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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF IMPERIAL**

ISAIAS RUVALCABA, individually and on behalf of others similarly situated, and as an aggrieved employee and Private Attorney General,

Plaintiff,

vs.

SPRECKELS SUGAR COMPANY, INC., a California Corporation; SOUTHERN MINNESOTA BEET SUGAR COOPERATIVE, a Minnesota Corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. ECU001415

Assigned for all purposes to: Honorable Brooks Anderholt, Dept. 9

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

Complaint Filed: May 28, 2020
Trial date: None

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Isaias Ruvalcaba, individually and on behalf of the Settlement Class and Defendants Spreckels Sugar Company, Inc., and Southern Minnesota Beet Sugar Cooperative.

DEFINITIONS

1. “Agreement” or “Settlement Agreement” means this Joint Stipulation of Class Action and PAGA Settlement.

2. “Action” means the court action, entitled “*Isaias Ruvalcaba v. Spreckels Sugar Company, Inc. et al.*,” Case No. ECU001415, pending before the Imperial County Superior Court and includes all allegations or claims submitted to the Labor and Workforce Development Agency by or on behalf of Plaintiff, including Plaintiff’s notice submitted to the LWDA on or about May 18, 2020.

3. “Class Counsel” means Protection Law Group, LLP.

4. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Maximum Settlement Amount. Class Counsel will request attorneys’ fees not to exceed one-third (1/3) of the Maximum Settlement Amount, i.e. Eight Hundred Thousand Dollars (\$800,000.00) and the reimbursement costs and expenses associated with the litigation and settlement of the Action, not to exceed Forty Thousand Dollars (\$40,000.00), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs and expenses in the amount set forth above.

5. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within thirty (30) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class Member’s: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a non-exempt employee of Defendants in the State of California; (6) information sufficient to allow the Settlement Administrator to

1 determine (i) total Workweeks during the Class Period and (ii) total Workweeks during the PAGA
2 Period; and (7) any other information required by the Settlement Administrator in order to
3 effectuate the terms of the Settlement.

4 6. “Class” or “Class Members” means all current or former nonexempt employees
5 who were employed by Defendants Spreckels Sugar Company, Inc. and Southern Minnesota Beet
6 Sugar Cooperative (“Defendants”) in California at any time during the Class Period.

7 7. “Class Period” means the period from May 28, 2016, until July 7, 2022.

8 8. “Class Representative” means Plaintiff Isaias Ruvalcaba in his capacity as
9 representative of the Participating Class Members.

10 9. “Class Representative Enhancement Payment” means the amount that the Court
11 authorizes to be paid to Plaintiff Isaias Ruvalcaba, in addition to his Individual Settlement
12 Payment, in recognition of the efforts and risks he has taken in assisting with the prosecution of
13 the Action and in exchange for the General Release of his claims as provided herein.

14 10. “Court” means the Superior Court of the State of California for the County of
15 Imperial.

16 11. “Defendants” mean Spreckels Sugar Company, Inc., and Southern Minnesota Beet
17 Sugar Cooperative.

18 12. “Effective Date” means: the date upon which both of the following have occurred:
19 (i) final approval of the Settlement is granted by the Superior Court of California, County of
20 Imperial, or other court assuming jurisdiction of this matter, and (ii) the Court’s order approving
21 the Settlement becomes Final. “Final” shall mean the latest of: (i) if there is an appeal of the Court’s
22 order, the date the order is affirmed on appeal, the date of dismissal of such appeal, or the expiration
23 of the time to file a petition for writ of certiorari to the United States Supreme Court, or, (ii) if a
24 petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the
25 date the order is affirmed pursuant to such petition; (iii) if an objection to the settlement is filed by
26 any Settlement Class Member, then the expiration date of the time for filing or noticing any appeal
27 of the order, which is sixty (60) calendar days from entry of the order; and (iv) if no objection has
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1 been filed by any Settlement Class Member, then the date that the Court grants final approval of
2 this Settlement.

3 13. “Final Approval” means the Court entering an order granting final approval of the
4 Settlement Agreement.

5 14. “Maximum Settlement Amount” means the sum of Two Million Four Hundred
6 Thousand Dollars (\$ 2,400,000.00). The Maximum Settlement Amount is non-reversionary; no
7 portion of the Maximum Settlement Amount will return to Defendants.

8 15. “Individual Settlement Payment” means the amount payable from the Net
9 Settlement Amount to each Participating Class Member and any payment a PAGA Member is
10 eligible to receive from the employee portion of the PAGA Payment. Individual Settlement
11 Payments shall be paid by a Settlement Check made payable to Participating Class Members
12 and/or PAGA Members.

13 16. “Net Settlement Amount” means the funds available for payments to the Class,
14 which shall be the amount remaining after the following amounts are deducted from the Maximum
15 Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3) Settlement
16 Administration Costs, (4) Class Representative Enhancement Payment to Plaintiff Isaias
17 Ruvalcaba; and (5) the PAGA Payment to the LWDA and PAGA Members.

18 17. “Notice” means the Notice of Class Action Settlement in a form substantially
19 similar to the form attached hereto as Exhibit A, that will be mailed to Class Members’ last known
20 addresses and which will provide Class Members with information regarding the Action and
21 information regarding the settlement of the Action.

22 18. “PAGA” means the California Labor Code Private Attorneys General Act of 2004
23 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”).

24 19. “PAGA Payment” means the amount that the Parties have agreed to allocate as
25 penalties in order to settle claims arising under the Private Attorneys General Act of 2004 (Cal.
26 Lab. Code §§ 2698, *et seq.*)(“PAGA”). The Parties have agreed that One Hundred Fifty Thousand
27 Dollars (\$150,000.00) of the Maximum Settlement Amount will be allocated to the resolution of
28 Plaintiff PAGA Claims. Seventy Five Percent (75%) of this amount (\$112,500.00) will be paid to

1 the California Labor and Workforce Development Agency in accordance with Labor Code §§ 2698
2 *et seq.* Twenty Five Percent (25%) of this amount (\$37,500.00), will be distributed to PAGA
3 Members. PAGA Members will receive payment from this employee portion of the PAGA
4 Payment regardless of their decision to participate in the class action if the PAGA Payment is
5 approved by the Court. Class counsel shall give timely notice of the Settlement to the LWDA
6 under Labor Code section 2699(1)(2).

7 20. “PAGA Period” means the period from May 28, 2019, through July 7, 2022.

8 21. “PAGA Members” means all current and former hourly-paid, non-exempt
9 employees of Defendants who were employed by Defendants, in the state of California, at any
10 time during the PAGA Period.

11 22. “Parties” means Plaintiff and Defendants, collectively, and “Party” shall mean
12 either Plaintiff or Defendants, individually.

13 23. “Participating Class Members” means all Class Members who do not submit a valid
14 request for exclusion from the settlement.

15 24. “Plaintiff” means Isaias Ruvalcaba.

16 25. “Preliminary Approval” means the Court order granting preliminary approval of
17 the Settlement Agreement.

18 26. “Objection” means a Class Member’s valid, signed and timely written objection to
19 the Settlement Agreement. For an Objection to be valid, it must include: (a) the objector’s full
20 name, address, telephone number, last four digits of the employees social security number or
21 employee ID number and (b) a written statement of all grounds for the objection accompanied by
22 legal support, if any, for such objection.

23 27. “Released Class Claims” means all claims, demands, rights, liabilities and causes
24 of action that were alleged or could have been alleged based on the facts alleged in the operative
25 complaint in the Action including:

- 26 a) All claims for unpaid wages, failure to pay minimum wage, failure to pay overtime,
27 and any other claim for failure to pay wages under the Labor Code or Wage Order,
28 and any claim for failure to pay wages or overtime wages at the correct regular rate

1 of pay, during the Class Period, including claims under Labor Code §§ 204, 510,
2 1198, 1194, 1194.2 1197, and 1197.1;

3 b) All claims for failure to provide meal period premiums or failure to provide meal
4 periods under the Labor Code or Wage Order that accrued during the Class Period,
5 including claims under Labor Code §§226.7 and 512;

6 c) All claims for failure to pay rest period premiums or failure to authorize and permit
7 rest periods under the Labor Code or Wage Order that accrued during the Class
8 Period, including claims under Labor Code §§226.7 and 512;

9 d) All claims for failure to timely pay wages and/or waiting time penalties;

10 e) All claims for failure to issue or provide adequate wage statements, whether for any
11 penalty or wage, pursuant to Labor Code § 226;

12 f) All claims for failure to maintain records under the Labor Code or Wage order,
13 including under Labor Code §§1174 and 1174.5, which accrued during the Class
14 Period

15 g) All claims for unreimbursed business expenses under Labor Code §§2800 and 2802

16 h) All claims for unfair business practices under Business and Professions Code
17 §17200 based on the facts alleged in the operative complaint including facts alleged
18 regarding the aforementioned alleged Labor Code violations.

19 i) Any other claims arising, or which could have arisen, from the facts alleged in the
20 operative Complaint including any associated claims that could have been raised
21 based on the facts alleged in the operative complaint for liquidated damages,
22 punitive damages, penalties, costs, expenses, interest, fees, taxes, equitable or
23 injunctive relief, or other remedies, under the Fair Labor Standards Act, the
24 California Labor Code, the California Business and Professions Code, the IWC
25 Wage Orders and analogous state or local laws, and any other claim for wages or
26 compensation or associated benefits under any statutory or common law or
27 equitable theories that could have been raised based on the facts alleged, or any
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1 claims for violations of any other state or federal statutes, rules or regulations that
2 could have been raised based on the facts alleged in the operative complaint.

3 28. “Released PAGA Claims” means all claims, causes of action or potential penalties
4 under PAGA to the extent identified based on the factual allegations in Plaintiff’s Notice of Labor
5 Code Violations and PAGA Penalties mailed to the Labor and Workforce Development Agency
6 and attached hereto as Exhibit B (the “PAGA Notice Letter”) and alleged in the operative
7 Complaint and which arose at any time during the PAGA Period.

8 29. “Released Parties” means Defendants Spreckels Sugar Company, Inc. and Southern
9 Minnesota Beet Sugar Cooperative, and their parents, subsidiaries, affiliates and related entities;
10 each of their respective predecessors, successors, assigns, benefit plans, and benefit plan
11 administrators and trustees, and each of their respective past or present shareholders, directors,
12 officers, exempt employees, agents, attorneys, representatives or insurers, in any and all capacities.

13 30. “Request for Exclusion” means a valid and timely written statement submitted and
14 signed by a Class Member requesting to be excluded from the Action. To be effective, the Request
15 for Exclusion must contain (a) the Class Member’s name, address, telephone number, and the last
16 four digits of the Class Member’s Social Security number and/or the Employee ID number and (b)
17 a clear statement requesting to be excluded from the settlement of the class claims similar to the
18 following: “I wish to exclude myself from the class settlement reached in the matter of *Ruvalcaba*
19 *v. Spreckels Sugar Company, Inc. et al.*” I understand that by excluding myself, I will not receive
20 money from the settlement of my individual claims.” To be effective, the Request for Exclusion
21 must be post-marked by the Response Deadline and received by the Settlement Administrator. The
22 Request for Exclusion shall not be effective as to the release of claims arising under the Private
23 Attorneys General Act.

24 31. “Response Deadline” means the date forty-five (45) days after the Settlement
25 Administrator mails Notice to Class Members and the last date on which Class Members may
26 submit Requests for Exclusion, written objections to the Settlement, or Workweek Disputes. In the
27 event the 45th day falls on a Sunday or Federal holiday, the Response Deadline will be extended
28 to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for

1 Exclusion or objections will be extended fifteen (15) calendar days for any Class Member who is
2 re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or
3 Federal holiday, in which case the Response Deadline will be extended to the next day on which
4 the U.S. Postal Service is open. The Response Deadline may also be extended by express
5 agreement between Class Counsel and Defendants. Under no circumstances, however, will the
6 Settlement Administrator have the authority to unilaterally extend the deadline for Class Members
7 to submit a Request for Exclusion or objection to the settlement.

8 32. “Settlement” means the disposition of the Action pursuant to this Agreement.

9 33. “Settlement Administrator” means Phoenix Settlement Administrators. The Parties
10 each represent that they do not have any financial interest in the Settlement Administrator or
11 otherwise have a relationship with the Settlement Administrator that could create a conflict of
12 interest.

13 34. “Settlement Administrator’s Fees and Expenses” mean the costs payable from the
14 Maximum Settlement Amount to the Settlement Administrator for administering this Settlement,
15 including, but not limited to, printing, distributing, and tracking documents for this Settlement,
16 calculating/confirming the class member Workweeks from the information contained in the Class
17 List, calculating each Participating Class Member’s Individual Settlement Payment, tax reporting,
18 distributing the Maximum Settlement Amount, providing necessary reports and declarations, and
19 other duties and responsibilities set forth herein to process this Settlement, and as requested by the
20 Parties. Settlement Administrator’s Fees and Expenses shall not exceed Twelve Thousand Dollars
21 (\$12,000.00).

22 35. “Workweek” shall mean any week where a Class Member performed work on
23 behalf of Defendants for at least 1 day in California. However, any weeks in which a Class Member
24 was paid for non-work (e.g., a full week of leave or vacation) will not be included.

25 **TERMS OF AGREEMENT**

26 36. Settlement Consideration: Defendants shall fund the Maximum Settlement Amount
27 following Final Approval by the Court and the occurrence of the Effective Date. The following
28 will be paid out of the Maximum Settlement Amount: the sum of the Individual Settlement

1 Payments, the Class Representative Enhancement Payment, Class Counsel's Fees and Costs, the
2 PAGA Payment, and the Settlement Administrator's Fees and Expenses, as specified in this
3 Agreement. Except for any employer-side taxes due on the Individual Settlement Payments (which
4 shall be paid separately from, and in addition to, the Maximum Settlement Amount), or as a result
5 of an increase in the number of workweeks as set forth below, Defendants shall not be required to
6 pay more than the Maximum Settlement Amount. The Maximum Settlement Amount is non-
7 reversionary; no portion of the Maximum Settlement Amount will revert to Defendants.

8 37. Potential Increase to the Maximum Settlement Amount: Defendants have
9 represented that the number of workweeks between May 28, 2016, through April 8, 2022, is
10 approximately 60,000 workweeks. If in fact the number of workweeks is more than 10% above
11 60,000 (66,000 workweeks) in the Class Period, it will be Defendants' choice whether to increase
12 the settlement by a percentage equal to the percentage by which the number of workweeks is more
13 than 10% higher than Defendants' estimate of 60,000 (i.e., if the number of workweeks increases
14 by 11%, the Maximum Settlement Amount will increase by 1%), or to shorten the end of the Class
15 Period/PAGA Period to the date when the Class and PAGA Members worked 60,000 workweeks.

16 38. Funding of the Maximum Settlement Amount: Within ten (10) business days of
17 the Effective Date of the Settlement, Defendants will deposit the Maximum Settlement Amount
18 and all applicable employer-side payroll taxes into a Qualified Settlement Fund ("QSF") to be
19 established by the Settlement Administrator. Defendants shall provide all information necessary
20 for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8
21 digit state unemployment insurance tax ID number, and other information requested by the
22 Settlement Administrator, no later than seven (7) calendar days after the Effective Date.

23 39. Distribution of the Maximum Settlement Amount: Within fourteen (14) calendar
24 days of the funding of the Settlement, the Settlement Administrator will issue payments for: (a)
25 Individual Settlement Payments; (b) the PAGA Payment to the Labor and Workforce Development
26 Agency; (c) the Class Representative Enhancement Payment; (d) Class Counsel's Fees and Costs
27 and (e) Settlement Administrator's Fees and Expenses.

1 40. Attorneys' Fees and Costs: Defendants agree not to oppose any application or
2 motion by Class Counsel for attorneys' fees of not more than Eight Hundred Thousand Dollars
3 (\$800,000.00) plus the reimbursement of costs and expenses associated with the litigation and
4 settlement of the Action, in an amount not to exceed Forty Thousand Dollars (\$40,000.00), both
5 of which will be paid from the Maximum Settlement Amount. Any portion of the requested fees
6 or costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount
7 and distributed to Participating Class Members as provided in this Agreement.

8 41. Class Representative Enhancement Payment: Defendants agree not to oppose or
9 object to any application or motion by Plaintiff for a Class Representative Enhancement Payment
10 of Seven Thousand Five Hundred Dollars (\$7,500) for Plaintiff Isaias Ruvalcaba. The Class
11 Representative Enhancement Payment is in exchange for the General Release of the Plaintiff's
12 individual claims and for his time, effort and risk in bringing and prosecuting the Action. In the
13 event the Court reduces or modifies the requested Class Representative Enhancement Payment,
14 Plaintiff shall not have the right to revoke the Settlement (including his individual release of
15 claims) for that reason. Any portion of the requested Class Representative Enhancement Payment
16 that is not awarded to the Class Representatives shall be reallocated to the Net Settlement Amount
17 and distributed to Participating Class Members as provided in this Agreement.

18 42. Settlement Administrator's Fees and Expenses: The Settlement Administrator will
19 be paid for the reasonable costs of administration of the Settlement and distribution of payments
20 from the Maximum Settlement Amount as further set forth in this Agreement. The Settlement
21 Administrator's Fees and Expenses shall not exceed Twelve Thousand Dollars (\$12,000.00)

22 43. PAGA Payment: One Hundred Fifty Thousand Dollar (\$150,000.00) shall be
23 allocated from the Maximum Settlement Amount for settlement of claims for civil penalties under
24 the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA
25 Payment, or One Hundred Twelve Thousand Five Hundred Dollars (\$112,500.00), to the
26 California Labor and Workforce Development Agency ("LWDA"). Twenty-five percent (25%) of
27 the PAGA Payment, or Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00), will be
28 distributed to PAGA Members on a *pro rata* basis based on the total number of Workweeks worked

1 by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of
2 the PAGA Payment regardless of their decision to opt-out of the class settlement.

3 44. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount
4 will be used to satisfy the class portion of Participating Class Members Individual Settlement
5 Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount
6 is as follows:

7	Maximum Settlement Amount	\$	2,400,000.00
8	Class Representative Enhancement:	\$	7,500.00
9	Class Counsel's Fees:	\$	800,000.00
10	Class Counsel's Costs:	\$	40,000.00
11	PAGA Payment	\$	150,000.00
12	Settlement Administration Costs:	\$	12,000.00
13	Estimated Net Settlement Amount	\$	\$1,390,500.00

14 45. Individual Settlement Payment Calculations: Individual Settlement Payments will
15 be paid from the Net Settlement Amount, including the 25% portion of the PAGA Payment
16 allocated for PAGA Members which shall be paid pursuant to the formula set forth herein:

17 a) Calculation of Class Portion of Individual Settlement Payments: The
18 Settlement Administrator will calculate the total Workweeks for all Participating Class Members
19 by adding the number of Workweeks worked by each Participating Class Member during the Class
20 Period. The respective Workweeks for each Participating Class Member will be divided by the
21 total Workweeks for all Participating Class Members, resulting in the Payment Ratio for each
22 Participating Class Member. Each Participating Class Member's Payment Ratio will then be
23 multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated
24 share of the Net Settlement Amount.

25 b) Calculation of PAGA Portion of Individual Settlement Payments:
26 The Settlement Administrator will calculate the total Workweeks for all PAGA Members by
27 adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The
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1 respective Workweeks for each PAGA Member will be divided by the total Workweeks for all
2 PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's
3 Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate
4 each PAGA Member's estimated share of the PAGA Payment. PAGA Members shall receive this
5 portion of their Individual Settlement Payment regardless of whether they opt out of the
6 participation regarding the class claims.

7 c) Allocation of Individual Settlement Payments: All Individual Settlement
8 Payments will be allocated as follows: twenty percent (20%) of each Individual Settlement
9 Payment will be allocated as wages, forty percent (40%) shall be allocated as interest, and forty
10 percent (40%) shall be allocated as penalties. The portion of the Individual Settlement Payment
11 allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The
12 remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement
13 Administrator.

14 46. No Credit Toward Benefit Plans: The Individual Settlement Payments made to
15 Participating Class Members under this Settlement, as well as any other payments made pursuant
16 to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans
17 to which any Class Members may be eligible, including, but not limited to profit-sharing plans,
18 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and
19 any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not
20 affect any rights, contributions, or amounts to which any Class Members may be entitled under
21 any benefit plans.

22 47. Settlement Administration Process: The Parties agree to cooperate in the
23 administration of the Settlement and to make all reasonable efforts to control and minimize the
24 costs and expenses incurred in administration of the Settlement. The Settlement Administrator will
25 provide the following services:

- 26 a) Establish and maintain a Qualified Settlement Fund.
27 b) Calculate the Individual Settlement Payment each Participating Class
28 Member is eligible to receive and the portion of the PAGA Payment each

1 PAGA Member shall receive.

- 2 c) Translate and print the Notice
- 3 d) Within 15 calendar days after receiving the Class List and Data, the
- 4 Settlement Administrator will perform a National Change of Address
- 5 (“NCOA”) search and mail the Notice to the Class Members at their last
- 6 known address.
- 7 e) Conduct additional address searches for mailed Notices that are returned as
- 8 undeliverable.
- 9 f) Process Requests for Exclusion, field inquiries from Class Members,
- 10 g) Print and issue and issue Settlement Payment Checks, prepare IRS W2 and
- 11 1099 Tax Forms and any other filings required by any governmental taxing
- 12 authority.
- 13 h) Provide declarations and/or other information to this Court as requested by
- 14 the Parties and/or the Court.
- 15 i) Provide weekly status reports to counsel for the Parties.
- 16 j) Posting a notice of final judgment online at Settlement Administrator’s
- 17 website.

18 48. Delivery of the Class List: Within thirty (30) calendar days of Preliminary

19 Approval, Defendants will provide the Class List to the Settlement Administrator.

20 49. Notice by First-Class U.S. Mail: Within fifteen (15) calendar days after receiving

21 the Class List from Defendants, the Settlement Administrator will mail the Notice to all Class

22 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses

23 identified in the Class List.

24 50. Confirmation of Contact Information in the Class List: Prior to mailing, the

25 Settlement Administrator will perform a National Change of Address (“NCOA”) search for

26 information to update and correct for any known or identifiable address changes and will mail the

27 notice to the Class Members at their last known address. Any Notice returned to the Settlement

28 Administrator as non-deliverable on or before the Response Deadline will be sent promptly via

1 regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
2 Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is
3 provided, the Settlement Administrator will promptly attempt to determine the correct address
4 using a skip-trace, or other search using the name, address and/or Social Security number of the
5 Class Member involved and will then perform a single re-mailing. If any notice sent to a Class
6 Member by the Settlement Administrator is returned as undeliverable to a current employee, then
7 Defendants shall make all reasonable efforts to obtain the current address from the Class Member
8 and provide the same within seven (7) calendar days of notice from the Settlement Administrator.
9 Those Class Members who receive a re-mailed Notice, whether by skip-trace or by request, will
10 have between the later of (a) an additional ten (10) calendar days or (b) the Response Deadline to
11 postmark a Request for Exclusion, or an objection to the Settlement.

12 51. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a)
13 information regarding the nature of the Action; (b) a summary of the Settlement's principal terms;
14 (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked
15 for Defendat during the Settlement Class Period; (e) each Class Member's estimated Individual
16 Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates
17 which comprise the Class Period and PAGA Period; (g) the deadlines by which the Class Member
18 must postmark Requests for Exclusion, Objections to the Settlement, or Workweek Disputes; (h)
19 the claims to be released, as set forth herein; and (j) the date for the final approval hearing.

20 52. Disputed Information on Notice: Class Members will have an opportunity to
21 dispute the information provided in their Notice. To the extent Class Members dispute the number
22 of Workweeks with which they have been credited or the amount of their Individual Settlement
23 Payment, Class Members may produce evidence to the Settlement Administrator showing that
24 such information is inaccurate. Absent evidence rebutting Defendants' records, Defendants'
25 records will be presumed determinative. However, if a Class Member produces evidence to the
26 contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class
27 Member and the Parties will jointly make the final decision as to the number of eligible Workweeks
28 that should be applied and/or the Individual Settlement Payment to which the Class Member may

1 be entitled. If the Parties do not agree, the dispute will be submitted to the Court.

2 53. Defective Submissions: If a Class Member's Request for Exclusion is defective as
3 to the requirements listed herein, that Class Member will be given an opportunity to cure the
4 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
5 business days of receiving the defective submission to advise the Class Member that his or her
6 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
7 The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar
8 days from the date of the cure letter, whichever date is later, to postmark a revised Request for
9 Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the
10 Settlement Administrator will have no further obligation to give notice of a need to cure. If the
11 revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

12 54. Request for Exclusion Procedures: Any Class Member wishing to opt-out from the
13 Action must sign and postmark a written Request for Exclusion to the Settlement Administrator
14 by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name,
15 address, telephone number, and the last four digits of the Class Member's Social Security number
16 and/or the Employee ID number and (b) a clear statement requesting to be excluded from the
17 settlement of the class claims similar to the following: "I wish to exclude myself from the class
18 settlement reached in the matter of *Ruvalcaba v. Spreckels Sugar Company, Inc. et al.* I understand
19 that by excluding myself, I will not receive money from the settlement of my individual claims.
20 The date of the postmark on the return mailing envelope receipt confirmation will be the exclusive
21 means to determine whether a Request for Exclusion has been timely submitted. All Requests for
22 Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class
23 Counsel and Defendants' Counsel the Requests for Exclusion that were timely submitted. All Class
24 Members who do not request exclusion from the Action will be bound by all terms of the
25 Settlement Agreement if the Settlement is granted final approval by the Court. The Request for
26 Exclusion shall not be effective as to the release of claims arising under the Private Attorneys
27 General Act.

28 55. Defendants' Right to Rescind: If 5% or more of the Class Members opt out of the

1 settlement, then Defendants shall have the unilateral right, in their sole and absolute discretion, to
2 void the Settlement in its entirety. The Parties agree they will not solicit or encourage any class
3 member to object to the settlement or to opt-out. Class Counsel shall not represent any Class
4 Members with respect to any such objections to this settlement. Defendants agree that it will pay
5 the Settlement Administrator fees up to the date of Defendants' notice to the Administrator if it
6 chooses to void the Settlement.

7 56. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Any Class
8 Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid
9 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released
10 Class Claims, as well as any Judgment that may be entered by the Court if it grants final approval
11 to the Settlement. Class Members who opt-out of the Settlement shall not be bound by such
12 Judgment or release. The names of Class Members who have opted-out of the settlement shall be
13 disclosed to the Counsel for both Plaintiff and Defendants and noted in the proposed Judgment
14 submitted to the Court. The Parties agree that PAGA Members cannot opt out or otherwise
15 exclude himself or herself from the PAGA portion of the Settlement.

16 57. Objection Procedures: To object to the Settlement, a Participating Class Member
17 must postmark a valid Objection to the Settlement Administrator on or before the Response
18 Deadline. The Objection must be signed by the Participating Class Member and contain all
19 information required by this Settlement Agreement including the employees full name, address,
20 telephone number, the last four digits of their social security number and/or Employee ID number,
21 and the specific reason including any legal grounds for the Participating Class Members objection.
22 The postmark date will be deemed the exclusive means for determining that the Notice of
23 Objection is timely. Participating Class Members who fail to object in the manner specified above
24 will be foreclosed from making a written objection, but shall still have a right to appear at the Final
25 Approval Hearing in order to have their objections heard by the Court. At no time will any of the
26 Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to
27 submit written objections to the Settlement or appeal from the Order and Judgment. Class Counsel
28 will not represent any Class Members with respect to any objections to this Settlement.

1 58. Certification Reports Regarding Individual Settlement Payment Calculations: The
2 Settlement Administrator will provide Defendants' Counsel and Class Counsel a weekly report
3 which certifies: (a) the number of Class Members who have submitted valid Requests for
4 Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member
5 has submitted a challenge to any information contained in the Notice. Additionally, the Settlement
6 Administrator will provide to counsel for both Parties any updated reports regarding the
7 administration of the Settlement Agreement as needed or requested.

8 59. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator
9 to Participating Class Members and PAGA Members will be negotiable for at least one hundred
10 eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his
11 or her Settlement Check or PAGA payment check within 180 days, the uncashed funds, subject to
12 Court approval, shall be distributed to the Controller of the State of California to be held pursuant
13 to the Unclaimed Property Law, California Civil Code §1500, *et. seq.* for the benefit of those
14 Participating Class Members and PAGA Members who did not cash their checks until such time
15 that they claim their property. The Parties agree that this disposition results in no "unpaid residue"
16 under California Civil Procedure Code § 384, as amended, as the entire Net Settlement Amount
17 will be paid out to Participating Class Members and PAGA Members, whether or not they all cash
18 their Settlement Checks or PAGA payment checks. Therefore, Defendants will not be required to
19 pay any interest on such amounts. The Individual Settlement Payments provided to Participating
20 Class Members and to PAGA Members shall prominently state the expiration date or a statement
21 that the Settlement Check will expire in one hundred eighty (180) days, or alternatively, such a
22 statement may be made in a letter accompanying the Individual Settlement Payment. Expired
23 Individual Settlement Payments will not be reissued, except for good cause and as mutually agreed
24 by the Parties in writing. The parties agree no unclaimed funds will result from the settlement.

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

1 taxes and penalties to the appropriate government authorities.

2 61. Tax Liability: Defendants make no representation as to the tax treatment or legal
3 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not
4 relying on any statement, representation, or calculation by Defendants or by the Settlement
5 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that
6 they will be solely responsible for the payment of any taxes and penalties assessed on the payments
7 described herein. Defendants' share of any employer payroll taxes and other required employer
8 withholdings due on the Individual Settlement Payments, including, but not limited to, Defendants'
9 FICA and FUTA contributions, shall be paid separate and apart from the Maximum Settlement
10 Amount.

11 62. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section,
12 the "acknowledging party" and each Party to this Agreement other than the acknowledging party,
13 an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written
14 communication or disclosure between or among the Parties or their attorneys and other advisers,
15 is or was intended to be, nor shall any such communication or disclosure constitute or be construed
16 or be relied upon as, tax advice within the meaning of United States Treasury Department circular
17 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon
18 his, her or its own, independent legal and tax counsel for advice (including tax advice) in
19 connection with this Agreement, (b) has not entered into this Agreement based upon the
20 recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not
21 entitled to rely upon any communication or disclosure by any attorney or advisor to any other party
22 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or
23 adviser to any other Party has imposed any limitation that protects the confidentiality of any such
24 attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon
25 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,
26 including any transaction contemplated by this Agreement.

27 63. No Prior Assignments: The Parties and their counsel represent, covenant, and
28 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to

1 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
2 action, cause of action or right herein released and discharged.

3 64. Release by Participating Class Members: Upon the complete funding of the
4 Maximum Settlement Amount and all applicable employer-side payroll taxes by Defendants,
5 Participating Class Members shall fully release and discharge the Released Parties from the
6 Released Class Claims that arose during Class Period. This release shall be binding on all
7 Participating Class Members.

8 65. Release by the LWDA and the State of California: Upon the funding of the
9 Maximum Settlement Amount and all applicable employer-side payroll taxes by Defendant, the
10 LWDA and the State of California, through Plaintiff as its agent and/or proxy, and all PAGA
11 Members shall release the Released Parties from the Released PAGA Claims that arose during
12 the PAGA Period. The Parties intend that the Released Parties can assert this Settlement
13 Agreement as a defense to any future claims for penalties brought by the LWDA or any claims
14 brought under PAGA on behalf of the LWDA. The Parties intend this PAGA settlement to have
15 claim preclusion, issue preclusion, or otherwise bar a representative action if an aggrieved
16 employee were to bring a subsequent claim on behalf of the LWDA based on the same factual
17 predicate as this action and covering the same time period. All PAGA Members, the LWDA, and
18 State of California shall release claims arising under PAGA for the PAGA Period. All PAGA
19 Members shall release claims arising under PAGA regardless of their decision to participate in the
20 class settlement.

21 66. Release of Additional Claims & Rights by Plaintiff: Upon the funding of the
22 Maximum Settlement Amount, Plaintiff Isaias Ruvalcaba—on behalf of himself only—agrees to
23 the additional following General Release: In consideration of Defendants’ promises and
24 agreements as set forth herein, Plaintiff hereby fully releases the Released Parties from any and all
25 Released Class Claims and Released PAGA Claims and also generally releases and discharges the
26 Released Parties from any and all claims, demands, obligations, causes of action, rights, or
27 liabilities of any kind which have been or could have been asserted against the Released Parties
28 arising out of or relating to his employment by Defendants or termination thereof, including but

1 not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination,
2 harassment or wrongful termination of employment. This release specifically includes any and all
3 claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest,
4 and attorneys' fees and costs (except provided by the Settlement Agreement) relating to or in any
5 way connected with the matters referred to herein, whether or not known or suspected to exist, and
6 whether or not specifically or particularly described herein. Specifically, Plaintiff Isaias
7 Ruvalcaba, waives all rights and benefits afforded by California Civil Code Section 1542, which
8 provides:

9 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
10 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
11 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
12 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
13 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
14 DEBTOR OR RELEASED PARTY.

15 This release specifically excludes claims for unemployment insurance, disability, social
16 security, and workers compensation (with the exception of claims arising pursuant to California
17 Labor Code Sections 132(a) and 4553) Plaintiff also hereby waives his right to serve as a PAGA
18 representative in any subsequent action against Defendants.

19 67. Neutral Employment Reference: Defendants agree that they will adopt a neutral
20 reporting policy regarding any future employment references related to Plaintiff. In the event that
21 any potential or future employers of Plaintiff request a reference regarding Defendants'
22 employment of Plaintiff Isaias Ruvalcaba, Defendants shall only provide the requested Plaintiff's
23 dates of employment, job titles during employment, and final rate of pay. Defendants shall not
24 refer to the Action or this Settlement

25 68. Nullification of Settlement Agreement: In the event that: (a) the Court does not
26 finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any
27 material term of this Settlement Agreement; or (c) the Settlement does not become final as written
28 and agreed to by the Parties for any other reason, then this Settlement Agreement, and any

1 documents generated to bring it into effect, will be null and void, all amounts deposited into the
2 QSF will be returned to Defendants, and the Parties shall be returned to their original respective
3 positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement
4 will likewise be treated as void from the beginning. Should the Court fail to approve this settlement
5 for any reason, the Parties agree that they will return to and attend mediation with a mutually
6 agreed Mediator in an effort to reach a settlement that may be approved by the Court.

7 69. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to
8 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
9 Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes
10 only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a
11 Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the
12 Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary
13 Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the
14 Settlement, and will include the proposed Notice attached as Exhibit A to both the Court and the
15 California Labor and Workforce Development Agency in accordance with Labor Code section 2699,
16 subdivision (l)(2). Defendants agree that it will not oppose Plaintiff's motion for Preliminary
17 Approval. Any failure by the Court to fully and completely approve the Agreement as to the Action
18 will result in this Settlement Agreement and the Memorandum of Understanding entered into by
19 the Parties, and all obligations under this Settlement Agreement and the Memorandum of
20 Understanding being nullified and voided.

21 70. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the
22 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with
23 the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
24 determine the Final Approval of the Settlement Agreement along with the amounts properly
25 payable for: (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) the Class
26 Service Award Payment; and (d) the Settlement Administrator's Fees and Expenses. Class Counsel
27 will be responsible for drafting all documents necessary to obtain Final Approval and shall provide
28 the proposed judgment to Defendants' counsel for their review five days prior to filing the Motion

1 for Final Approval. Any failure by the Court to fully and completely approve the Settlement
2 Agreement as to all of the Action, or the entry of any Order by another Court with regard to any
3 of the Action which has the effect of modifying material terms of this Agreement or preventing
4 the full and complete approval of the Settlement Agreement as written and agreed to by the Parties,
5 will result in this Agreement and all obligations under this Agreement being null and void.
6 Defendants agree it shall not oppose the granting of the Motion for Final Approval, provided
7 Defendants have not exercised their right to rescind pursuant to the terms of this Agreement.

8 71. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by
9 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
10 Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing
11 jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms
12 of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as
13 may be appropriate under court rules or as set forth in this Settlement.

14 72. Exhibits Incorporated by Reference: The terms of this Settlement include the terms
15 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
16 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

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

20 74. Amendment or Modification: This Settlement Agreement may be amended or
21 modified only by a written instrument signed by counsel for all Parties or their successors-in-
22 interest.

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

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

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

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

9 78. Execution and Counterparts: This Settlement Agreement is subject only to the
10 execution of all Parties. However, the Settlement Agreement may be executed in one or more
11 counterparts. All executed counterparts and each of them, including facsimile and scanned copies
12 of the signature page, will be deemed to be one and the same instrument provided that counsel for
13 the Parties will exchange among themselves original signed counterparts.

14 79. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe
15 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
16 arrived at this Settlement after arm's-length negotiations and in the context of adversarial
17 litigation, taking into account all relevant factors, present and potential. The Parties further
18 acknowledge that they are each represented by competent counsel and have had an opportunity to
19 consult with their counsel regarding the fairness and reasonableness of this Settlement.

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

24 81. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to
25 class certification for purposes of this Settlement only; except, however, that either party may
26 appeal any court order that materially alters the Settlement Agreement's terms.

27 82. Class Action Certification for Settlement Purposes Only: The Parties agree to
28 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the

1 Settlement is not approved, the stipulation to certification will be void. The Parties further agree
2 that certification for purposes of the Settlement is not an admission that class action certification
3 is proper under the standards applied to contested certification motions and that this Agreement
4 will not be admissible in this or any other proceeding as evidence that either: (a) a class action
5 should be certified or (b) Defendants are liable to Plaintiff or any Class Member, other than
6 according to the Settlement's terms.

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

21 84. Captions: The captions and section numbers in this Agreement are inserted for the
22 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
23 provisions of this Agreement.

24 85. Waiver: No waiver of any condition or covenant contained in this Settlement
25 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
26 to imply or constitute a further waiver by such party of the same or any other condition, covenant,
27 right or remedy.

28 86. Enforcement Action: In the event that one or more of the Parties institutes any legal

1 action or other proceeding against any other Party or Parties to enforce the provisions of this
2 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
3 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees
4 and costs, including expert witness fees incurred in connection with any enforcement actions.

5 87. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms
6 and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly
7 against one Party than another merely by virtue of the fact that it may have been prepared by
8 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
9 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

10 88. Representation By Counsel: The Parties acknowledge that they have been
11 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
12 and that this Agreement has been executed with the consent and advice of counsel and reviewed
13 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
14 Agreement.

15 89. All Terms Subject to Final Court Approval: All amounts and procedures described
16 in this Settlement Agreement herein will be subject to final Court approval.

17 90. Cooperation and Execution of Necessary Documents: The Parties agree to
18 cooperate to promote participation in the Settlement, and in seeking court approval of the
19 Settlement. The Parties and their counsel agree not to take any action to encourage any Class
20 Members to opt out of and/or object to the Settlement. Defendants agree not to obtain any
21 settlement agreement waivers, Pick Up Stix agreements or arbitration agreements from any Class
22 Member prior to the funding of the Maximum Settlement Amount concerning claims released via
23 this Agreement, or enter into any arbitration agreement with any Class Member that covers the
24 claims released via this Agreement during the Settlement approval process prior to the funding of
25 the Maximum Settlement Amount and that the Parties will work in good faith to reach an
26 agreement approved by the Court.

27 91. Confidentiality: Plaintiff and Plaintiff's counsel shall not (a) publish or post the
28 terms of the settlement to any website, or (b) issue a press release or otherwise disclose or discuss

1 the terms of settlement with any third party or the press, including but not limited to any members
2 of the media, and shall not otherwise intentionally disclose or cause any discussion of the
3 settlement to be reported publicly (other than as required pursuant to the judicial approval process),
4 such as via the media or the internet. Without limiting the generality of the foregoing, Plaintiff's
5 counsel shall not publicize this settlement, or any facts related thereto, on counsel's websites or in
6 any advertising materials. Plaintiff and Plaintiff's counsel shall limit their direct communications
7 with any third party, including media representatives (other than Class Members), regarding the
8 Litigation or the settlement to stating that "the matter was resolved" or words to that effect.
9 Plaintiff's Counsel shall be permitted to discuss the terms of the proposed settlement with Class
10 Members to the full extent necessary to satisfy their fiduciary obligations as proposed Class
11 Counsel and in all necessary communications associated with approval of the settlement including
12 but not limited to public filings with the Court, communications with the Settlement Administrator,
13 and the provision of documents the LWDA. It shall not be a violation of this provision for
14 Plaintiff's counsel at any time to advise their clients in any fashion, or for the Plaintiff to disclose
15 the terms of the settlement with his spouse, accountant, and tax advisor on the condition that the
16 spouse, accountant, and tax advisor agree to keep the terms and existence of the settlement
17 confidential. Plaintiff's counsel may disclose the settlement in any adequacy of counsel
18 declarations/related settlement court filings, so long as the disclosure is limited to information in
19 the public record.

20 92. Return or Destruction of Mediation Documents: Within five (5) days of the funding
21 of the Maximum Settlement Amount, and upon request by Defendants Counsel, Named Plaintiff
22 and Plaintiff's counsel shall return all originals and duplicate copies of all materials produced by
23 Defendants in connection with mediation, including all data and documents requested by Plaintiff
24 for mediation, or confirm in writing that digital copies of any produced materials have been
25 permanently deleted.

26 93. Binding Agreement: The Parties warrant that they understand and have full
27 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
28 fully enforceable and binding on all Parties, and agree that it will be admissible and subject to

1 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality
2 provisions that otherwise might apply under federal or state law.

3
4 Dated: 8/17/2022

PLAINTIFF

5 By: _____
6

DocuSigned by:

Isaias Ruvalcaba

8B1A5A9DB06E42A...
Isaias Ruvalcaba

7
8
9 Dated: 8/17/2022

PROTECTION LAW GROUP, LLP

10
11 By: _____
12

Heather Davis
Heather Davis, Esq.
Amir Nayebdadash, Esq.
Luke Clapp, Esq.
Attorneys for Plaintiff

13
14
15
16 Dated: _____

DEFENDANT

SPRECKELS SUGAR COMPANY, INC.

17
18
19 By: _____

Name: _____

20
21 Title: _____
22
23
24
25
26
27
28

1 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality
2 provisions that otherwise might apply under federal or state law.

3
4 Dated: _____

PLAINTIFF

5 By: _____

6 Isaias Ruvalcaba

7
8
9 Dated: _____

PROTECTION LAW GROUP, LLP

10
11 By: _____

12 Heather Davis, Esq.

13 Amir Nayebdadash, Esq.

14 Luke Clapp, Esq.

15 Attorneys for Plaintiff

16 Dated: 09.02.22 _____

DEFENDANT

SPRECKELS SUGAR COMPANY, INC.

17
18 By: Ian O'Connell

19 Name: Ian O'Connell

20 Title: Vice President of Finance and CFO

1 Dated: 09.02.22

DEFENDANT

2 **SOUTHERN MINNESOTA BEET SUGAR**

3 **COOPERATIVE**

4 By: *Ian O'Connell*

5 Name: Ian O'Connell

6 Title: Vice President of Finance and CFO

7
8 **APPROVED AS TO FORM ONLY:**

9 Dated: 09/02/22

DORSEY & WHITNEY LLP

10 By: *Jessica Linehan*

11 Jessica Linehan, Esq.

12 Pavlina K. Rafter, Esq.

13 Erica Haggerty, Esq.

14 Attorneys for Defendants

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Isaias Ruvalcaba v. Spreckels Sugar Company, Inc. et al.
Imperial County Superior Court, Case No. ECU001415

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To: All current or former nonexempt employees who were employed by Defendants Spreckels Sugar Company, Inc. and Southern Minnesota Beet Sugar Cooperative (“Defendants”) in California from May 28, 2016 until July 7, 2022.

BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by Isaias Ruvalcaba (“Plaintiff”) a former employee of Spreckels Sugar Company, Inc. and Southern Minnesota Beet Sugar Cooperative (“Defendants”) on May 28, 2020. The case is currently pending in the Imperial County Superior Court, Case No. ECU001415.

The lawsuit claims that Defendants violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendants failed to provide compliant meal and rest periods and associated premium pay, did not properly pay employees all wages owed for time worked, did not provide accurate wage statements, did not timely pay all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The lawsuit claims that the Defendants violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution. Defendants deny all alleged violations and deny that they owe Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case Isaias Ruvalcaba, also known as “Plaintiff”), sues on behalf of people who appear to have similar claims. All these people are referred to here as “Class Members.” In a class action one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Imperial County Superior Court is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On **[DATE OF PRELIMINARY APPROVAL]** the Court granted preliminary approval of the Settlement, appointed Plaintiff Isaias Ruvalcaba as the Class Representative, and appointed his attorneys at Protection Law Group as counsel for the Class (“Class Counsel”).

The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendants as an hourly-paid, non-exempt employee in the state of California at any time between May 28, 2016, until July 7, 2022.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendants will pay a maximum of Two Million Four Hundred Thousand Dollars (\$2,400,000.00) (“Maximum Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Maximum Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Maximum Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed one-third (1/3) of the Maximum Settlement Amount, i.e. Eight Hundred Thousand Dollars (\$800,000.00);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Forty Thousand Dollars (\$40,000.00);
- C. **Class Service Award Payment to the Class Representative** in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500);
- D. **Settlement Administrator’s Fees and Expenses** which are currently estimated to be Twelve Thousand Dollars (\$12,000); and
- E. **PAGA Payment** in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount, (\$112,500) shall be paid to the LWDA. The remaining twenty-five percent (25%) (\$37,500) will be distributed to hourly-paid, non-exempt employees who worked for Defendants in the state of California from May 28, 2019 to July 7, 2022 (the “PAGA Members”).

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment” will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly-paid, non-exempt employee of Defendants from May 28, 2016, until July 7, 2022 (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Settlement Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest and forty percent (40%) penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Maximum Settlement Amount. The penalties and interest portions of each class member’s settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099. No benefit, including but not limited to pension benefits and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement.

The Parties are neither providing tax nor legal advice, nor making representations regarding tax obligations or consequences, if any, related to any settlement amounts to be paid to the Class Members. Each Class Member will assume any tax obligations or consequences that may arise from any settlement amount paid to him or her, other than the employer’s share of payroll taxes on any amount allocated to W-2 wages (which will be paid by Defendants

separately), and should consult with a tax expert if he or she has any questions. Each Class Member's pro rata distribution amount prior to legal deductions will be reduced by the amount of any required payroll-related deductions.

You worked XXX workweeks during the Class Period. Your estimated Individual Settlement Payment is \$XXX.XX. The amount is an estimate and may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, payments approved by the Court, and other potential factors.

This Amount was determined based on Defendants' record of your employment between from May 28, 2016, and July 7, 2022, and is presumed correct. If you dispute the accuracy of Defendants' records as to the number of weeks worked during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. Defendants' records will be presumed determinative. All disputes regarding your workweeks will be resolved and decided by the Parties or if the Parties cannot agree, the Court, after you submit evidence to the Settlement Administrator. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone No].
[Fax No.]

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Maximum Settlement Amount by Defendants, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely request for exclusion will release the "Released Parties" from the "Released Class Claims" that arose during the "Class Period."

The "Released Parties" include Defendants Spreckels Sugar Company, Inc. and southern Minnesota Beet Sugar Cooperative and their parents, subsidiaries, affiliates and related entities; each of their respective predecessors, successors, assigns, benefit plans, and benefit plan administrators and trustees, and each of their respective past or present shareholders, directors, officers, exempt employees, agents, attorneys, representatives or insurers, in any and all capacities.

The "Released Class Claims" means all claims, demands, rights, liabilities and causes of action that were alleged or could have been alleged based on the facts alleged in the operative complaint in the action including:

- a) All claims for unpaid wages, failure to pay minimum wage, failure to pay overtime, and any other claim for failure to pay wages under the Labor Code or Wage Order, and any claim for failure to pay wages or overtime wages at the correct regular rate of pay, during the Class Period, including claims under Labor Code §§ 204, 510, 1198, 1194, 1194.2 1197, and 1197.1;
- b) All claims for failure to provide meal period premiums or failure to provide meal periods under the Labor Code or Wage Order that accrued during the Class Period, including claims under Labor Code §§226.7 and 512;

- c) All claims for failure to pay rest period premiums or failure to authorize and permit rest periods under the Labor Code or Wage Order that accrued during the Class Period, including claims under Labor Code §§226.7 and 512;
- d) All claims for failure to timely pay wages and/or waiting time penalties;
- e) All claims for failure to issue or provide adequate wage statements, whether for any penalty or wage, pursuant to Labor Code § 226;
- f) All claims for failure to maintain records under the Labor Code or Wage order, including under Labor Code §§1174 and 1174.5, which accrued during the Class Period;
- g) All claims for unreimbursed business expenses under Labor Code §§2800 and 2802;
- h) All claims for unfair business practices under Business and Professions Code §17200 based on the facts alleged in the operative complaint including facts alleged regarding the aforementioned alleged Labor Code violations;
- i) Any other claims arising, or which could have arisen, from the facts alleged in the operative Complaint including any associated claims that could have been raised based on the facts alleged in the operative complaint for liquidated damages, punitive damages, penalties, costs, expenses, interest, fees, taxes, equitable or injunctive relief, or other remedies, under the Fair Labor Standards Act, the California Labor Code, the California Business and Professions Code, the IWC Wage Orders and analogous state or local laws, and any other claim for wages or compensation or associated benefits under any statutory or common law or equitable theories that could have been raised based on the facts alleged, or any claims for violations of any other state or federal statutes, rules or regulations that could have been raised based on the facts alleged in the operative complaint.

The “Class Period” during which the release of Released Class Claims pertains is from May 28, 2016, to July 7, 2022.

Further, regardless of whether you request to be excluded from the Settlement, pursuant to the Settlement, the LWDA, and the State of California, through Plaintiff as its agent and/or proxy, all PAGA Members will release all claims, causes of action or potential penalties under PAGA to the extent identified based on the factual allegations in Plaintiff’s Notice of Labor Code Violations and PAGA Penalties mailed to the Labor and Workforce Development Agency and alleged in the operative complaint that arose at any time during the PAGA Period.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendants with respect to the Released Claims (other than those which arise under the Private Attorney General Act (California Labor Code sections 2698 *et seq.*), then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Claims you must submit a written request for exclusion. You must include your name, address, telephone number and the last four digits of your social security number and/or Employee ID number. Your request for exclusion must also include a statement that you do not wish to be included in this action similar to the following: I wish to exclude myself from the class action settlement reached in the

matter of *Ruvalcaba v. Spreckels Sugar Company, Inc. et al.* I understand that by excluding myself I will not receive money from the class portion of the settlement.”

The written Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone.

[Settlement Administrator]

[Address]

[Telephone No.]

[Fax No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Claims (except for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*)).

You may be able to sue Defendants and/or the Released Parties or continue any suit you have pending against Defendants or the Released Parties, regarding the Released Claims (except for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*)).

9. If I don't exclude myself, can I sue Defendants for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendants and Released Parties for the Released Claims. If you have a pending lawsuit involving the Released Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

No. (except if you worked between May 28, 2019, and July 7, 2022, in which case you will still receive the portion of your Individual Settlement Payment for Released Claims that arise under PAGA.). But if you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against Released Parties for Released Claims (except for Released Claims that arise under PAGA).

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP as Class Counsel. The firm's contact information is:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.

Amir Nayebdadash, Esq.

237 California St

El Segundo, California 90245

Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys' fees of up to \$800,000 and reimbursement of litigation cost/expenses of up to \$40,000. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don't like the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, and the specific reason for your objection. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

14. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at [] a.m./p.m. on [], 2022], at the Imperial County Superior Court—El Centro Courthouse, located at 939 West Main Street, El Centro, CA 92243.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I have to come to the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Remote appearances may be scheduled through "CourtCall" <https://www.imperial.courts.ca.gov/online-services/remote-appearances>

16. How will I learn if the settlement was approved

A notice of final judgment will be posted on the Settlement Administrator website located at [www.\[\]com](http://www.[]com)

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or Released Parties about the Released Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be

transferred to the Controller of the State of California's Unclaimed Property Fund. You may then claim these funds from there.

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at  or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes ?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE

Exhibit B



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VIA ONLINE FILING

Labor and Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
PAGAfiling@dir.ca.gov
<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

RE: Isaias Ruvalcaba v. Spreckels Sugar Company, et al.

Dear Representative:

This office represents Isaias Ruvalcaba (“**Mr. Ruvalcaba**”) with respect to his claims against Spreckels Sugar Company and Southern Minnesota Beet Sugar Cooperative (“**Employers**”) for violations of the California Labor Code and IWC Wage Orders. This letter is being sent simultaneously to Employers by certified mail.

Employers employed Mr. Ruvalcaba from approximately April 2018 to September 2019, as an hourly, non-exempt employee. During his employment with Employers, Mr. Ruvalcaba was employed as a Tote Bag Filler and Bulk Loader at Employers’ location at 395 West Keystone Road, Brawley, CA 92227. Employers is a sugar factory.

Mr. Ruvalcaba intends to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, et seq., the Private Attorneys General Act of 2004 (“**PAGA**”). Mr. Ruvalcaba is seeking penalties on behalf of himself and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of Employers (“**Aggrieved Employees**”). This letter is being sent in compliance with California Labor Code section 2699.3.

As detailed below, Employers violated several of California’s wage and hour laws during Mr. Ruvalcaba’s employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the Industrial Welfare Commission Wage Orders (“**IWC Wage Order**”) including *inter alia*, IWC Wage Order Nos. 1 and 8. The claims made on behalf of Mr. Ruvalcaba and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Mr. Ruvalcaba and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.



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First, Employers regularly required Mr. Ruvalcaba and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Mr. Ruvalcaba and Aggrieved Employees to perform work before clocking in for the start of their shift. Mr. Ruvalcaba and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Moreover, this off-the-clock work typically caused Mr. Ruvalcaba and Aggrieved Employees to work more than eight (8) hours in a day and forty (40) hours in week, resulting in a failure to pay overtime compensation.

In addition to requiring Mr. Ruvalcaba and Aggrieved Employees to perform work off-the-clock without compensation, Employers also utilized time rounding practices that resulted in the systematic underpayment of wages to Mr. Ruvalcaba and Aggrieved Employees, including minimum wages, straight time wages and overtime wages. Employers also failed to accurately record the actual time worked by Mr. Ruvalcaba and Aggrieved Employees, which resulted in a failure to pay Mr. Ruvalcaba and Aggrieved Employees for all hours actually worked, including minimum wages, straight time wages and overtime wages.

As a result of the foregoing practices, Employers have failed to pay Mr. Ruvalcaba and Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order Nos. 1 and 8 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to paragraph (20)(A) of IWC Wage Order Nos. 1 and 8; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employers failed to provide Mr. Ruvalcaba and Aggrieved Employees with legally-compliant 30-minute meal periods. Mr. Ruvalcaba and Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Mr. Ruvalcaba and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Mr. Ruvalcaba and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On the occasions that Mr. Ruvalcaba and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Mr. Ruvalcaba and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt



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employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Mr. Ruvalcaba and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Mr. Ruvalcaba and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Mr. Ruvalcaba and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Mr. Ruvalcaba and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during meal periods, which included monitoring and responding to radios, and responding to in-person verbal interruptions; and (7) Employers' policy and culture prevented Mr. Ruvalcaba and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Mr. Ruvalcaba and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order Nos. 1 and 8 and California Labor Code sections 226.7(a), 512(a) and 1198.

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order Nos. 1 and 8; penalties pursuant to California Labor Code California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

Employers failed to authorize and permit Mr. Ruvalcaba and Aggrieved Employees take legally-compliant 10-minute periods. Employers required Mr. Ruvalcaba and Aggrieved Employees to work through rest periods. Mr. Ruvalcaba and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Mr. Ruvalcaba and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Mr. Ruvalcaba and Aggrieved Employees were never completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Mr. Ruvalcaba and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees,



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failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Mr. Ruvalcaba and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Mr. Ruvalcaba and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Mr. Ruvalcaba and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer required Mr. Ruvalcaba and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to radios, and in-person verbal interruptions; and (7) Employers' policy and culture prevented Mr. Ruvalcaba and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Mr. Ruvalcaba and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order Nos. 1 and 8 and California Labor Code sections 226.7(a), and 1198.

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order Nos. 1 and 8; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

As to each pay period, Employers have failed to timely pay all wages earned because Mr. Ruvalcaba and Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

As a result of the practices described above, the wage statements provided to Mr. Ruvalcaba and Aggrieved Employees never included the actual hours worked, and the correct rates of pay, name and address of legal entity of employer. Accordingly, Employers violated California Labor Code section 226(a).

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant



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to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

Employers have failed to maintain accurate records relating to Mr. Ruvalcaba and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order Nos. 1 and 8 and California Labor Code sections 1198.5 and 1174(d).

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order Nos. 1 and 8; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order Nos. 1 and 8 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Mr. Ruvalcaba and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include, but are not limited to, cell phones and helmet lights or lanterns.

Accordingly, Employers violated IWC Order Nos. 1 and 8 and California Labor Code sections 2800 and 2802.

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order Nos. 1 and 8; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

Upon the termination of employment, Mr. Ruvalcaba and Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Mr. Ruvalcaba and Aggrieved Employees to work off-the-clock without compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Mr. Ruvalcaba and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Accordingly, Employers violated California Labor Code sections 201 and 202.

Mr. Ruvalcaba and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor



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Code section 2699; penalties pursuant to California Labor Code sections 203, 1199, and 2699(f)(2); and attorneys' fees and costs.

Therefore, on behalf of himself, the State of California and all Aggrieved Employees, Mr. Ruvalcaba may seek all applicable penalties related to these violations of the California Labor Code pursuant to PAGA. If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read 'Amir Nayebdadash', is written over a light blue horizontal line.

Amir Nayebdadash

Notice provided to Employer via Certified Mail (7019 1120 0002 3020 4244)

SPRECKELS SUGAR COMPANY
P. O. BOX 581
BRAWLEY, CA 92227

Notice provided to Employer via Certified Mail (7019 1120 0002 3020 4251)

SOUTHERN MINNESOTA BEET SUGAR COOPERATIVE
83550 COUNTY ROAD 21
RENVILLE MN 56284

Notice provided to Employer via Certified Mail (7019 1120 0002 3020 4268)

SPRECKELS SUGAR COMPANY
ATTN: ROBERT EMILIO RUIZ – AGENT FOR SERVICE OF PROCESS
395 W. KEYSTONE ROAD
BRAWLEY, CA 92227

Notice provided to Employer via Certified Mail (7019 1120 0002 3020 4275)

SOUTHERN MINNESOTA BEET SUGAR COOPERATIVE
ATTN: ROBERT EMILIO RUIZ – AGENT FOR SERVICE OF PROCESS
395 W. KEYSTONE ROAD
BRAWLEY, CA 92227