

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL APPROVAL

Victor Lopez v. Valley Custom Harvesting, LLC.

Superior Court of California for the County of Sutter, Case No. CVCS20-0001035

As a non-exempt employee in California from July 1, 2016, through and including date of preliminary approval, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement Fund.

You have received this Notice of Class Action Settlement because the records of Valley Custom Harvesting, LLC. (“Defendant”) shows you are a “Class Member,” and therefore entitled to a payment from this class action Settlement. Class Members are all current and former non-exempt employees of Defendant who worked in the State of California from July 1, 2016 through October 27, 2022.

- The settlement resolves a class-action lawsuit, *Victor Lopez v. Valley Custom Harvesting, LLC.*, (the “Action”), which alleges: (1) failure to pay all wages, including minimum wage and overtime; (2) failure to provide meal periods; (3) failure to provide rest periods; (4) failure to reimburse; (5) failure to keep accurate and itemized wage statements, (6) failure to pay wages upon termination of employment; (7) violation of Business and Professions Code section 17200 et seq.; and (8) penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”). Plaintiff Victor Lopez’s complaint is made on behalf of himself and all non-exempt, hourly-paid employees currently and/or formerly employed by Defendants, in the State of California during the Class Period. Based on these and other alleged Labor Code violations, Plaintiff also seeks penalties under the California Labor Code Private Attorneys General Act (“PAGA”).
- On October 27, 2022, the Sutter County Superior Court granted preliminary approval of this class action Settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendant vigorously denies the claims in the Lawsuit and contend that it fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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| DO NOTHING AND RECEIVE PAYMENT | Get a payment, and give up your legal rights to pursue claims released by the settlement of the Lawsuit. |
| OPT OUT OF THE SETTLEMENT | Exclude yourself from the Settlement, get no payment, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit. Your request for exclusion must be postmarked by July 5, 2023. If you request exclusion, you will not receive compensation for the class claims and you will not release the class claims through the settlement. However, if you worked during the PAGA period, you will still be mailed a check for the PAGA claims and you will still be bound by the release of the PAGA claims in the Settlement. |
| OBJECT TO THE SETTLEMENT | If you do not opt out, you may write to the Settlement Administrator, Phoenix Settlement Administrators, about why you object to the settlement and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. If you timely object, you or your attorney may also address the Court during the Final Approval hearing scheduled for July 24, 2023 at 9:00 a.m. in the Courthouse East of Sutter Superior Court, located at 1175 Civic Center Blvd, Yuba City, CA 95993. |

Questions? Contact the Settlement Claims Administrator toll free at **800-523-5773**

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| Dispute Workweek Information | Your share of the class settlement fund will be based on the workweeks you worked for Defendant in California between the dates of July 1, 2016, through and including date of preliminary approval. Your share of the PAGA settlement fund will be based on the workweeks you worked for Defendant in California between September 29, 2019, through and including date of preliminary approval. Your workweek information is provided below in section 9. If you believe that information is inaccurate, you may dispute it using the procedure in section 9. Any dispute must be submitted by July 5, 2023. If you dispute your workweek information, you will be participating in the settlement. This means that if the settlement is approved you will be mailed a settlement check and you will be bound by the release. |
| Updating Your Mailing Address | Settlement checks will be mailed to your last known address. The Settlement Administrator will attempt to search for any updated mailing addresses immediately before mailing Settlement checks. If you want your Settlement check to be mailed to a different address, you may update your address by mailing your current address to the Settlement Administrator at PHOENIX CLASS ACTION ADMINISTRATION, P.O. Box 7208, Orange, CA 92863. |

The Final Fairness and Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 9:00 a.m. on July 24, 2023, in the Courthouse East of Sutter Superior Court, located at 1175 Civic Center Blvd, Yuba City, CA 95993. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendant’s records show that you currently work, or previously worked, for Defendant as a hourly non-employee in the State of California from September 29, 2019, through and including date of preliminary approval. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Case About?

Victor Lopez was a hourly non-exempt employee for Defendant in California. He is the “Plaintiff” in this case and is suing on behalf of himself and Class Members for Defendant’s alleged failure to pay overtime wages, failure to pay minimum wages, failure to provide legally-compliant meal and rest breaks under California law, failure to provide compliant wage statements, failure to timely pay wages upon separation, failure to reimburse business expenses, and engagement in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiff also seeks to recover penalties under PAGA.

Defendant denies all of the allegations made by Plaintiff and deny that it violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this Class Action Settlement. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing.

Summary of the Settlement Terms

Plaintiff and Defendant have agreed to settle this case on behalf of themselves and the Class Members for the Gross Settlement Amount of one hundred fifty thousand dollars (\$150,000.00) The Gross Settlement includes: (1) Administration Costs up to four thousand dollars (\$4,000.00); (2) a service payment of up to seven thousand five hundred dollars (\$7,500.00) to Plaintiff for his time and effort in pursuing this case and in exchange for a broader release of claims against Defendant; (3) up to fifty thousand dollars (\$50,000.00) in attorneys’ fees and up to ten thousand dollars (\$10,000.00) in actual verified litigation costs to Class Counsel; and (4) payment allocated to PAGA penalties in the amount of five thousand dollars (\$5,000.00), and three thousand seven hundred fifty dollars (\$3,750.00), representing seventy five percent (75%) of the PAGA Allocation, will be paid to California’s Labor Workforce Development Agency. The remaining one thousand two hundred fifty dollars (\$1,250.00), representing twenty five percent (25%) of the PAGA Allocation, shall be part of the

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Net Settlement Amount to be distributed to PAGA Members. After deducting these sums, a total of approximately seventy-four thousand seven hundred fifty dollars (\$74,750.00) will be available for distribution to Class Members (“Net Settlement Amount”). In addition to the Gross Settlement, Defendant will separately pay all employer-side payroll tax payments due and payable to federal and state tax authorities as a result of this Settlement.

Distribution to Class Members

Class Members who do not opt out will receive a pro-rata payment based on the number of weeks worked by Class Members for Defendant in California as hourly non-exempt employees between July 1, 2016, through and including date of preliminary approval (“Eligible Workweeks”). Specifically, The Settlement Administrator will multiply the PAGA Weekly Amount by the estimated total number of workweeks that each PAGA Member worked during the PAGA Period to determine the Individual PAGA Payment. The PAGA Members’ Individual Settlement Payment is the sum of their Individual PAGA Payment.

Defendant’s records indicate that you worked [Eligible Workweeks] as a hourly non-exempt employee in California between July 1, 2016, through and including date of preliminary approval. Based on these records, your estimated payment as a Class Member would be [SEstimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than July 5, 2023. Please include any documentation you have that you contend supports your dispute.

Defendant’s records indicate that you worked [Eligible Workweeks] as a hourly non-exempt employee in California between September 29, 2019, through and including date of preliminary approval. Based on these records, your estimated payment for the PAGA Period would be [SEstimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than July 5, 2023. Please include any documentation you have that you contend supports your dispute.

Distribution to PAGA Members

Even if a Class Member requests to be excluded from the Class Settlement, he or she may still receive a PAGA Allocation payment if the Class Member worked during the PAGA period. Any Class Member who worked during the PAGA Period shall be deemed to have released all claims under PAGA based on Plaintiff’s notice to the LWDA and as alleged in the operative complaint. Each PAGA Member’s Individual PAGA Payment will be calculated based on the total number of pay periods he or she worked during the PAGA Period. To establish the workweek value, the Settlement Administrator will first determine the total number of pay periods worked by PAGA Members during the PAGA Period. 25% of the PAGA Allocation will then be divided by the total number of pay periods worked by PAGA Members during the PAGA Period to determine the per pay period value.

Defendant’s records indicate that you worked [Eligible Workweeks] as a a hourly non-exempt employee in California between September 29, 2019, through and including date of preliminary approval. Based on these records, your estimated payment as a PAGA Member would be [SEstimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than July 5, 2023. Please include any documentation you have that you contend supports your dispute.

Tax Reporting

Fifteen percent (15%) of each Class Settlement Payment will be allocated as wages and reported on an IRS Form W-2; and Eighty-five percent (85%) will be allocated as penalties and interest reported on an IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

PAGA Period payments will not be subject to tax and shall be reported on an IRS Form 1099.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Settlement Check because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the settlement and receive a settlement payment. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment set forth above.**

Questions? Contact the Settlement Claims Administrator toll free at [800-523-5773](tel:800-523-5773)

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he or she may have or had upon final approval of this Settlement, entry of judgment, and payment by Defendant to the Settlement Administrator.

“Released Class Claims” means all claims both potential and actual that were or may have been raised in the First Amended Complaint or that are reasonably related to the allegations in the First Amended Complaint as to all Class Members, including claims under Labor Code section 201, 202, 203, 204, 218.5, 226, 226.3, 226.7, 226.8, 510, 512, 520, 1174, 1174.5, 1175, 1194, 1197, 1198, 2802, 2698, 2699, 2699.3, 2699.5, California Industrial Welfare Commission Wage Orders, Cal. Code Regs., tit. 8, section 11040, et seq., California Business and Professions Code section 17200, et seq, and all class claims, representative claims, aggrieved employee claims, meal or rest periods, meal or rest period premiums, unpaid wages, overtime, minimum wages, and complete payments of wages at separation, termination or lay-off, failure to provide accurate and itemized wage statements, failure to reimburse for expenses, unfair competition based on the foregoing, unfair business practices based on the foregoing, unlawful business practices based on the foregoing, fraudulent business practices based on the foregoing, or that were or may have been raised in the First Amended Complaint or that are reasonably related to the allegations in the First Amended Complaint This release shall apply to all claims arising at any point between July 1, 2016, through and including date of preliminary approval.

“Released PAGA Claims” Released PAGA Claims” means any and all known and unknown claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action contingent or accrued for, arising out of the allegations and claims asserted in the operative Complaint and the Plaintiffs’ letter to the LWDA and the factual allegations in the operative complaint arising at any point between September 29, 2019, through and including date of preliminary approval.” Even you choose to “opt-out” of the Class Settlement, you would still be bound by the PAGA release if you worked during the PAGA Period and would receive a PAGA Payment.

“Released Parties” means Defendant Valley Custom Harvest, LLC (ii) Defendant's past, present and future parents, subsidiaries and including, without limitation any corporation, limited liability company, partnership, trust, foundation and non-profit entity which controls, is controlled by, or is under common control with Defendant; (iii) the past, present, and future owners, partners, directors, officers, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself by submitting the Request for Exclusion form included herein. Sign, date, and mail your Request for Exclusion Form by U.S. First-Class Mail or facsimile to the address below.

PHOENIX CLASS ACTION ADMINISTRATION
P.O. Box 7208
Orange, CA 92863
Fax: (949) 209-2503

The written request to be excluded from the Settlement must be postmarked or received by the Administrator not later than July 5, 2023. If you exclude yourself from the Settlement then you will get no payment, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit. A Class Member however **cannot** opt out of the settlement of the PAGA claim and, should settlement of the PAGA claim be approved, a qualifying employee will receive a PAGA Payment whether or not they opt out of from the Settlement and shall be bound by the PAGA Release.

Option 3 – File an Objection to the Settlement

If you wish to object to the Settlement, you may file a written objection stating why you object to the Settlement. Your written objection must provide the case name and number, your full name, address, the last four digits of your Social Security Number and/or employee ID, your reasons why you think the Court should not approve the Settlement, along with any legal authority, if any, you assert supports your objection, and your signature. Your written objection must be mailed to the Administrator no later than July 5, 2023. Please note that you cannot both object to the Settlement and exclude yourself. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Questions? Contact the Settlement Claims Administrator toll free at 800-523-5773

Final Fairness Hearing

You may, if you wish, also appear at the Final Fairness and Approval Hearing set for July 24, 2023 at 9:00 a.m. in the Courthouse East of Sutter, located at 1175 Civic Center Blvd, Yuba City, CA 95993, and raise or discuss your objections with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the Hearing at your own expense.

Due to the COVID-19 pandemic, hearings are currently being conducted remotely through CourtCall. Class Members who wish to appear at the final fairness hearing should contact Class Counsel to arrange a telephonic appearance through CourtCall, at least three days before the hearing if possible. Any CourtCall fees for an appearance by an objecting class member will be paid by class counsel.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may visit <https://www.phoenixclassaction.com/lopez-v-valley-custom-harvesting/>, call the Settlement Administrator at 888-517-4291 or Class Counsel:

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The Complaint for the Case; the operative Motion for Preliminary Approval, Declarations in Support of Motion for Preliminary Approval, Proposed Order, Notice of Class Action Settlement, the Joint Stipulation of Class Action Settlement and Release will be posted on the Settlement Administrator's website at <https://www.phoenixclassaction.com/lopez-v-valley-custom-harvesting/>. Plaintiff's Motion for Final Approval of the Settlement, Request for Attorneys' Fees, Litigation Costs and Incentive Award as well as any final judgment filed in this matter will be made available on the Settlement Administrator's website as soon as practicable after they are filed.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Office of the Clerk of the Sutter Superior Court, located at [ADDRESS], during regular business hours of each court day.

Due to the novel Coronavirus, the Court has enacted social distancing protocols, which include the following:

- Do not enter the courthouse if:
 - You have tested positive for COVID-19 within the last 10 days AND have not been fever free for 24 hours.
 - You have been ordered to quarantine or been in contact (within 6 feet and more than 15 minutes) with a person known to be or suspected of being COVID-19 positive within the last 14 days.
 - You are experiencing COVID-19 symptoms.
- Individuals entering the courthouse must wear facial coverings over the mouth and nose while in the courthouse. Paper, disposable masks will be provided to persons who do not have one and who request to enter the courthouse. ADA exceptions may apply.
- To help court users observe social distancing, the Court has posted signs throughout its facilities - including elevator landings, benches, and other areas where lines are likely to form - reminding court users and employees to remain at least six feet apart.
- Sheriff security and court staff enforce social distancing of court users outside and within the courthouse.
- Hand sanitizer dispensers are available for use throughout the courthouse.

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- The court has increased cleaning and sanitization of high-touch surfaces and restrooms in this facility using U.S. Environmental Protection Agency- approved disinfectant products.
- The court has provided employees and judicial officers with public health-compliant facial coverings to use while working in courthouses.
- The court will maintain and keep all public restrooms open to facilitate frequent hand-washing.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.