

## **CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE**

I. **Introduction.** This Settlement Agreement (“Settlement” or “Agreement”) is hereby entered by and between Defendant Stemilt Ag Services LLC (“Stemilt”), and Plaintiff Omar Palma Renteria and Intervenor-Plaintiffs Gilberto Gomez Garcia and Jonathan Gomez Rivera (collectively “Plaintiffs”), who are acting both individually and in their capacity as class representatives for the Settlement Class defined herein in the case entitled *Renteria, Gomez Garcia, and Gomez Rivera v. Stemilt Ag Services LLC*, United States District Court for the Eastern District of Washington, Case No. 2:20-cv-00392 SMJ (the “Case” or the “Action”).

### II. **Recitals.**

A. **Certification of Settlement Class.** Solely for purposes of this Settlement, Plaintiffs and Stemilt (hereafter, the “Parties”) agree to certification of the Settlement Class defined in Section III.A.1 below.

B. **Investigations and Due Diligence.** The Parties have conducted informal and formal discovery and investigation of the facts and the law during their respective prosecution and defense of this Case. As part of this review and investigation, the Parties and their counsel have: (1) interviewed many witnesses, including Stemilt employees; (2) collected, reviewed, and analyzed extensive documents, timekeeping and payroll data, policies, witness and class member declarations, and other information concerning the composition of the Settlement Class, the merits of Plaintiffs’ claims and Stemilt’s defenses, and the potential damages; and (3) amply considered and analyzed their respective claims or defenses.

C. **Mediated Settlement Negotiations.** The Parties engaged in mediation before experienced mediator James Smith (the “Mediator”) on January 12, 2021 and January 25, 2021. The Parties executed a Settlement Term Sheet outlining the conceptual terms of the Settlement, dated January 25, 2021. All of the Parties’ settlement negotiations have been conducted in good faith and at arm’s length. Through the Parties’ mediation conferences, the Parties have reached a class action settlement of this Case that they believe to be fair, adequate and reasonable, and that Plaintiffs believe is in the best interests of the Settlement Class. This Agreement memorializes the terms of the final Settlement agreed to by the Parties. Once this Agreement is executed by all Parties, this Agreement shall supersede the Settlement Term Sheet.

### III. **Agreements.**

NOW, THEREFORE, IT IS HEREBY STIPULATED by the Parties, subject to the approval of the United States District Court for the Eastern District of Washington, that all claims in this Case are hereby compromised and settled on a Settlement Class basis pursuant to the terms and conditions outlined in this Agreement. If the Parties’ Settlement is finally approved by the District Court, then all claims that were or could have been asserted on the basis of the allegations contained in the Complaint shall be fully dismissed on the merits and with prejudice, subject to the following terms and conditions.

A. Definitions.

1. “Settlement Class” or “Settlement Class Members” mean all individuals who were employed by Stemilt AG Services LLC in the position of hand harvester, pruner, picker, thinner, or farm worker and paid on a piece-rate basis at any time from May 21, 2015 to May 17, 2018, and who do not exclude themselves from the Settlement Class on or before the Settlement Class opt-out deadline set by the District Court.

2. “Settlement Class Counsel” means Marc Cote, Sean Phelan, and Anne Silver of Frank Freed Subit & Thomas LLP and Joe Morrison and Xaxira Velasco Ponce De Leon of Columbia Legal Services.

3. “District Court” means the United States District Court for the Eastern District of Washington.

4. “Effective Date” means seven calendar days after the District Court enters its Final Approval Order if there are no objections to the Settlement. If there are any objections to the Settlement, the Effective Date shall be the later of either: (1) 31 calendar days following the District Court’s entry of the Final Approval Order, or (2) if a timely appeal of the Final Approval Order is made, the date of the final resolution of that appeal and any subsequent appeals, resulting in final judicial approval of the Settlement.

5. “Final Approval Order” refers to an order by the District Court that grants final approval of the Settlement.

6. The “Initial Notification Date” is the date that the Settlement Administrator first provides the Notice of Settlement approved by the District Court to Settlement Class Members.

7. “Notice” or “Notice of Settlement” means the notice of this Settlement that is attached hereto as Exhibit 1 and that the parties intend to provide to Settlement Class Members and to publish on the settlement website following the District Court’s entry of an order granting preliminary approval of the Settlement.

8. The “Notice Deadline” is ninety (90) days after the Initial Notification Date.

9. “Objection” means a written objection to the Settlement by a Settlement Class Member that is both filed with the District Court and mailed to and received by counsel for all Parties, along with any supporting documentation that the person wishes the Court to consider, no later than ninety (90) days after the Initial Notification Date.

10. “Qualified Settlement Class Members” means those Settlement Class Members who timely submit Settlement Claim Forms in conformity with the procedures below.

11. “Settlement” means the settlement reached by the Parties through the mediation process described in Section II.C above, as set forth in this Agreement.

12. “Settlement Administrator” means CPT Group, Inc.

13. “Settlement Class Period” means the period from May 21, 2015 to May 17, 2018.

14. “Valid Exclusion Request” means a request by a putative Settlement Class Member to opt out of the Settlement Class that meets the following criteria: (i) is in writing; (ii) states the individual’s current address; (iii) contains the following statement: “I request that I be excluded from the Settlement Class in the case of *Renteria v. Stemilt Ag Services LLC*.” (or the Spanish equivalent); (iv) is signed; and (v) is mailed to the Settlement Administrator at the address provided in the Notice and postmarked within ninety (90) calendar days after the Initial Notification Date. If the Settlement Administrator receives an opt out request from a putative Settlement Class Member that does not have a postmark or has an illegible postmark, the opt out request will be considered timely if it is received by the Settlement Administrator within seven (7) days of the Notice Deadline.

15. “Settlement Claim Form” means the form enclosed with the Notice attached hereto as Exhibit 1, which will be mailed to putative Settlement Class Members and included on the Settlement website and which may be submitted by mail, online on the Settlement website, or in person by placing the Settlement Claim Form in one of the locked boxes managed by Stemilt employees, located at the ranch offices listed in Section III.J.5 (below).

B. Release. As of the Effective Date, each Plaintiff, and all Settlement Class Members, (the “Releasing Parties”) hereby release, resolve, relinquish, and discharge forever Stemilt, and any of its past or present parents, subsidiaries, affiliates, insurers, insurance policies, and benefit plans; each of their past and present officers, directors, agents, employees, equity holders (i.e., shareholders, holders of membership interests, etc.), representatives, administrators, fiduciaries, and attorneys; and each of their predecessors, successors, transferees, and assigns (“Released Parties”) from the Released Claims as defined below.

1. “Released Claims” means any and all claims for unpaid hours worked during the Settlement Class Period that were or could have been asserted in the Action by Plaintiffs and the members of the Settlement Class based on the allegations asserted in Plaintiffs’ May 21, 2018 Complaint for Unpaid and Wrongfully Withheld Wages (“Complaint”). The Released Claims shall not include any claims asserted against Stemilt in the Amended Complaint for Damages (ECF No. 38) filed in *Gomez Garcia v. Stemilt Ag Services LLC*, Case No. 20-cv-00254-SMJ (E.D. Wash. 2020).

2. Release Effective Immediately. The release provided in this Settlement Agreement shall become effective immediately upon occurrence of the Effective Date without the need for any further action, notice, condition, or event.

C. Agreed Settlement Consideration. Stemilt agrees to pay a total settlement amount of \$3,000,000 (the “Common Fund Payment”) for a common fund settlement of the Action. The Common Fund Payment shall be used to satisfy all of the following: (1) the settlement awards to be

paid to Qualified Settlement Class Members (hereafter, the “Settlement Awards”), (2) the service awards to be paid to the named Plaintiffs (hereafter, the “Service Awards”), (3) the award of attorneys’ fees to Settlement Class Counsel (hereafter, the “Attorneys’ Fees Award”), (4) the expenses and costs of litigation to be paid to Settlement Class Counsel (hereafter, the “Costs Payment”), (5) an award of settlement administration expenses (hereafter, the “Settlement Administration Expenses Award”), and (6) any other expenditures approved by the District Court. Additionally, Stemilt will be responsible for paying, in addition to the Common Fund Payment amount, all employer-side payroll taxes required for the wage portions of the Settlement Awards, as it does in the normal course of business. Stemilt will issue the payment for the total amount of employer-side payroll taxes on the wage portions of the Settlement Awards to the Settlement Administrator by the deadline set by the Settlement Administrator.

D. Distribution of the Common Fund Payment. As part of the motion to the District Court for final approval of the Settlement, Settlement Class Counsel will submit an application for an Attorneys’ Fees Award of twenty-five percent (25%) of the Common Fund Payment (i.e., an Attorneys’ Fees Award of \$750,000), an application for a Costs Payment not to exceed \$10,000, an application for a Settlement Administration Expenses Award not to exceed \$150,000, and an application for Service Awards not to exceed \$6,000.00 for each Plaintiff (\$18,000 total). The amounts approved by the District Court will be deducted from the Common Fund Payment, and the remainder after these deductions and any other deductions approved by the Court (the “Net Settlement Fund”) shall be available to fund Settlement Awards to Qualified Settlement Class Members. If the Court approves the payments in each category described above and no other payments, the Net Settlement Fund is expected to be no less than \$2,072,000, calculated as follows:

<b>\$3,000,000</b>	<b>Common Fund Payment</b>
\$750,000	Attorneys’ Fees Award (25%)
\$10,000	Costs Payment
\$150,000	Settlement Administration Expenses Award
- \$18,000	Service Awards
<b>\$2,072,000</b>	<b>Estimated Net Settlement Fund</b>

E. Calculation of Settlement Awards.

1. Estimated Settlement Awards. The calculation of estimated gross (pre-tax) Settlement Awards for each putative Settlement Class Member will be made by the Settlement Administrator based on data submitted by Stemilt, which data are presumed to be accurate. Upon request from Settlement Class Counsel or the Settlement Administrator, Stemilt will provide other data as reasonably necessary to complete settlement administration duties under this Agreement.

2. Final Settlement Awards. Final gross Settlement Awards for each Qualified Settlement Class Member will be calculated by the Settlement Administrator (and subject to approval of Settlement Class Counsel) after the Notice Deadline. The Settlement Administrator shall provide Settlement Class Counsel and Stemilt with an electronic report setting forth the results of these calculations within twenty-one (21) calendar days after the Notice Deadline. Settlement Class Counsel shall have seven (7) calendar days after receiving this electronic report to review the gross

Settlement Award calculations for Qualified Settlement Class Members for compliance with the terms of this Agreement and to submit any concerns or corrections to the Settlement Administrator.

3. Proportional Distribution of Net Settlement Fund to Qualified Settlement Class Members. Each Qualified Settlement Class Member's share of the Net Settlement Fund will be a proportional amount based on the sum of the Qualified Settlement Class Member's hours worked for Stemilt in piecework activities during the Settlement Class Period in relation to (i.e., divided by) the sum of all hours worked by all Qualified Settlement Class Members in piecework activities during the Settlement Class Period. The method for calculating the Settlement Awards shall be as follows: the total number of Qualified Settlement Class Member hours worked in piecework activities by all Qualified Settlement Class Members during the Settlement Class Period will be the denominator, and each Qualified Settlement Class Member's individual number of hours worked in piecework activities during the Settlement Class Period will be the numerator. The resulting percentage will be multiplied by the Net Settlement Fund amount to arrive at each Qualified Settlement Class Member's individual settlement payment (Settlement Award). For example, if the Net Settlement Fund totals \$2,072,000, the total number of Qualified Settlement Class Member hours worked in piecework activities by all Qualified Settlement Class Members during the Settlement Class Period is 100,000 hours, and a Qualified Settlement Class Member's individual number of hours worked in piecework activities during the Settlement Class Period is 250 hours, then the calculation to determine the individual Qualified Settlement Class Member's percentage of the Net Settlement Fund would be:  $250/100,000 = .0025$  (.25%). Multiplying .25% \* \$2,072,000 would result in a gross individual Settlement Award of \$5,180 for this hypothetical Qualified Settlement Class Member. Gross Settlement Awards to Qualified Settlement Class Members shall be capped at a maximum of five times the estimated settlement amount provided in their individual Notices of Settlement.

4. Allocation of Settlement Awards Between Wages and Non-Wages. Fifty Percent (50%) of each Qualified Settlement Class Member's proportional share of the Net Settlement Fund will be allocated and characterized as W-2 wages (which shall be subject to applicable payroll taxes and deductions), and the other fifty percent (50%) of each Qualified Settlement Class Member's proportional share of the Net Settlement Fund will be allocated and characterized as 1099 non-wage payments.

F. Stemilt's Payment of Common Fund Payment and Settlement Administrator's Creation of Qualified Settlement Fund. No later than seven (7) calendar days following the Effective Date, Stemilt shall pay the sum of \$3,000,000.00 to the Settlement Administrator. On or before the Effective Date, the Settlement Administrator shall provide Stemilt with instructions for transmitting this payment. After receiving such payment from Stemilt, the Settlement Administrator shall establish and maintain a Qualified Settlement Fund ("QSF") for these funds.

G. Settlement Administrator's Tax-Related Duties. After the Parties have agreed to each Qualified Settlement Class Member's final gross proportional share of the Net Settlement Fund, the Settlement Administrator will calculate and deduct employee-side and employer-side payroll tax amounts, including income tax withholding and any other required deductions, from the wage allocation of each such share. As provided in Section III.C above, Stemilt will be

responsible for paying all employer-side payroll taxes required for the wage portions of the Settlement Awards. The Settlement Administrator will set a deadline by which Stemilt will issue the payment for the total amount of employer-side payroll taxes, and shall provide instructions to Stemilt for transmitting such payment of the employer-side payroll taxes.

The Settlement Administrator will be responsible for issuing and paying to the relevant tax authorities all necessary tax withholdings required for the wage portions of each Qualified Settlement Class Member's individual Settlement Award. The Settlement Administrator will also be responsible for reporting all Settlement Award payments and forwarding all payroll taxes, withholdings, and other deducted amounts associated with the wage portions of Settlement Awards to the necessary government entities. The Settlement Administrator shall report the wage portions of Settlement Awards on IRS Forms W-2 and shall report the non-wage portions of Settlement Awards (on which there will be no tax withholding) on IRS Forms 1099.

H. Attorneys' Fees Award and Costs Payment. As part of seeking the District Court's final approval of this Settlement, Settlement Class Counsel will apply to the District Court for an Attorneys' Fees Award of twenty-five percent (25%) of the Common Fund Payment, plus costs of litigation.

I. Service Awards. Settlement Class Counsel will request that Plaintiff Omar Palma Renteria and Intervenor-Plaintiffs Gilberto Gomez Garcia and Jonathan Gomez Rivera receive payment of Service Awards, on which there will be no payroll tax withholdings and for which an IRS Form 1099 (marked "Other Income") shall be issued to the taxing authorities, in the amount of Six Thousand Dollars (\$6,000.00) each.

J. Settlement Administration.

1. The Settlement Administrator shall be responsible for preparing and distributing the Notice of Settlement to be sent to putative Settlement Class Members; administering the settlement claims process; setting up a settlement website that provides the full Notice of Settlement in Spanish and English, links to key documents in the Case, a listing of key dates and deadlines related to the Settlement, and an online Settlement Claim Form in Spanish and English; tracing undeliverable Notices of Settlement; recording and tracking responses to the distribution of the Notice of Settlement to putative Settlement Class Members (including recording the identities and addresses of any Settlement Class Members who submit hard copy or online Settlement Claim Forms); tracking and responding by phone or text message (in Spanish) to any inquiries made by putative or actual Settlement Class Members; establishing and maintaining a QSF and depositing all settlement funds paid by Stemilt into the QSF; calculating Settlement Awards; calculating appropriate tax withholdings for the wage portions of the Settlement Awards; issuing the necessary payments for all Settlement Awards to Qualified Settlement Class Members; logging returned Settlement Award checks and making one attempt to obtain an updated address for such returned Settlement Award checks; issuing the Service Award payments, the Attorneys' Fees Award payment, the Costs Payment, and the Settlement Administration Expenses Award payment (as approved by the District Court); issuing all required tax documents to Qualified Settlement Class Members (such as IRS Forms W-2 and 1099); performing all related tax reporting

to relevant taxing authorities; and any other related or necessary settlement administration tasks mutually agreed to by the Parties. Qualified Settlement Class Members residing outside the United States will be provided with an electronic transfer option to receive their Settlement Award, facilitated by Centro de los Derechos del Migrante, Inc. (“CDM”) and Settlement Class Counsel.

2. The Settlement Administrator shall provide the Notice of Settlement by mail to putative Settlement Class Members for whom Stemilt has a U.S. mailing address, by manually dialed text message or WhatsApp message to all putative Settlement Class Members for whom Stemilt possesses a phone number, by publication on Facebook (targeted to migrant and seasonal farm workers in Central and Eastern Washington), and through radio announcements on Spanish-language stations in Central and Eastern Washington. All such forms of notice of the Settlement shall be in a form mutually agreed by the Parties.

3. Stemilt acknowledges and agrees to the Settlement Class Counsel and Settlement Administrator retaining CDM in Mexico to assist with the notification of the Settlement to putative Settlement Class Members in Mexico, the submission of Settlement Claim Forms by Settlement Class Members in Mexico, and distribution of Settlement Awards to Qualified Settlement Class Members in Mexico. Specifically, CDM will respond to inquiries from putative or actual Settlement Class Members in Mexico via phone and WhatsApp, will assist Settlement Class Members in Mexico with the submission of hard copy and online Settlement Claim Forms, and will facilitate the payment and transfer of Settlement Awards to Qualified Settlement Class Members in Mexico via Bansefi Bank. All fees, costs and expenses associated with the retention of CDM or the payment and transfer of Settlement Awards to Qualified Settlement Class Members in Mexico via Bansefi Bank shall be paid by the Settlement Administrator out of the QSF.

4. The Settlement Administrator shall provide Stemilt with copies of individual Settlement Claim Forms containing estimated Settlement Awards for putative Settlement Class Members employed by Stemilt as of the date of the District Court’s Preliminary Approval Order. Prior to the Notice Deadline, Stemilt will provide a Settlement Claim Form prepared by the Settlement Administrator (which contains an individual Settlement Award estimate) to all putative Settlement Class Members who are currently employed by Stemilt as of the date of the District Court’s Preliminary Approval Order. Stemilt will encourage participation and completion of the Settlement Claim Form. Stemilt shall install locking boxes at the ranch offices identified in Section III.J.5 (below). The boxes will be clearly marked to allow Settlement Claim Forms in both English and Spanish. Each office shall assign an employee to unlock the box and mail the enclosed Settlement Claim Forms to the Settlement Administrator on a regular basis, not less than twice weekly. On the date of the Notice Deadline, Stemilt will empty the boxes by noon and deliver the Settlement Claim Forms to the U.S. Post Office that same day, before the last pickup time posted at the applicable U.S. Post Office location. At each box, Stemilt will post written notice, in Spanish and English, of the Notice Deadline’s noon cut-off time.

5. To ensure that Settlement Class Members have an adequate opportunity to submit Settlement Claim Forms, they will have the option to submit such Settlement Claim Forms online, by mail, or in person in the locked boxes located at the following Stemilt locations: East Wenatchee (North District) Office, 4450 4th ST SE, East Wenatchee, WA 98802; Quincy Office,

21503 Hwy 28 W. Quincy, WA 98848; Royal City Office, 114 Road 11 SE Othello, WA 99344; Othello Office, 1178 Schaake Rd. Othello WA 99344; Mattawa Office, 31996 HWY 243 Mattawa WA 99349; Capstone Office, 12129 SW RD 27 Mattawa WA 99349; and Arrow Ridge Office, 505 Dayton Road Pasco, WA 99301.

6. Stemilt will cooperate with Settlement Class Counsel and the Settlement Administrator to provide current or last known contact information for all putative Settlement Class Members for purposes of distributing the Notice package.

7. The Settlement Administrator shall have the responsibility, in consultation with Settlement Class Counsel, to determine any Settlement Class Member's eligibility for a Settlement Award (*i.e.* to determine whether any Settlement Class Member is a Qualified Settlement Class Member). A Settlement Class Member shall be considered a Qualified Settlement Class Member eligible to receive a Settlement Award if he or she falls into the Settlement Class definition specified in Section III.A.1 above and timely submits a completed hard copy or online Settlement Claim Form in accordance with the requirements specified in this Agreement.

8. Within fourteen (14) days after the Notice Deadline, the Settlement Administrator shall provide Settlement Class Counsel and Stemilt with an electronic report setting forth the names, addresses, telephone numbers, numbers of hours worked for Stemilt in piecework activities during the Settlement Class Period, and final Settlement Award amount for all Settlement Class Members who submitted a Settlement Claim Form in conformity with the requirements of this Agreement. The Settlement Administrator shall also provide Settlement Class Counsel and Stemilt with weekly reports starting two weeks following the Initial Notification date and ending two (2) weeks after the Notice Deadline, which show the number of Notices issued, the number of Settlement Claim Forms received, and information regarding returned Notices and any steps taken to resend such returned Notices.

9. Within seven (7) days after the Notice Deadline, the Settlement Administrator shall provide Settlement Class Counsel and Stemilt an electronic report setting forth the names and identities of any Settlement Class Members who submitted a Valid Exclusion Request, or an Objection, in conformity with the requirements of this Agreement.

10. The Settlement Administrator shall retain the originals of all exclusion requests, Objections, and submitted Settlement Claim Forms, along with their envelopes.

11. Any questions regarding the validity of a submitted hard copy or online Settlement Claim Form will be resolved by the Settlement Administrator and Settlement Class Counsel with the goal of ensuring access to the settlement process for all Settlement Class Members, regardless of any technical deficiencies with a hard copy or online Settlement Claim Form submission.

12. Any personal Settlement Class Member data provided to the Settlement Administrator pursuant to this Agreement shall be used solely for the purposes of administering this Settlement and not for any other purpose. The Settlement Administrator shall maintain all such



data as private and confidential and shall not disclose such data to any persons, entities (including government entities), except as required by this Agreement, by law, or by Court order. Notwithstanding the foregoing, the Settlement Administrator may disclose individual Settlement Class Member data to the individual Settlement Class Member to whom the data applies.

13. As part of seeking the District Court's final approval of this Settlement, Settlement Class Counsel will apply to the District Court for approval of the Settlement Administration Expenses Award. Any costs, fees or expenses incurred or charged by the Settlement Administrator, CDM, or Bansefi Bank in administering this Settlement shall be paid from the Settlement Administration Expenses Award approved by the Court.

K. Notice/Approval of Settlement Agreement. The Parties agree to the following procedures for obtaining preliminary approval of the Settlement, certifying the Settlement Class solely for purposes of obtaining the District Court's approval of the Settlement, notifying putative Settlement Class Members of the Settlement, obtaining final approval of the Settlement, and implementing the payment of Settlement Awards to Qualified Settlement Class Members:

1. Plaintiffs shall file a motion with the District Court to obtain preliminary approval of the Settlement in conformity with this Agreement, which motion shall be filed within twenty-one (21) calendar days of the execution of this Agreement by all Parties.

2. In their preliminary settlement approval motion, Plaintiffs will request that the District Court enter an order (the "Preliminary Approval Order") (a) certifying the Settlement Class solely for purposes of settlement, (b) finding Plaintiffs to be adequate and typical representatives of the Settlement Class, (c) approving Plaintiffs' attorneys as Settlement Class Counsel, (d) preliminarily approving the Settlement and this Agreement, (e) approving the form of the Notice and Settlement Claim Form, (f) approving the method of distribution of the Notice and Settlement Claim Form to putative Settlement Class Members, (g) approving the settlement claim process, and (h) setting a date for a Final Fairness Hearing to determine whether the Court will grant final approval of the Settlement. Stemilt will not oppose Plaintiffs' preliminary settlement approval motion.

3. Stemilt will provide the Settlement Administrator with any updated address information obtained for putative Settlement Class Members, which the Settlement Administrator will use when issuing the Notice to putative Settlement Class Members and when issuing Settlement Awards to Qualified Settlement Class Members.

4. Subject to the District Court's approval, the Notice shall be provided using the following procedures:

a. Within fourteen (14) days of the date the District Court issues the Preliminary Approval Order, the Settlement Administrator shall prepare and mail Notice packages (including Settlement Claim Forms) containing individual Settlement Award estimates to all putative Settlement Class Members for whom Stemilt has a U.S. mailing address ("Initial Notification Date") in the form attached as Exhibit 1 hereto (in both English and Spanish), and

shall provide Stemilt's counsel and Settlement Class Counsel with a copy of the mail-merge spreadsheet used for the Notice package mailings, which will include the estimated Settlement Award for each putative Settlement Class Member. In addition, within fourteen (14) days of the date the District Court issues the Preliminary Approval Order, the Settlement Administrator shall also provide Stemilt with copies of individual Settlement Claim Forms containing estimated Settlement Awards for putative Settlement Class Members that are employed by Stemilt on or after the date of the District Court's Preliminary Approval Order, pursuant to Section III.J.4 above and Section III.K.4.f below.

b. Within fourteen (14) days of the date the District Court issues the Preliminary Approval Order, the Settlement Administrator shall also establish a settlement website (the "Settlement Website") containing the full Notice (in Spanish and English), along with an online Settlement Claim Form (in Spanish and English) that Settlement Class Members can use to submit an online Settlement Claim Form.

c. Within fourteen (14) days of the date the District Court issues the Preliminary Approval Order, the Settlement Administrator shall also manually send a text or WhatsApp message with a link to the Settlement Website to each putative Settlement Class Member for whom the Settlement Administrator possesses a phone number.

d. Within fourteen (14) days of the date the District Court issues the Preliminary Approval Order, the Settlement Administrator shall also publicize the Settlement on Facebook (targeted to migrant and seasonal farm workers in Central and Eastern Washington) with links to the Settlement Website.

e. Within fourteen (14) days of the date the District Court issues the Preliminary Approval Order, the Settlement Administrator shall also begin to publicize the Settlement through radio announcements on Spanish-language stations in Central and Eastern Washington, with the radio announcements running for at least sixty (60) days.

f. Within fourteen (14) days of its receipt of the Settlement Claim Forms provided by the Settlement Administrator, Stemilt shall provide a Settlement Claim Form (containing an individual Settlement Award estimate) to all putative Settlement Class Members employed by Stemilt as of the date of the District Court's Preliminary Approval Order, pursuant to Sections III.J.4 and III.K.4.a above.

g. The mailed and online Notice shall provide that Settlement Class Members who do not opt out and who wish to object to the Settlement must file with the District Court and submit to Settlement Class Counsel and Stemilt's counsel a written statement ("Objection") objecting to the Settlement on or before the Notice Deadline. If a Settlement Class Member wishes to have the District Court consider the Objection, such individual (i) must not exclude himself or herself from the Settlement Class, and (ii) must file with the Court and mail to counsel for the Parties their written Objection, along with any supporting documentation that the individual wishes the District Court to consider, by the Notice Deadline. If such Objection is submitted and rejected by the District Court, the objecting Settlement Class Member shall remain

fully bound by the terms of the Settlement, including the release of all Released Claims, so long as the Settlement is granted final approval by the District Court. The Parties shall submit their responses to any objections to the District Court no later than fourteen (14) days after the Notice Deadline. Any Settlement Class Member who does not appear individually or through counsel and who does not challenge or comment upon the fairness and adequacy of the Settlement or Settlement Class Counsel's request for attorneys' fees and costs shall waive and forfeit any and all rights to appear separately or object. All Settlement Class Members shall be bound by the Settlement and by all orders and judgments in this Action.

h. The Notice shall also provide that putative Settlement Class Members who wish to exclude themselves (*i.e.*, opt out) from the Settlement Class must mail a written letter to the Settlement Administrator requesting exclusion from the Settlement Class, which letter must be mailed and postmarked on or before the Notice Deadline. An exclusion request must: (i) be in writing; (ii) state the putative Settlement Class Member's current address; (iii) contain the following statement: "I request that I be excluded from the Settlement Class in the case of *Renteria v. Stemilt Ag Services LLC*." (or the Spanish equivalent); (iv) be signed; and (v) be mailed to the Settlement Administrator at the address provided in the Notice and postmarked by the Notice Deadline. Each individual who properly submits a timely written request for exclusion shall be excluded from the Settlement Class and shall have no rights under the Settlement Agreement. Settlement Class Members who fail to submit a valid and timely request for exclusion on or before the Notice Deadline shall be bound by all terms of the Settlement and any final judgment entered in this Case if the Settlement is approved by the District Court, regardless of whether they have objected to the Settlement or submitted a Settlement Claim Form. An exclusion request shall be deemed timely if it is postmarked by the Notice Deadline. If the Settlement Administrator receives an opt out request from a putative Settlement Class Member that does not have a postmark or has an illegible postmark, the opt out request will be considered timely if it is received by the Settlement Administrator within seven (7) days of the Notice Deadline.

i. The Notice shall also advise Settlement Class Members that, in order to receive a Settlement Award, they must timely submit a Settlement Claim Form by mail, online through the Settlement Website, or in person in one of the locked boxes managed by Stemilt employees, located at the ranch offices listed in Section III.J.5 (above). To be timely, the Settlement Claim Form must be postmarked or submitted online by the Notice Deadline, or placed in one of the locked boxes referenced above by noon on the Notice Deadline, unless the Parties agree to accept any late-filed or improperly submitted Settlement Claim Forms.

5. The Parties agree that neither they nor their counsel will solicit or otherwise encourage any of the Settlement Class Members to opt out or object to the Settlement. Likewise, the Parties agree that neither they nor their counsel will discourage any Settlement Class Member from submitting a Settlement Claim Form.

6. Should any mailed Notice be returned as undeliverable, the Settlement Administrator shall attempt one follow-up trace to locate a valid address and, if located, shall make a second attempt at mailing the Notice. If such Notice is again returned as undeliverable, no further attempts of mailing or delivering the Notice are required to be made. Notwithstanding the

foregoing, the Settlement Administrator may mail or email a Notice to a putative Settlement Class Member at an address or email address obtained by other means if the putative Settlement Class Member's Notice is returned as undeliverable or upon the putative Settlement Class Member's request for the same (*e.g.*, if Plaintiffs, Stemilt, or another Settlement Class Member provides the Settlement Administrator an address or email address for a putative Settlement Class Member not previously provided by Stemilt or obtained through a trace).

7. No later than fourteen (14) calendar days before the Notice Deadline, Settlement Class Counsel shall file a motion requesting that the District Court grant final approval of the Settlement, including payment of attorneys' fees and costs. No later than fourteen (14) calendar days after the Notice Deadline, Settlement Class Counsel will file a supplemental memorandum in support of final approval of the Settlement to inform the District Court of any putative Settlement Class Members who have opted out of the Settlement and to respond to any Objections to the Settlement.<sup>1</sup>

8. Subject to the District Court's availability and direction and no earlier than twenty-one (21) days after the Notice Deadline and ninety (90) days after service of Class Action Fairness Act ("CAFA") notice (as described in Section III.M below), a Fairness Hearing shall be held for the District Court to determine whether to enter a Final Approval Order that grants final approval of the Settlement, including Settlement Class Counsel's Attorneys' Fees Award and Costs Payment, the Settlement Administration Expenses Award, and the Service Awards to the named Plaintiffs, and to enter judgment dismissing all claims that were or could have been asserted in the Action on the basis of the allegations contained in the Complaint with prejudice and without costs (except as specifically provided in this Agreement).

9. After entry of the Final Approval Order, the District Court shall have continuing jurisdiction for the purposes of enforcement of the Settlement and addressing settlement administration matters and such post-judgment matters as may be appropriate under court rules.

10. Within three (3) business days after receiving Defendant's payment of the Common Fund Payment, the Settlement Administrator shall pay the Attorneys' Fees Award and Costs Payment approved by the District Court to Settlement Class Counsel, and shall pay any Service Awards approved by the District Court to the named Plaintiffs, based on instructions provided by Settlement Class Counsel. These payments will not be subject to any withholdings. Within fourteen (14) days following the Defendant's payment of the Common Fund Payment, the Settlement Administrator shall also issue Settlement Awards (via mailed settlement checks in the U.S. or through Bansefi Bank in Mexico) to all Qualified Settlement Class Members, along with IRS Forms W-2 and 1099. Mailed settlement checks in the U.S. shall include mailing envelopes that list the Settlement Administrator's return address. The Parties will agree to reasonable and necessary procedures to ensure that Qualified Settlement Class Members residing in Mexico can receive their Settlement Award payments through Bansefi Bank, and will retain CDM to assist

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<sup>1</sup> If either of these deadlines fall on a weekend or Court holiday, Settlement Class Counsel may file the brief on the first following business day.

with the process. No Settlement Award checks will be mailed to Qualified Settlement Class Members in Mexico due to the unreliability of mail service in that country. Instead, the Settlement Administrator will work with CDM to facilitate a lump sum payment equivalent to the total amount of the Settlement Awards for Qualified Settlement Class Members residing in Mexico, which will be issued to Bansefi Bank in Mexico based on specific instructions to be provided by Settlement Class Counsel and/or CDM. The Settlement Administrator will also provide a list of all Qualified Settlement Class Members residing in Mexico with the amounts of their individual Settlement Awards and will provide that list to Settlement Class Counsel, Stemilt, and CDM. Qualified Settlement Class Members residing in Mexico will then be able to withdraw their Settlement Award funds from Bansefi Bank using instructions provided by Settlement Class Counsel and/or CDM. The Settlement Administrator will also make arrangements to issue all appropriate tax forms required for Settlement Awards for Qualified Settlement Class Members residing in Mexico.

11. Should any mailed U.S. Settlement Award check be returned as undeliverable, the Settlement Administrator shall attempt one follow-up trace to locate a valid address and, if located, shall make a second attempt at mailing the Settlement Award check. If such Settlement Award check is again returned as undeliverable, no further attempts of mailing the check are required to be made. Notwithstanding the foregoing, the Settlement Administrator may mail a Settlement Award check to a Qualified Settlement Class Member at an address obtained by other means if the Qualified Settlement Class Member's Settlement Award check is returned as undeliverable or upon the Qualified Settlement Class Member's request for the same (*e.g.*, if Plaintiffs, Stemilt, or another Settlement Class Member provides the Settlement Administrator an address for a Qualified Settlement Class Member not previously provided by Stemilt or obtained through a trace). The Parties may agree to additional reasonable and necessary procedures to ensure that all Qualified Settlement Class Members can receive their Settlement Award payments.

12. Any Qualified Settlement Class Member whose Settlement Award check is returned as undeliverable shall receive his/her Settlement Award from the Settlement Administrator if he/she contacts the Settlement Administrator or Settlement Class Counsel and provides a correct mailing address within one hundred eighty (180) days after the mailing of the Settlement Award checks.

13. Stemilt will receive no reversion from the Common Fund Payment. If a U.S. Settlement Award remains unclaimed, or a check remains uncashed, one hundred eighty (180) days following the date the Settlement Administrator mailed the Settlement Award check to a Qualified Settlement Class Member (without the Qualified Settlement Class Member having provided an updated mailing address within the same one hundred eighty (180) day period), or one hundred eighty (180) days following the date the Settlement Administrator, in coordination with CDM, transferred the Settlement Award to Bansefi Bank, the Settlement Administrator will stop or revert payment on the Settlement Award, and the Qualified Settlement Class Member who has not cashed the Settlement Award check, or otherwise attained such funds, will have no further right or interest in the Settlement Award (that is, such Settlement Award will not be the property of the Qualified Settlement Class Member), and such funds will be considered residual funds ("Residual Funds"). In addition, the Settlement Administrator will amend the payments reported

to the IRS with respect to such funds. The proceeds of any uncashed Settlement Award checks and any other Residual Funds that remain after expiration of the one hundred eighty (180) day period will be distributed to *cy pres* beneficiaries whose organizations' missions align with the workers' claims in the Action, and which are selected by mutual agreement of the Parties or designated by the District Court.

14. If the District Court does not enter an Order preliminarily or finally approving the Settlement, or if the Settlement does not become effective and final for any other reason, this Agreement shall be null and void. In such case, the Parties shall work together in good faith to resolve any issues necessary to obtain the District Court's approval. If such approval cannot be obtained despite the Parties' good faith efforts, the Parties shall proceed in all respects as if this Agreement had not been executed.

L. Publicity. The Parties mutually agree to focus on the benefits to the clients of achieving a settlement in any communication with the media and express acknowledgment that the Settlement was entered into for the purpose of compromising significantly disputed claims and that nothing therein is an admission of liability or wrongdoing by Stemilt. However, nothing in this section shall otherwise restrict the free speech rights of any of the Parties or their representatives.

M. CAFA Notice. Stemilt shall be responsible for serving the Class Action Fairness Act notice required by 28 U.S.C. § 1715(b) to the appropriate State official of each U.S. State in which a putative Settlement Class Member resides and the appropriate U.S. Federal official within ten (10) days of the filing of the Preliminary Approval Motion. The Parties agree that the state of the last known address as identified Stemilt's records pertaining to each putative Settlement Class Member in the U.S. shall identify the U.S. state of residence for that putative Settlement Class Member.

N. Miscellaneous Provisions.

1. This Agreement may be amended or modified only by a written instrument signed by counsel for both Parties.

2. This Agreement constitutes the entire Agreement among these Parties. No representations, warranties or inducements have been made to any Party concerning this Agreement, other than the representations, warranties and covenants contained and memorialized in this Agreement and the Notice (Exhibit 1).

3. The Parties and their counsel will cooperate with each other and use their best efforts to implement this Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to obtain approval of or implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, then either Party may seek assistance from the District Court to resolve such disagreement.

4. All notices to counsel provided herein shall be sent by electronic mail to:

a. Plaintiffs:

FRANK FREED SUBIT & THOMAS LLP

Marc C. Cote

Sean M. Phelan

Anne E. Silver

Email: [mcote@frankfreed.com](mailto:mcote@frankfreed.com)

Email: [sphelan@frankfreed.com](mailto:sphelan@frankfreed.com)

Email: [asilver@frankfreed.com](mailto:asilver@frankfreed.com)

705 Second Avenue, Suite 1200

Seattle, Washington 98104

COLUMBIA LEGAL SERVICES

Joachim Morrison

Xaxira Velasco Ponce de Leon

Email: [joe.morrison@columbialegal.org](mailto:joe.morrison@columbialegal.org)

Email: [xaxira.poncedeleon@columbialegal.org](mailto:xaxira.poncedeleon@columbialegal.org)

300 Okanogan Avenue, Suite 2A

Wenatchee, WA 98801

b. Defendant:

JEFFERS, DANIELSON, SONN & AYLWARD, P.S.

Robert R. Siderius,

Stephanie J. Stauffer,

Email: [bobs@jdsalaw.com](mailto:bobs@jdsalaw.com)

Email: [stephanieb@jdsalaw.com](mailto:stephanieb@jdsalaw.com)

PO Box 1688

Wenatchee, WA 98807-1688

5. This Agreement shall be binding upon, and shall inure to the benefit of, the successors of the Parties hereto, as previously defined.

6. All terms of this Agreement shall be governed by and interpreted according to the laws of the State of Washington.

7. Plaintiffs and Stemilt believe this Agreement is a fair, reasonable and adequate settlement of the Action, and have arrived at this Settlement through arm's-length negotiations, assisted by an experienced mediator, and by taking into account all relevant factors, present and potential.

IT IS SO AGREED.

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
**Omar Palma Renteria, *Individually and on  
Behalf of Class***

\_\_\_\_\_  
**Stemilt Ag Services, LLC.**

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
**Gilberto Gomez Garcia, *Individually and on  
Behalf of Class***

\_\_\_\_\_  
**Robert Siderius  
Stephanie Stauffer  
*Counsel for Defendant***

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
**Jonathan Gomez Rivera, *Individually and on  
Behalf of Class***

\_\_\_\_\_  
**Marc Cote  
Joachim Morrison  
*Counsel for Named Plaintiffs and Class***