

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF KERN

DULCE MARIA SANTACRUZ SANCHEZ and SALUD SANTACRUZ, individuals on behalf of themselves, the State of California, as private attorneys general, and on behalf of all others similarly situated,

Plaintiffs,

v.

GOLDEN LABOR SERVICES, LLC, a California Limited Liability Company; PACIFIC AG MANAGEMENT, INC., a California Corporation; and DOES 1 TO 50,

Defendants.

Case Number: BCV-20-102729

**NOTICE OF CLASS ACTION SETTLEMENT**

*A court authorized this notice. This is not a solicitation from a lawyer.*

**NOTICE OF CLASS ACTION SETTLEMENT**

*You may be eligible to receive a settlement payment. Please read this notice carefully.*

A settlement has been reached in the case entitled *Santacruz Sanchez, et al. v. Golden Labor Services, LLC, et al.*, Case No. BCV-20-102729, which is pending in the Superior Court for the State of California, County of Kern, on behalf of a proposed “Class,” defined as: All individuals who are or were employed as non-exempt employees by Defendants Golden Labor Services, LLC at Pacific Ag Management, Inc. (collectively, “Defendants”) in California at any time between November 20, 2016 and October 31, 2021 (“Class” or “Class Members”).

On January 6, 2022, the Honorable J. Eric Bradshaw of the Superior Court of the State of California for the County of Kern granted preliminary approval of this Class Action Settlement and ordered the litigants to notify all Class Members of the settlement. You are receiving this Notice of Class Action Settlement because Defendants’ records indicate that you are a Class Member, and therefore, you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

**NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT:** If you are a Class Member (as defined above) and received this notice, you are automatically included in the Settlement and do not need to take any further action to receive a payment. If you accept your settlement amount, you will release the claims described below.

**1. DESCRIPTION OF THE LAWSUIT**

On November 20, 2020, Plaintiffs Dulce Maria Santacruz Sanchez and Salud Santacruz (collectively “Plaintiffs”), individually and in their representative capacity on behalf of the Class Members, and as private attorneys general on behalf of the State of California, filed a complaint against Defendants in the Superior Court of California for the County of Kern in the matter of *Dulce Maria Santacruz Sanchez, et al. v. Golden Labor Services, LLC, et al.*, case number **BCV-20-102729** (the “Action”). The Action sought recovery for the alleged (1) failure to pay minimum wage for all hours worked; (2) failure to pay proper overtime wages; (3) failure to provide compliant rest periods and pay missed rest break premiums; (4) failure to provide compliant meal periods and pay missed meal period premiums; (5) failure to maintain accurate employment records; (6) failure to pay timely wages during employment; (7) failure to pay all wages due and owing at separation; (8) failure to reimburse business expenses; (9) failure to provide complete and accurate wage statements; (10) failure to provide potable water; (11) failure to provide suitable restrooms and/or toilet facilities; (12) deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair Competition Law; and (13) statutory penalties based on the foregoing pursuant to the California Labor Code Private Attorneys General Act of 2004 (“PAGA”).

Defendants deny all liability, all allegations in the Action, and have raised various defenses to the claims asserted in the Action. Defendants contend that they have complied at all times with California law. The settlement is not an admission of any wrongdoing by Defendants nor an indication that any laws were violated.

The Court has not decided in favor of Plaintiffs or Defendants. There was no trial, and by approving the Settlement and issuing this notice, the Court is *not* suggesting which side would win or lose the case if it went to trial or whether the claims are suitable for class certification. Instead, both sides agreed to a no-fault settlement of the Lawsuit (the “Settlement”), so as to avoid the costs of a trial and allow the Class Members to receive compensation from the Settlement. Plaintiffs and Class Counsel think that the Settlement is best for the Class. The terms of the Settlement are summarized in this notice.

The Settlement was reached after Defendants provided extensive information and documents to Plaintiffs’ counsel, and after lengthy arms-length non-collusive negotiations between the Parties, including mediation with an experienced and well-respected mediator in California. In these negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the Settlement was a fair, reasonable, and adequate way to resolve the disputed claims.

Plaintiffs and Plaintiffs’ counsel—Jonathan Melmed and Laura Supanich of Melmed Law Group P.C. (“Class Counsel”)—support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendants, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation. Plaintiffs and Class Counsel believe that the settlement described in this notice is fair, adequate, reasonable, and in the best interests of Plaintiffs and the Class Members.

Defendants have denied and continue to deny the factual and legal allegations in Plaintiffs’ case and believe that Plaintiffs’ claims have no merit. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the Action or that the Action can or should proceed as a class action or a representative action. Instead, Defendants have agreed to settle the Action solely for economic efficiency.

On January 6, 2022, the Court preliminarily approved the Settlement and conditionally certified the settlement class. This notice is being sent to you because Defendants’ records indicate that you worked for Defendants during the Class Period and that you meet the definition required to be treated as a Class Member.

**2. IF YOU ARE STILL EMPLOYED BY DEFENDANTS, THIS SETTLEMENT WILL NOT AFFECT YOUR EMPLOYMENT.**

California law strictly prohibits retaliation. Further, Defendants are prohibited by law from taking any adverse action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member's participation or decision not to participate in the Settlement.

**3. TERMS OF THE SETTLEMENT**

Under the Settlement, the following settlement class will be certified under California law: all individuals who are or were employed as non-exempt employees by Defendants Golden Labor Services, LLC and Pacific Ag Management, Inc. in California during the Class Period. The “Class Period” is defined as the period from November 20, 2016, through October 31, 2021.

Defendants have agreed to pay \$875,000.00 (the “Gross Settlement Amount”) to resolve the claims in the Action, which is inclusive of the following:

The Parties agreed to the following payments from the Gross Settlement Amount:

1. **Settlement Administration Expenses.** The Court has approved ILYM Group, Inc. to act as the “Settlement Administrator,” who is sending this notice to you and will perform many other duties relating to the Settlement. Under the Settlement, the Settlement Administrator will be paid up to \$25,000.00 from the Gross Settlement Amount to pay the Settlement Administration Costs.
2. **Class Attorney Fees and Expenses.** Class Counsel have been prosecuting the Action on behalf of the 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. To date, the Parties have aggressively litigated many aspects of the case including investigation, settlement efforts, and a full-day mediation session. Under the Settlement, Class Counsel will receive up to \$300,666.67, which will be paid from the Gross Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in the Action. Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses.
3. **Service Payment to Class Representatives.** Class Counsel will ask the Court to provide a service payment to Plaintiffs in the amount of \$7,500.00 to each Plaintiff, which shall be paid from the Gross Settlement Amount, to compensate them for their efforts on behalf of the Class Members in the Action, including assisting in the investigation and consulting with Class Counsel and providing crucial documents to Class Counsel.
4. **PAGA Payment.** The Parties have agreed on a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$50,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section

2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$37,500.00) to the LWDA and twenty-five percent (25%) (i.e., \$12,500.00) to the individuals who come within the definition of an “aggrieved employee” for the purposes of the Settlement (i.e., all individuals who are or were employed as non-exempt employees by Defendants Golden Labor Services, LLC and Pacific Ag Management, Inc. in California November 20, 2019 through October 31, 2021).

After deducting the amounts above, the balance of the settlement amount, approximately \$484,333.33 will be available for distribution to the Class Members (the “Net Settlement Amount”).

In exchange for their share of such settlement amount, all participating Class Members will be deemed to have released Defendants from liability on the terms described in this notice.

#### **4. DISTRIBUTION OF THE SETTLEMENT TO THE CLASS MEMBERS**

Each eligible Class Member who does not request exclusion from the Settlement will be deemed a “Class Participant” and will receive a share from the Net Settlement Amount which will be distributed pro rata based on the proportional number of weeks worked by each Class Member during the Class Period (the “Individual Settlement Amount”). If any Class Member requests exclusion from the Settlement, his or her share will be distributed to the remaining Class Participants.

Twenty percent (20%) of each Individual Settlement Amount will constitute payment in the form of wages (and each Class Participant will be issued an IRS Form W-2 for such payment to him or her), and Eighty percent (80%) of each Individual Settlement Amount will constitute penalties and interest (and each Class Participant will be issued an IRS Form 1099 for such payment to him or her).

Defendants, or their proxies, shall take all usual and customary deductions from the Individual Settlement Amount payments that are distributed as wages, including, but not limited to, state and federal tax withholding, disability premiums, and unemployment insurance premiums. There will be no deduction taken from the interest or penalty distribution—it will, however, be reported on IRS Form 1099 as income. Class Participants are responsible for the proper income tax treatment of their Individual Settlement Amount. The Settlement Administrator, Defendants and their counsel, and Class Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

The workweeks you worked for Defendants during the Class Period will be calculated based on Defendants’ records. If you feel that you were not credited with the correct number of workweeks worked during the Class Period, you may submit evidence to the Settlement Administrator on or before February 17, 2023, with documentation to establish the number of workweeks you claim to have actually worked during the Class Period. **Documentation sent to the Settlement Administrator will not be returned or preserved, so do not send originals.** The Parties and the Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many workweeks should be credited. The Settlement Administrator will make the final decision as to how many weeks are credited and report the outcome to the Class Participant. If you are unsatisfied with the decision, you may submit an objection, which is explained below.

Settlement checks will be mailed to all Class Participants after the Court grants final approval of the Settlement and judgment is entered.

#### **5. THE RELEASE OF CLAIMS**

If the Court approves the Settlement, the Court will enter judgment and the Settlement will bind all Class Participants. The Class Participants will then be barred from bringing any “Released Claims” against the “Released Parties” as those terms are defined below.

The “Released Parties” are Defendants Golden Labor Services, LLC and Pacific Ag Management, Inc. and all of Defendants’ former, present and/or future parent companies, subsidiaries, affiliates, and their current, former and/or future, direct or indirect, shareholders, officers, directors, employees, members, agents, partners, managers, representatives, insurers, administrators, and attorneys, and the predecessors, successors, and assigns partners, managers, representatives, insurers, administrators, and attorneys, and the predecessors, successors, and assigns and legal representatives of all such entities and individuals, as well as any entities with whom Defendants shared a joint employer relationship.

The “Released Claims” include any and all claims, debts, liabilities, demands, obligations, actions, causes of action, guarantees, liens, promises, penalties, costs, expenses, interest, restitution, attorneys’ fees and costs, losses, damages, liquidated damages, punitive damages, equitable relief, or complaints of whatever kind or nature, whether known or unknown, contingent or accrued, against Defendants or the Released Parties or any of them, under any state, municipal or federal law, statute, ordinance, regulation, order or common law principle or theory, arising out of or related to the allegations set forth in the Action, the Complaint and/or Plaintiffs’ PAGA notices to the LWDA, including, but not limited to, for: (1) failure to pay minimum wage in accordance with applicable law

including, but not limited to, Labor Code sections 1194 and 1194.2, and the Applicable Wage Order; (2) failure to pay overtime wages in accordance with applicable law including, but not limited to, Labor Code sections 510, 1197, and 1198, and the Applicable Wage Order; (3) failure to provide rest breaks and/or failure to pay rest break premiums in accordance with applicable law including, but not limited to, Labor Code section 226.7 and the Applicable Wage Order; (4) failure to provide meal periods and/or failure to pay meal period premiums in accordance with applicable law including, but not limited to, Labor Code sections 226.7 and 512, and the Applicable Wage Order; (5) failure to maintain accurate employment records in accordance with applicable law including, but not limited to, Labor Code section 1174; (6) failure to pay wages during employment in accordance with applicable law including, but not limited to, Labor Code sections 204, 210; (7) failure to pay all wages due and owing at separation of employment in violation of applicable law including, without limitation, Labor Code sections 201, 202, and 203; (8) waiting time penalties; (9) failure to reimburse business expenses in accordance with applicable law including, but not limited to, Labor Code sections 2802 and 2804; (10) failure to provide accurate wage statements in violation of applicable law including, without limitation, Labor Code sections 226 and 226.3; (11) failure to provide potable water in accordance with applicable law including, without limitation, Labor Code sections 142.3 and 226.7, and the California Code of Regulations (Cal. Code Regs., tit. 8, § 3395); (12) failure to provide suitable restrooms and/or toilet facilities in accordance with applicable law including, without limitation, Labor Code sections 142.3 and 226.7, and the California Code of Regulations (Cal. Code Regs., tit. 8, § 3364); (13) unfair competition, and/or deceptive, fraudulent, or otherwise unlawful business practices in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210); (14) penalties pursuant to the PAGA; (15) all other statutory penalties, including those recoverable under the California Unfair Competition Act, and in particular, California Bus. & Prof. Code Sections 17200, *et seq.*, California Code of Civil Procedure Section 1021.5; and any other provision of the California Labor Code, including but not limited to Labor Code Sections 2698, *et seq.*, or any Applicable Wage Order, in all their iterations; (16) all claims that were alleged in the Action or that could have been brought based on the facts alleged in the Action; and (17) all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing (collectively, the “Released Claims”). The Released Claims include any unknown claims that the Releasing Parties do not know or suspect to exist in his or her favor, which if known by him or her, might have affected this Settlement Agreement with Defendants and the release of the Released Parties. The Release Period is the Class Period. However, the Released Claims only include all claims alleged in the Action or that could have been set forth based on the facts alleged in the Action to the fullest extent permitted by law.

Class Members who do not request exclusion from the Settlement will be deemed to have acknowledged and agreed that their claims for wages and penalties in the Action are disputed, and that the Settlement payments constitute payment of all sums allegedly due to them. Class Members will be deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to the Settlement payments. That section provides in pertinent part as follows:

“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

## 6. YOUR OPTIONS

### 6.1. DO NOTHING AND RECEIVE YOUR PORTION OF THE SETTLEMENT

If you do nothing, you will be automatically included as a Class Participant in the Settlement and will receive a settlement payment. You do *not* have to take any further action to receive your settlement payment. It is, however, the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment. The estimated amount of your settlement payment if you do nothing is included on the attached *Class Action Settlement Share Form*.

### 6.2. REQUEST EXCLUSION FROM THE CLASS AND THE SETTLEMENT

If you do *not* wish to take part in the class action portion of the Settlement (the “Class Settlement”), you may exclude yourself (i.e., opt out of the Class Settlement) by sending the Settlement Administrator a letter or card postmarked no later than February 17, 2023, that specifically requests exclusion from the Class Settlement in this case. The request for exclusion must include your name, address, telephone number, and signature, and it should state:

“I wish to be excluded from the settlement class in the case of *Dulce Maria Santacruz Sanchez, et al. v. Golden Labor Services, LLC, et al.* 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 and will not be releasing any claims I might have.”

Send the request for exclusion directly to the Settlement Administrator at the following address **by no later than** February 17, 2023:

ILYM Group, Inc.  
P.O. Box 2031  
Tustin, CA 92781

Any person who submits a timely request for exclusion from the Class Settlement shall, upon receipt, no longer be a Class Member, shall be barred from participating in the Class Settlement, and shall receive no benefits from the class action portion of the Settlement. If you want confirmation of receipt of your request for exclusion, please send it by United States certified mail, return receipt requested, or contact the Settlement Administrator.

**Importantly**, Class Members who timely and validly request exclusion from the Class Settlement will *not* be excluded from their share of the PAGA Payment. Requesting exclusion from the Class Settlement applies solely to the Class Members' entitlement to the class action portion of the Settlement and not their entitlement to the PAGA Payment. If you request exclusion from the Class Settlement you will still be entitled to your share of the PAGA Payment.

### **6.3. OBJECT TO THE SETTLEMENT**

You have the right to object to the terms of the Settlement if you do not request exclusion. If, however, 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 file with the Settlement Administrator and the Court a written objection stating your name, address, telephone number, dates of employment with Defendants, the case name and number, each specific reason in support of your objection, and any legal support for each objection. Objections in writing must be mailed to the Settlement Administrator—ILYM Group, Inc., P.O. Box 2031 Tustin, CA 92781 — by no later than February 17, 2023, to be considered. **Objections that do not include all required information, or that are not timely submitted, might not be considered by the court.**

If you choose to object to the Settlement, you may also appear to speak at the final approval and fairness hearing scheduled for May 8, 2023, at 8:30 a.m. in Division J of the Superior Court of California for the County of Kern, located at 1215 Truxtun Ave, Bakersfield, CA 93301. You have the right to appear either in person or through your own attorney at this hearing.

If you object to the Settlement, you will remain a Class Member, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided above shall have waived any objection to the Settlement, whether by appeal or otherwise.

The Court may, at the time of the final approval and fairness hearing, have certain social distancing requirements or procedures for attendance at hearings. If you wish to object to the Settlement, you may contact Class Counsel, whose information is provided below, for more information about the Court's current social distancing procedures. You may also review the Court's website for the most current information.

### **7. HOW TO UPDATE OR CHANGE YOUR ADDRESS**

If you move after receiving this notice or if it was misaddressed, please contact the Settlement Administrator, ILYM Group, Inc., at (888) 250-6810 or by email at [claims@ilymgroup.com](mailto:claims@ilymgroup.com), as soon as possible. **This is important to ensure that future notices and/or the Settlement payment reach you.**

### **8. NOTICE OF FINAL JUDGMENT IF THE SETTLEMENT IS APPROVED**

Within ten (10) days after the Court has held a final and fairness approval hearing and entered a final order approving the Settlement, if it chooses to do so, the Settlement Administrator will post a copy of that order and final judgment on its website at the following website address:

[www.ilymgroup.com/goldenlabor](http://www.ilymgroup.com/goldenlabor)

### **9. IF THE SETTLEMENT IS NOT APPROVED**

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the Settlement will be voided, no money will be paid, and the case will return to litigation. If that happens, there is no assurance: (1) that the class will be certified by the Court; (2) that any decision at trial would be in favor of Class Members; (3) that a trial decision, if any, would be as favorable to the Class Members as the Settlement; or (4) that any favorable trial decision would be upheld if an appeal was filed.

**10. QUESTIONS OR COMMENTS**

**PLEASE DO NOT CALL OR CONTACT THE COURT.** If you have any questions about the settlement, you may contact the Settlement Administrator at: **(888) 250-6810** or by e-mail at **claims@ilymgroup.com**. You may also contact the lawyers representing Plaintiffs and the Class Members at the addresses or phone numbers listed below.

**Lawyers Representing Plaintiffs and the Class Members**

**MELMED LAW GROUP P.C.**

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