

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF MADERA

MAGALI MARTINEZ, as an individual and on behalf
of all others similarly situated,

Plaintiff,

vs.

READY ROAST NUT COMPANY, L.L.C., a
California corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. MCV084692

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

To: All former non-exempt employees of Defendant Ready Roast Nut Company, L.L.C. who worked for Defendant at any time in California during the period of August 23, 2016 through September 27, 2020. Collectively, these employees will be referred to as “Settlement Class Members.”

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

Why should you read this notice?

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) entitled *Magali Martinez v. Ready Roast Nut Company, L.L.C.*, Madera County Superior Court Case No. MCV084692 (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendant Ready Roast Nut Company, LLC (“Defendant”) records show that you were employed by Defendant as a non-exempt employee in California at some time between August 23, 2016 and September 27, 2020 (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

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

What is this case about?

Plaintiff Magali Martinez (“Plaintiff”) brought this Lawsuit against Defendant, seeking to assert claims on behalf of a class of former non-exempt employees who worked for Defendant in California at any time on or after August 23, 2016 through September 27, 2020. Plaintiff Magali Martinez is known as the “Class Representative,” and her attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

The Lawsuit alleges that Defendant failed to provide meal periods, failed to authorize and permit rest periods, failed to provide accurate, itemized wage statements, failed to timely pay all wages upon termination, failed to pay all minimum wages, failed to pay all overtime wages, and failed to reimburse necessary business expenses, all in violation of California law. As a result of the foregoing alleged violations, Plaintiff also alleges that Defendant engaged in unfair competition and is liable for civil penalties under the California Labor Code Private Attorney General Act (“PAGA”).

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

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

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

Who are the Attorneys?

<p>Attorneys for the Plaintiff / Settlement Class Members:</p> <p>LIDMAN LAW, APC Scott M. Lidman slidman@lidmanlaw.com Elizabeth Nguyen enguyen@lidmanlaw.com Milan Moore mmoore@lidmanlaw.com 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 322-4772 Fax: (424) 322-4775 www.lidmanlaw.com</p> <p>HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com 155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com</p>	<p>Attorneys for Defendant Pacific Drayage Services, LLC</p> <p>HATMAKER LAW GROUP Susan S. Hatmaker susan@hatmakerlaw.com 7522 N. Colonial Avenue, Suite 105 Fresno, California 93711 Tel: (559) 374-0077 Fax: (559) 374-0078</p>
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What are the terms of the Settlement?

On March 3, 2023, the Court preliminarily certified a class, for settlement purposes only, of all former non-exempt employees of Defendant Ready Roast Nut Company, L.L.C. who worked for Defendant at any time in California during the period of August 23, 2016 through September 27, 2020. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendants as described below.

Defendant has agreed to pay \$325,000.00 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, which includes payments to Settlement Class members, attorneys’ fees and expenses, payment to the Labor Workforce Development Agency (“LWDA”), settlement administration costs, and the Class Representative Service Award.

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

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” which is sending this Notice to you and which will perform many other duties relating to the Settlement. The Court has approved setting aside an amount not to exceed \$10,000.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$108,333.33, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement in an amount not to exceed \$15,000.00 for verified costs Class Counsel incurred in connection with the Lawsuit.

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

LWDA Payment. Class Counsel will ask the Court to approve a payment in the total amount of \$10,000.00 as and for alleged civil penalties, payable pursuant to the California Labor Code Private Attorney General Act (“PAGA”). Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00), will be payable to certain Settlement Class members as the “PAGA Amount,” as described below.

Calculation of Individual Settlement Class Members' Settlement Award. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount ("NSA"), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$176,666.67, to be shared among an up to 446 estimated Settlement Class members. The NSA will be divided as follows:

- (i) The Net Settlement Amount shall be allocated to Settlement Class members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of weeks worked as a non-exempt employee during the Class Period, the numerator of which is the Settlement Class member's total weeks worked as a non-exempt employee during the Class Period, and the denominator of which is the total weeks worked as non-exempt employees by all Settlement Class members (who do not opt out) who worked during the Class Period.

In addition, Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) of the Gross Settlement Amount has been designated as the "PAGA Amount" as described above. All PAGA Employees shall receive a portion of the PAGA. "PAGA Employees" include all former non-exempt employees of Defendant who worked in California (including those who submit a Request for Exclusion) at any time between February 17, 2020 and September 27, 2020 ("PAGA Period"). A PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of weeks that he or she worked during this PAGA Period which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee's number of weeks worked as a non-exempt employee during the PAGA Period, and the denominator of which is the total number of weeks worked by all PAGA Employees during the PAGA Period.

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

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

Each member of the Settlement Class who receives a Settlement Award must cash the check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class Members whose checks were not cashed within 180 days after mailing will be transferred to the California Secretary of State - Unclaimed Property Fund under the unclaimed property laws in the name of the Settlement Class Member.

Payment by Defendant of Gross Settlement Amount. The Gross Settlement Amount has already been deposited by Defendant into a qualified settlement fund established by the Settlement Administrator.

Within ten (10) calendar days following the Effective Date, the Settlement Administrator will calculate Individual Settlement Award amounts and provide the same to the Parties' counsel for review and approval. Within seven (7) calendar days of approval by the Parties' counsel, the Settlement Administrator will prepare and mail Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members. The "Effective Date" is defined as the latter of: (a) the Court's final approval of the settlement if no objections by or on behalf of Settlement Class members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.

Allocation and Taxes. For tax purposes, each Settlement Award shall be allocated as follows: 66.67% as penalties and interest; and 33.33% as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Awards. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, the Settlement Class, and each Settlement Class member who has not submitted a timely and valid Request for Exclusion, will fully and forever completely release and discharge Defendant, its past and present owners, officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents, insurers and attorneys (collectively the "Released Parties"), from all claims and causes of action that were pled or could have been pled in the operative Second Amended Complaints in the Action arising out of the factual allegations made in the operative complaint and that reasonably arise or could have arisen out of the facts alleged in the operative complaint, that arose during the Class Period defined above with respect to the following claims: (i) failure to provide meal periods; (ii) failure to authorize and permit rest periods; (iii) failure to provide accurate, itemized wage statements; (iv) failure to timely pay all wages upon termination; (v) failure to pay all minimum wages; (vi) failure to pay all overtime wages; (vii) failure to reimburse necessary business expenses; (viii) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above; and (ix) all other claims for damages, penalties, liquidated damages, punitive damages, interest, attorney fees, litigation costs, restitution, or equitable relief that allegedly arise out of the aforementioned claims (collectively, the "Released Claims"). These Released Claims include, but are not limited to, all claims for damages, penalties and/or attorney fees and costs under Labor Code §§ 201-204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698, et. seq., (PAGA), 2802, Wage Order No. 8, Code of Civil Procedure §1021.5 and Business and Professions Code § 17200 based on the facts as alleged in the Second Amended Complaint that accrued at any time during the Class Period.

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

PAGA Release and PAGA Employees. If the Court approves the Settlement, all PAGA Employees will release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 which were pled, asserted and/or described in the letters to the Labor & Workforce Development Agency (“LWDA”) dated February 17, 2021 and September 12, 2022 and the operative Second Amended Complaint in the Action, or which could have been pled in the operative Second Amended Complaint in the Action based on the factual allegations pled therein that arose during the PAGA Period (collectively, “PAGA Released Claims”). These PAGA Released Claims include, but are not limited to, all civil penalties and attorney fees and costs recoverable under 2698, et. seq., (PAGA) based on allegations of violations under Labor Code §§ 201-204, 226, 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 2802, based on the facts as alleged in the Second Amended Complaint and Plaintiffs’ notices submitted to the LWDA that accrued at any time during the PAGA Period.

The time period of the PAGA Released Claim is February 17, 2020 through September 27, 2020 (“PAGA Period”).

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

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

The releases identified herein shall become effective on the date on which Defendant fully funds the Settlement and/or the Effective Date, whichever is later (“Effective Date of the Release”). Upon the Effective Date of the Release, all Class Members who do not request exclusion shall be deemed to have, and by operation of Judgment shall have, released, waived and relinquished the Released Claims.

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

How can I claim money from the Settlement?

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

What other options do I have?

Dispute Information in Notice of Individual Settlement Award. Your award is based on the proportionate number of pay periods you worked during the Class Period, and whether you have worked between February 17, 2020 and September 27, 2020. The information contained in Defendant’s records regarding all of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Individual Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Individual Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than June 3, 2023.

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

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

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written “Request for Exclusion from the Class Action Settlement” letter or card postmarked no later than June 3, 2023, with your name, address, telephone number, last four digits of your social security number, your signature, and a statement indicating that you would like to be excluded from the Class Action Settlement. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE MARTINEZ V. READY ROAST NUT COMPANY LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement.

If you submit a Request for Exclusion, you will only be excluded from the Released Claims. You cannot submit a Request for Exclusion from the PAGA Release. You will receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you were employed between February 17, 2020 and September 27, 2020.

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

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Written objections must be postmarked on or before June 3, 2023.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for August 7, 2023 at 8:30 a.m. in Department 45 of the Madera County Superior Court, located at 200 South “G” Street, Madera, California 93637. You have the right to appear either remotely, in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before June 3, 2023. All objections or other correspondence must state the name and number of the case (*Magali Martinez v. Ready Roast Nut Company, L.L.C.*, Madera County Superior Court, Case No. MCV084692).

Any Settlement Class Member who elects to appear personally at the Court for any reason related to this Lawsuit must comply with the Court’s social distancing and mandatory face covering requirements, as well as other orders related to COVID-19. All such rules and orders can be located at the Court’s website: <https://www.madera.courts/ca/gov/general-information/covid-19-information>.

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

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on August 7, 2023 at 8:30 a.m., in Department 45 of the Madera County Superior Court, located at 200 South “G” Street, Madera, California 93637. The Court also will be asked to rule on Class Counsel’s request for attorneys’ fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class members. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

Any changes to date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator’s website (<https://www.phoenixclassaction.com/martinez-v-ready-roast-nut-company/>). The Court’s final judgment will also be posted on the Settlement Administrator’s website.

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court’s files and the Settlement Agreement at the Office of the Clerk of the Madera County Superior Court, located at 200 South “G” Street, Madera, California 93637. Due to COVID-19, please visit the Court’s website at <https://www.madera.courts/ca/gov/general-information/covid-19-information> for information on accessing the Court and potential modified service hours due to COVID. You may also contact Class Counsel using the contact information listed above for more information.

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

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is June 3, 2023. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON MARCH 3, 2023.