SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

MARIA RAZO VIVEROS, et al

Plaintiffs,

Case No. 20STCV15737

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT

vs.

MISSION PRODUCE, INC.

Defendant.

To: All current and former non-exempt employees of Defendant Mission Produce, Inc. ("Mission Produce") who worked for Mission Produce in California at any time from April 23, 2016, to December 31, 2021 ("Class Period").

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

Why should you read this Notice?

The Los Angeles County Superior Court ("Court") has granted preliminary approval of a proposed class action settlement (the "Settlement") that resolves two pending class action lawsuits against Mission Produce: *Maria Razo Viveros and Reyes Segura v. Mission Produce, Inc.*, Los Angeles County Superior Court Case No. 20STCV15737 (the "*Viveros* Action") and *Melchor Manlalo Aguilar v. Mission Produce, Inc.*, Ventura County Superior Court Case No. 56-2020-00542261-CU-OE-VTA ("*Aguilar Action*"). The *Viveros* Action and *Aguilar* Action are referred to together as the "Actions." Because your rights may be affected by the Settlement, it is important that you read this Notice carefully.

You may be entitled to money from the Settlement. Mission Produce's records show that you were employed by Mission Produce as a non-exempt employee in California and performed work for Mission Produce at some point between April 23, 2016, through December 31, 2021, and are therefore part of the proposed "Settlement Class." The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Actions, to inform you of the terms of the proposed Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment. If final judgment is entered in this case, it will be posted to the Settlement Administrator's website www.phoenixclassaction.com/viveros-v-mission-produce/.

What is this case about?

Plaintiffs Maria Razo Viveros, Reyes Segura, and Melchor Aguilar (together, "Plaintiffs") collectively allege in the Actions that Mission Produce violated California law by: (i) failing to pay all overtime wages; (ii) failing to pay minimum wages for all hours worked; (iii) failing to provide meal periods; (iv) failing to authorize and permit rest periods; (v) failing to indemnify employees for work-related expenses; (vi) failing to furnish accurate itemized wage statements; (vii) failing to timely pay final wages; and, as a result of the above, (viii) engaging in unlawful business practices. In addition, Plaintiffs seek recovery of derivative civil penalties under the California Labor Code Private Attorneys' General Act ("PAGA"), interest, and attorneys' fees and costs. Plaintiffs are known as the "Class Representatives." Plaintiffs' attorneys, who also represent the interests of all Settlement Class members, are known as "Class Counsel."

Mission Produce has denied and continues to deny that it has done anything wrong and believes it has acted in compliance with all applicable laws and that Plaintiffs' claims have no merit. Mission Produce also denies that it owes any wages, restitution, penalties, or other damages. By agreeing to settle, Mission Produce is not admitting liability on any of the factual allegations or claims asserted in the Action or that the Action can or should proceed as a class action in a non-settlement context.

The Court has not ruled on the merits of Plaintiffs' claims. However, to avoid additional expense, inconvenience, and interference with its business operations, Mission Produce has concluded that it is in its best interests to settle the Actions on the terms summarized in this Notice. After Mission Produce provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the parties.

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

If you are still employed by Mission Produce, your decision about whether to participate in the Settlement will not affect your employment. California law and Mission Produce's company policies strictly prohibit unlawful retaliation. Mission Produce will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class member because of the Settlement Class member's decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiffs / the Settlement Class:	Attorneys for Mission Produce:
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What are the terms of the Settlement?

On October 17, 2022, the Court granted preliminary approval of the Settlement. If the Court grants final approval of the Settlement, Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Mission Produce, as specifically described below.

Mission Produce has agreed to pay \$800,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Actions, including claims by Settlement Class members, attorneys' fees, costs, settlement administration costs, PAGA civil penalties, and the Class Representatives' enhancement awards.

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

<u>Settlement Administration Costs</u>. The Court has approved Phoenix Settlement Administrators to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$11,000 from the Gross Settlement Amount to pay the Settlement administration costs.

<u>Attorneys' Fees and Expenses</u>. Class Counsel will ask for fees of up to one-third of Gross Settlement Amount, currently estimated to be \$266,666.67, as reasonable compensation for the work Class Counsel performed, and will continue to perform, in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$30,000 for reimbursement of costs Class Counsel have incurred in connection with the Actions.

<u>Class Representatives' Enhancement Awards</u>. Class Counsel will ask the Court to approve enhancement awards of \$7,500 to each of the Class Representatives (\$22,500 total). This award is to compensate the Class Representatives for their service and extra work performed on behalf of the Settlement Class members.

<u>PAGA Civil Penalties</u>. The parties have agreed to allocate \$60,000 of the Gross Settlement Amount as alleged civil penalties for the settlement of Plaintiffs' PAGA claim. Pursuant to the requirements of the PAGA, 75% of that amount, or \$45,000, will be paid to the California Labor & Workforce Development Agency ("LWDA"). The remaining \$15,000 has been designated as the "PAGA Amount" and will be paid to certain Settlement Class members as described below.

<u>Calculation of Settlement Class Members' Settlement Awards</u>. After deducting the Court-approved amounts for attorneys' fees, costs, administration costs, Class Representatives' Enhancement Awards, and the payment to the LWDA described above, the balance of the Gross Settlement Amount will form the Net Settlement Amount ("NSA"), which will be distributed to all Settlement Class members. The NSA is estimated to be approximately \$424,833.33.

• <u>PAGA Amount</u>: As noted above, \$15,000 of the NSA has been designated as the "PAGA Amount." The PAGA Amount will be distributed to all Settlement Class members who worked for Mission Produce in California at any

time from April 24, 2019, through December 31, 2021 (the "PAGA Period"), based on the proportionate number of pay periods they worked for Mission Produce in California during the PAGA Period.

• <u>Remainder of NSA</u>: The remainder of the NSA, estimated at \$409,833.33, will be distributed to all Settlement Class members who do not opt out of the Settlement, based on each participating Settlement Class member's proportionate number of pay periods worked for Mission Produce in California during the Class Period.

<u>Allocation and Taxes</u>. For tax purposes, all payments made from the PAGA Amount will be designated as 100% penalties. Payments made from the remainder of the Net Settlement Amount will be treated as one-third wages, one-third penalties, and one-third interest. The Settlement Administrator will issue IRS forms W-2 for all amounts designated as "wages," and will issue IRS forms 1099 for all amounts designated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the Settlement Administrator, Mission Produce and its counsel, and Plaintiffs and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement and the Settlement becomes final, and upon the Settlement being fully funded, the Class Representatives, and every member of the Settlement Class (except those who opt out) will fully release and discharge Mission Produce, and any of its former and current parents and subsidiaries, and its officers, directors, employees, partners, shareholders, attorneys, insurers, and agents, and any other successors, assigns, or legal representatives (collectively, the "Released Parties") from all claims against Mission Produce and the Released Parties under California law that were asserted in the Actions, or which could have been asserted in the Actions based on the facts alleged in the operative complaints in the Actions, including claims for: (i) failure to pay overtime wages (Labor Code §§ 204, 510, 1194, 1198); (ii) failure to pay minimum wages (Labor Code §§ 1182.12, 1194, 1194.2, 1197, 1198); (iii) meal period violations (Labor Code §§ 226.7, 512); (iv) rest period violations (Labor Code §§ 226.7, 516); (v) failure to indemnify employees for business expenses (Labor Code §§ 2802, 2804); (vi) failure to furnish accurate itemized wage statements (Labor Code § 226); (vii) failure to timely pay final wages (Labor Code §§ 201-203); and (viii) any claims under Business & Professions Code § 17200 et seq. based on any of the above claims, arising from Settlement Class member's employment with Mission Produce during the Class Period ("Class Released Claims"). The period of release for the Class Released Claims shall extend to the limits of the Class Period. In addition, all Settlement Class members (whether or not they opt out) who worked for Mission Produce at any time during the PAGA Period will release all claims against Mission Produce for civil penalties under PAGA based on the facts alleged in the operative complaints in the Actions and in the PAGA letters submitted by Plaintiffs, that arose during the PAGA Period (the "PAGA Released Claims").

<u>Conditions of Settlement</u>. By granting preliminary approval of the Settlement, the Court has determined that the Settlement falls within the range of possible approval as fair, reasonable, and adequate. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement.

How can I claim money from the Settlement?

<u>Do Nothing</u>. You do not need to do anything if you want to receive payment from and participate in the Settlement. If you do nothing, you will be entitled to your Settlement Award. Your estimated individual Settlement Award is included in the enclosed Notice of Estimated Settlement Award. You also will be bound by the Settlement, including all of the releases of claims stated herein.

<u>Check Cashing Deadline and Uncashed Checks</u>. You must cash or deposit your Settlement Award check within 180 days from the date that the Settlement Administrator mails the check to you. If you do not cash or deposit your check within 180 days, your check will be voided and the funds from the check will be directed to the Controller of the State of California, to be held in your name pursuant to the Unclaimed Property Law.

What other options do I have?

Disputing Information in Notice of Estimated Settlement Award. Your estimated Settlement Award has been calculated and is included in the enclosed Notice of Estimated Settlement Award. As stated above, your estimated Settlement Award is based on the number of pay periods you worked for Mission Produce as a non-exempt employee in California during the Class Period, as well as the number of pay periods, if any, you worked Mission Produce as a non-exempt employee in California during the PAGA Period. The information contained in Mission Produce's records regarding the number of pay periods you worked in each time period is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than March 14, 2023. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.** The parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion" letter or postcard, postmarked no later than March 14, 2023, with your full

name (as well as any former names you used while you were employed by Mission Produce), your current address, telephone number, last 4 digits of your social security number, the date, and your signature. The Request for Exclusion must also state that you wish to exclude yourself from the *Viveros v. Mission Produce, Inc.* class action settlement. Please note, however, that you may not exclude yourself from the PAGA portion of the Settlement. Any Settlement Class member who worked for Mission Produce in California during the PAGA Period will receive a portion of the PAGA Amount and will release the PAGA Released Claims, regardless whether the Settlement Class member submits a Request for Exclusion.

Send the Request for Exclusion directly to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863. Any person who submits a valid and timely Request for Exclusion shall, upon receipt, no longer be a Settlement Class member for purposes of the class claims, shall be barred from participating in the Settlement (other than the PAGA portion), and shall receive no benefits from the Settlement (other than a portion of the PAGA Amount, if applicable). Any person who submits a valid and timely Request for Exclusion will also lack standing to object to the Settlement.

<u>Objecting to the Settlement</u>. If you do not submit a Request for Exclusion, you have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you must either mail a written Objection to the Settlement Administrator, and/or appear at the Final Approval Hearing to orally object. Any written Objection must include your full name (as well as any former names used while employed by Mission Produce), current address and phone number, last 4 digits of your social security number, the name and contact information of any attorney representing you, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection, including any supporting papers, briefs, written evidence, declarations, and/or other evidence. Your Objection must also state whether you intend to appear at the Final Approval Hearing. All written objections or other correspondence must state the name and number of the case, which is *Maria Razo Viveros v. Mission Produce, Inc.*, Los Angeles County Superior Court Case No. 20STCV15737. Any written Objections must be postmarked on or before March 14, 2023.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing. You have the right to appear either in person or through your own attorney at this hearing. If you wish to appear at the Final Approval Hearing and/or retain an attorney to represent you at the hearing, you must do so at your own expense. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before March 14, 2023.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object. In other words, by submitting an Objection, you are <u>not</u> excluding yourself from the Settlement.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on May 4, 2023, at 10:00 a.m., in Department 14 of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles. California 90012. At the Final Approval Hearing, the Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of expenses, the incentive awards to the Class Representatives, and the Settlement administration costs. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You are <u>not</u> required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing at their own expense.

If you plan on attending the hearing or otherwise visiting the Court, please consult the Court's website, <u>https://www.lacourt.ca.gov</u>, for information regarding court operations during COVID-19 as well as face covering and social distancing requirements.

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles. California 90012, during regular court hours. <u>You may also contact the Settlement Administrator or Class Counsel using the contact information listed above for more information</u>.

PLEASE DO NOT CALL OR WRITE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT.

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is March 14, 2023. These deadlines will be strictly enforced.