing returned as undeliverable, and will re-send the Notice Packet promptly upon identifying updated mailing addresses through such efforts. 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.
- D. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline (defined below) 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 five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, 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. Settlement Class Members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion, challenge or objection.
- E. **Opt-Out/Request for Exclusion Procedures.** Any Settlement Class Member 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) 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 Request for Exclusion Form must: (1) contain the name, address, telephone 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 MORALES V. CASTLEROCK 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 Form fails to comply with items (1)-(3), it will not be deemed a valid Request for Exclusion from this settlement, except a Request for Exclusion Form not containing a Class Member’s telephone number will be deemed valid. The date of the postmark on the Request for Exclusion Form, 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 (although the PAGA settlement and release provisions will apply to each such individual, and such individual shall be entitled to his or her share of the PAGA Amount) or have any right to object, intervene, appeal or comment thereon. Any Settlement Class Member who does not submit a Request for Exclusion Form is automatically deemed a participating Settlement Class Member.

F. **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 Defendants' counsel). PAGA Employees are not permitted to request exclusion to the PAGA Settlement. Defendants' 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 Defendants' counsel with weekly reports as to any written objections.

G. **Challenges to Individual Settlement Award Calculations.** 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 Defendants' 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 Defendants' 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.

10. **Final Approval Process.** Following preliminary approval and the close of Response Deadline 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 application for Settlement Administrator's fees and expenses, Plaintiff's Enhancement Payment, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the LWDA's share of the PAGA payment; and
- C. Entering judgment pursuant to California Rule of Court 3.769.

11. **Non-Admission.** Defendants deny that they have engaged in any unlawful activity, that they have failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Lawsuit, and that but for this settlement a class should not be certified in this Lawsuit. Nothing in this Settlement Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendants. 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 Lawsuit, 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 Defendants 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. 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. 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.

12. **Amendments or Modifications.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by 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.

13. **No Prior Assignments.** The Parties and Class Counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein released and discharged except as set forth herein.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery or by e-mail at the addresses set forth below, or such other addresses as the Parties may designate in writing from time to time:

if to Defendants: Thomas P. Feher, Esq.
LEBEAU THELEN, LLP
5001 East Commercenter Drive, Suite 300
Post Office Box 12092
Bakersfield, California 93389
tfeher@lebeauthelen.com

if to Plaintiff: Daniel J. Brown, Esq.
STANSBURY BROWN LAW, PC
2610 ½ Abbot Kinney Blvd.
Venice, CA 90291
dbrown@stansburybrownlaw.com

15. **Entire Agreement.** 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.

16. **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.

17. **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.

18. **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.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

EXECUTION BY PARTIES AND COUNSEL

DATED: Juan Carlos Arrellano Medina dba Cypress FLC

By: _____
Defendant

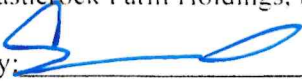
DATED: Castlerock Farming, LLC

05/02/22

By:  _____
Defendant

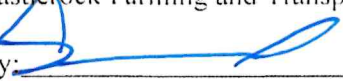
DATED: Castlerock Farm Holdings, LLC

05/02/22

By:  _____
Defendant


DATED: Castlerock Farming and Transport, LLC

05/02/22

By:  _____
Defendant

DATED: Domingo Munoz Morales

04-27-22

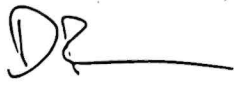
By:  _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: LEBEAU THELEN, LLP

By: _____
Thomas P. Feher
Attorneys for Defendants

DATED: 4/27/22 STANSBURY BROWN LAW, PC

By:  _____
Daniel J. Brown
Attorneys for Plaintiff

EXECUTION BY PARTIES AND COUNSEL

DATED:
5-3-22

Juan Carlos Arrellano Medina dba Cypress FLC

By: 
Defendant

DATED:

Castlerock Farming, LLC

By: _____
Defendant

DATED:

Castlerock Farm Holdings, LLC

By: _____
Defendant

DATED:

Castlerock Farming and Transport, LLC

By: _____
Defendant

DATED:

04-27-22

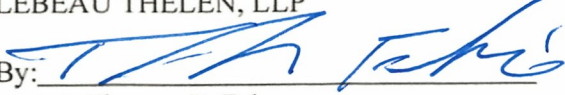
Domingo Munoz Morales

By: 
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

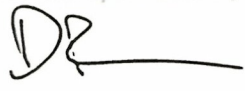
DATED: 5-3-22

LEBEAU THELEN, LLP

By: 
Thomas P. Feher
Attorneys for Defendants

DATED: 4/27/22

STANSBURY BROWN LAW, PC

By: 
Daniel J. Brown
Attorneys for Plaintiff