IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS SAN ANTONIO DIVISION

RICHARD WIATREK Individually and on Behalf of all Others Similarly Situated,	
Plaintiff,	
V.	
FLOWERS FOODS, INC. and FLOWERS BAKING CO. OF SAN ANTONIO, LLC,	

Defendants.

Civil Action No. 5:17-cv-00772

JOINT MOTION FOR APPROVAL OF FLSA SETTLEMENT

Following extensive negotiations between the parties and their counsel, Plaintiffs, individually and on behalf of the remaining opt-in Plaintiffs who joined this lawsuit¹, and Defendants Flowers Foods, Inc. ("Flowers Foods") and Flowers Baking Co. of San Antonio, LLC ("FBC of San Antonio") (collectively "the Parties") reached a proposed settlement in the above-captioned case. The Parties respectfully request that the Court approve their proposed settlement of Plaintiffs' Fair Labor Standards Act ("FLSA") claims seeking alleged overtime compensation and dismiss this case with prejudice. As detailed below, the Court should grant the Parties' Motion because this settlement is a fair, adequate, and reasonable resolution of the Parties' *bona fide* dispute as to liability and alleged damages under the FLSA. Additionally, Plaintiffs also seek an award of attorneys' fees and costs. Defendants do not oppose these requests.

¹ Following the Court's Order of June 16, 2018, there are eleven (11) Plaintiffs remaining in this case: John Michael Albert, Kevin Dentherage, Argelio Garcia, Jerman Garcia, Lance Kelly Johnson, Christopher Lacey, Jorge Humberto Lopez, Paul Ishmael Munos, Juan Valenti Pena, Rolando Verastegui, Richard Wiatrek. *See* Dkt. No. 56 at p. 16. The Court decertified the case and now it remains a multi-plaintiff action only.

BACKGROUND

I. <u>Relevant procedural and factual history</u>

On August 15, 2016, the named Plaintiffs, individually and on behalf of all other "similarly-situated" individuals, filed an FLSA collective action lawsuit against two Defendants: Flowers Foods and FBC of San Antonio. Flowers Foods is the parent company of numerous operating subsidiaries throughout the country, each of which is organized as a separate legal entity and responsible for its own day-to-day operations. FBC of San Antonio is one such subsidiary.

Plaintiffs assert that they and other "similarly-situated" distributors have been misclassified as independent contractors. (Compl., Dkt. No. 1 ¶¶ 4, 46, 49.) They seek overtime on behalf of themselves and these other distributors. (*See id.* ¶¶ 50-57.) Currently, there are eleven (11) Plaintiffs total, including the Named Plaintiffs and Opt-In Plaintiffs.

Defendants strongly dispute these allegations and assert that Plaintiffs' claims fail for at least three separate, independently-sufficient reasons. First, Defendants contend that Plaintiffs have been properly classified as independent contractors. Second, Defendants contend even if Plaintiffs were employees, which is denied, they are otherwise exempt from the FLSA overtime provisions under the Motor Carrier Act ("MCA") exemption. 29 U.S.C. §213(b)(1). Third, Defendants contend even if Plaintiffs were employees, which is denied, they are also exempt under the FLSA's "outside sales" exemption. 29 U.S.C. §213(b)(1). In short, Defendants strongly contested these claims, and Plaintiffs faced a number of hurdles in this lawsuit.

On November 22, 2017, Plaintiffs moved for conditional certification and sought notice (Dkt. No. 12). Plaintiffs filed a Corrected Motion for Conditional Certification on November 27, 2017 (Dkt. No. 13). On November 30, 2017, in their opposition to this Motion, Defendants

2

Case 5:17-cv-00772-XR Document 61 Filed 08/30/18 Page 3 of 13

contended that conditional certification was not appropriate (Dkt. No. 15). The Court granted Plaintiffs' Corrected Motion for Conditional Certification on February 5, 2018 (Dkt. No. 18). However, by Order entered on June 16, 2018, the Court "decertified the [FLSA] class" that it had previously conditionally certified. *See* Dkt No.56 at p. 16. The Court also allowed Plaintiffs to amend their Complaint to assert various state law claims on an individual basis.

During the almost-one-year that this case has been pending, the parties have litigated extensively, including engaging in voluminous written discovery, filing of multiple motions and briefs, and attending hearings before the Court.

II. <u>Terms of the proposed settlement</u>

A. Settlement amount and allocation

The agreed-to settlement amount is \$201,500.00, inclusive of attorneys' fees. From this amount, counsel for Plaintiffs seek an award of \$152,000.00 as attorneys' fees and costs. If approved, this would allow the 11 Plaintiffs to receive a collective award of \$49,500.00. If approved, the 11 Plaintiffs will receive an award based on the length of time they owned and operated a distributorship, among other factors, averaging \$4,500 each.

B. Release of claims

In exchange, the Named Plaintiffs and the Opt-In Plaintiffs have agreed to dismiss this case, with prejudice. They have also agreed to waive and release the Defendants from all claims under the FLSA and state law that were or could have been asserted in this matter up to the period the Settlement Agreement is executed. Additionally, Named Plaintiffs, on behalf of themselves only, have agreed to release Defendants from any type of employment claim or other claim pertaining to or related to their distributorships, including but not limited to any retaliation claims they advanced on behalf of themselves.

3

C. Other Non-Monetary Terms

The Settlement also contains various other terms designed to strengthen the Independent Contractor model moving forward, such as the implementation of a Distributor Advocate and Distributor Review Panel, as more fully outlined in Exhibits 1 and 2 to the Settlement Agreement attached hereto as Exhibit A. The Distributor Advocate will be responsible for addressing Distributor issues that cannot be resolved on the local level. The Distributor Advocate will represent Distributors' interests and seek to resolve outstanding issues with bakery management and the Distributor. The Distributor may appeal is an internal dispute resolution process whereby an independent distributor may appeal to an internal review panel for resolution of contract-related disputes. Finally, under the Settlement, all current distributor Plaintiffs will sign an Amendment to their Distributor Agreements, in the form attached as Exhibit 3 to the Settlement Agreement, containing, among other provisions, an arbitration provision with a class action waiver under which the distributor may recover the same types of damages available in Court and the Company agrees to pay for all costs and fees typically associated with arbitration.

ARGUMENT

The Parties have reached a Settlement Agreement. The settlement fairly and reasonably resolves the Parties' claims and defenses, was negotiated at arms'-length between counsel for all parties, and the Court should enter an order approving the settlement accordingly.

I. The proposed settlement appropriately resolves the parties' claims and defenses.

A. Standard for approval of settlement of FLSA collective actions

In the context of a private lawsuit brought under Section 216(b), a plaintiff may settle and release FLSA claims against a company if the parties present the district court with a proposed settlement, and the district court enters a stipulated judgment approving the fairness of the settlement. *Lynn's Food Stores, Inc. v. United States*, 679 F.2d 1350, 1353 (11th Cir. 1982).

In reviewing a settlement of a private FLSA claim, the court must scrutinize the proposed settlement for fairness and determine whether the settlement is a "fair and reasonable resolution of a bona fide dispute over FLSA provisions." *Lynn's Food Stores, Inc.*, 679 F.2d at 1355; *see also Alaniz v. Maxum Petroleum Operating Company, Inc., 2016 WL 6462206 (W.D. Tex. Oct. 31, 2016); Simmons v. Mathis Tire & Auto Serv., Inc.*, No. 13-2875, 2015 WL 5008220, at *1 (W.D. Tenn. Aug. 20, 2015).² When it appears that a settlement "reflect[s] a reasonable compromise over issues, such as FLSA coverage or computation of back wages[] that are actually in dispute," the Court should "approve the settlement in order to promote the policy of encouraging settlement of litigation." *Lynn's Food Stores*, 679 F.2d at 1354. Additionally, a court presiding over an FLSA suit "shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action." 29 U.S.C. § 216(b).

B. A *bona fide* dispute exists over liability and damages.

In reviewing the settlement of a plaintiff's FLSA claims, the district court must "ensure that the parties are not, via settlement of [the] claims, negotiating around the clear FLSA requirements of compensation for all hours worked, minimum wages, maximum hours, and

² But see is Martin v. Spring Break '83 Productions, L.L.C., 688 F.3d 247(5th Cir. 2012).

Case 5:17-cv-00772-XR Document 61 Filed 08/30/18 Page 6 of 13

overtime." *Rotuna v. W. Customer Mgmt. Grp. LLC*, No. 09-1608, 2010 WL 2490989 (N.D. Ohio June 15, 2010). The existence of a *bona fide* dispute serves as a guarantee that the parties have not manipulated the settlement process to permit the employer to avoid its obligations under the FLSA. *Id.; Ochs v. Modern Design, Inc.*, No. 14-635, 2014 WL 4983674, at *2 (N.D. Ohio Oct. 6, 2014).

A bona fide dispute exists in this case. Plaintiffs claim that they were misclassified as independent contractors and further contend that they are entitled to overtime under the FLSA and various damages under state law. Defendants specifically deny these claims and further deny that Plaintiffs are owed any overtime under the FLSA or state law. Defendants contend they have three avenues for success in this case—*i.e.*, Plaintiffs are not entitled to overtime because they are independent contractors, and, assuming Plaintiffs are employees, which is denied, they are otherwise exempt under the MCA and outside sales exemptions. Defendants also have significant defenses to the state law claims asserted herein. All parties faced litigation risks in this case.

On top of the exemption-liability issue, the Parties also had opposing views on other damages components such as: (1) how to calculate damages (*i.e.* time and a half versus half-time damages), (2) whether liquidated damages were available; and (3) whether a two-year or three-year limitations period applied. Defendants claim to have had a good faith basis for believing that the distributors were independent contractors or otherwise exempt from the FLSA, particularly because the independent-contractor classification had survived legal scrutiny before. Moreover, Defendants argue that some of the distributors involved in this settlement only have timely claims if Plaintiffs succeed in showing a *willful* violation of the FLSA, which would render the three-year statute of limitations applicable. If a violation is not willful, the limitations

Case 5:17-cv-00772-XR Document 61 Filed 08/30/18 Page 7 of 13

period is only two years. *See id.* Defendants believe Plaintiffs face a significant risk that only the two year limitations period would apply and that some of the Plaintiffs would be entitled to no relief whatsoever.

Although all Parties continue to firmly believe in the merits of their respective claims and defenses, given the time and expense associated with full-blown litigation and discovery, and the uncertainty of dispositive motion practice and trial, the Parties agree that a compromise is appropriate at this stage of the litigation. They desire to resolve this case by way of a negotiated settlement payment by Defendants in exchange for release of claims by Plaintiffs and dismissal of this case with prejudice in order to avoid the time and expense inherent in continued litigation. *See Lynn's Food Stores, Inc.*, 679 F.2d at 1354 ("Thus, when the parties [to the litigation] submit a settlement to the court for approval, the settlement is more likely to reflect a reasonable compromise of disputed issues than a mere waiver of statutory rights brought about by an employer's overreaching.").

C. The settlement is fair and reasonable.

In addition to resolving a *bona fide* dispute between the Parties, the settlement achieved is fair and reasonable and should be approved for several reasons.

First, the proposed settlement arises out of an action for alleged unpaid overtime and other wages brought by Plaintiffs against their alleged "employer." Each Plaintiff will receive an individualized recovery based on length of time they owned and operated a distributorship, for an average of \$4,500.00 a person—a fair recovery considering that: (1) Defendants had three separate arguments for why the distributors should get no recovery at all, and (2) Defendants contend that liquidated damages were not available.

7

Case 5:17-cv-00772-XR Document 61 Filed 08/30/18 Page 8 of 13

Second, there is no collusion that occurred between counsel. See Schneider v. Goodyear Tire & Rubber Co., No. 13-2741, 2014 WL 2579637, at *2 (N.D. Ohio June 9, 2015) (considering the risk of fraud or collusion between the parties in determining whether to approve an FLSA settlement and concluding that because the parties had engaged in court-supervised negotiations, there was no such risk). Rather, this settlement was reached as a result of armslength negotiations between the Parties through experienced attorneys.

Third, during the litigation and settlement of this action, Plaintiffs were represented by counsel experienced in handling wage and hour collective actions. Plaintiffs' counsel has the experience to assess the risks of continued litigation and benefits of settlement and have done so in this action. Plaintiffs' counsel has a long-standing multi-jurisdictional practice representing employees with claims against employers similar to the claims asserted in this case. Defense counsel is likewise experienced in defending similar claims. Counsel for all Parties have advised their respective clients regarding the settlement, and they have recommended judicial approval: the Court should afford those recommendations weight. *See Lynn's Food Stores, Inc.*, 679 F.2d at 1354 (recognizing that courts rely on the adversary nature of a litigated FLSA case resulting in settlement as an indication of fairness).

Fourth, the range of possible recovery in this case was uncertain. As noted above, the Parties had very divergent positions on damages components such as whether liquidated (double) damages were appropriate, whether Defendants acted willfully, and whether the fluctuating workweek overtime calculation method applied, and whether Defendants were entitled to any offset, in addition to the exemption liability issue.

Fifth, the proceedings have advanced to a stage sufficient to permit the Parties and their experienced counsel to collect, obtain, and review evidence, evaluate their claims and defenses,

8

Case 5:17-cv-00772-XR Document 61 Filed 08/30/18 Page 9 of 13

understand the scope of potential damages, and engage in negotiations with the mutual understanding that continuing toward additional formal discovery and completing dispositive motion practice (including decertification) would be a difficult, costly, and uncertain undertaking.

Sixth, the complexity, expense, and likely duration of the litigation should a settlement not have been reached weighs heavily in favor of finding that this settlement is fair and reasonable. Without question, if the case had not settled, the Parties would have spent significant time and resources completing written and deposition discovery, including depositions of the Named Plaintiffs, various opt-in plaintiffs, and Defendants' upper management witnesses. Similarly, if this case had not settled, the Parties would have spent significant time briefing decertification and drafting a dispositive motions: both Parties would have sought summary judgment on Defendants' exemption defenses and potentially some of the damages issues (i.e. liquidated damages, willfulness, and damages calculations). After the resolution of these issues, the Parties may have faced the prospect of an expensive, lengthy jury trial as well as likely appeals and post-trial motions. Rather than take this path, the Parties directed their efforts toward an early, informed, efficient resolution of Plaintiffs' claims. While a number of issues remain unresolved in this litigation, preparation for the various negotiation sessions enabled counsel to assess the respective strengths and weaknesses of their case and reach the conclusion that settlement is in the Parties' best interests. The settlement eliminates the inherent risks both sides would bear if this case were to continue. Under these circumstances, the settlement is fair, reasonable, and adequate for Plaintiffs, and the Court should approve it.

II. <u>Plaintiffs' counsel's requested attorneys' fees and costs are reasonable and should be fully awarded.</u>

As set forth in the Affidavit of Alfonso Kennard attached as Exhibit B, the proposed award of attorneys' fees and expenses is fair, reasonable, and should be approved. In the Fifth Circuit, the lodestar method is used to analyze fee applications. Saizan v. Delta Concrete Prods. Co., 448 F.3d 795, 799 (5th Cir. 2006). Under the lodestar method, "the number of hours reasonably spent on the case [is multiplied] by an appropriate hourly rate in the community for such work." Id. The reasonable hourly rate is based on "the prevailing market rate for similar services by similarly trained and experienced lawyers in the relevant legal community..." *Villegas v. Regions Bank*, No. CIV.A. H-11-904, 2013 WL 76719, at *3 (S.D. Tex. Jan. 4, 2013) (citing Tollett v. City of Kemah, 285 F.3d 357, 368 (5th Cir. 2002)). Applicants for fees bear the burden of demonstrating the hours they have billed are reasonable, and thus are charged with "properly documenting the hours spent and [submitting] competent evidence of those hours." Rouse v. Target Corp., 181 F. Supp. 3d 379, 387 (S.D. Tex. 2016) (citing Hensley v. Eckerhart, 461 U.S. 424, 433, 103 S.Ct. 1933, 76 L.Ed.2d 40 (1983)); see also Prater v. Commerce Equities Mgmt. Co., No. CIV.A. H-07-2349, 2008 WL 5140045, at *3 (S.D. Tex. Dec. 8, 2008).

After applying the lodestar analysis, courts evaluate the "factors set out in *Johnson v*. *Georgia Highway Express, Inc.*, 488 F.2d 714, 717-19 (5th Cir. 1974)" to determine whether an upward or downward adjustment is appropriate. *Roussel v. Brinker Int'l, Inc.*, No. CIV.A.H-05-3733, 2010 WL 1881898, at *3 (S.D. Tex. Jan. 13, 2010) (Ellison, J.), *aff'd sub nom. Roussel v. Brinker Int'l, Inc.*, 441 F. App'x 222 (5th Cir. 2011). The *Johnson* factors are: (1) the time and labor required; (2) the novelty and difficulty of the question; (3) the skill requisite to perform the legal service; (4) the preclusion of other employment by the attorney due to the acceptance of the case; (5) the customary fee; (6) whether the fee is fixed or contingent; (7) time limitations

Case 5:17-cv-00772-XR Document 61 Filed 08/30/18 Page 11 of 13

imposed by the client or the circumstances; (8) the amount involved and the results obtained; (9) the experience, reputation, and ability of the attorneys; (10) the "undesirability" of the case; (11) the nature and length of the professional relationship with the client; and (12) awards in similar cases. *Roussel*, 2010 WL 1881898, at *3 n.1 (citing Johnson, 488 F.2d at 717-19). The core issue that both the lodestar method and the *Johnson* factors are designed to address is "the reasonableness of [the applicant's] fee request at the time the work was performed." *Roussel*, 2010 WL 1881898, at *6.

In this case, the proposed attorney fee and cost award of \$152,000.00 is appropriate under the loadstar method and when the *Johnson* factors are applied. As evidenced by the declaration of counsel, Plaintiffs' attorneys' fees and costs exceed the \$152,000.00 that has been requested.³ The declarations set forth the hourly rates claimed by counsel for Plaintiffs, the hours billed, the expenses incurred, all of which Plaintiffs contend were reasonable and necessary for a case of this nature.

This case has been actively litigated, including through extensive written discovery and document production, numerous contested motions, and attendance at hearings before the Court. Accordingly, Plaintiffs contend—and Defendants have not challenged that the attorneys' fees award reached as part of this settlement is fair and reasonable.

CONCLUSION

This FLSA collective action settlement is a product of an arms-length negotiation between counsel, which resolves a *bona fide* dispute over overtime and minimum wages. The

³ While the attorneys' fees exceed the recovery for the Plaintiffs and Opt-in Plaintiffs here, this is not dispositive in light of the significant variables impacting whether Plaintiffs were entitled to any damages at all discussed more fully above. Further, the Fifth Circuit has recognized that "while a low damages award is one factor which a district court may consider in setting the amount of attorneys' fees, this factor alone should not lead the district court to reduce a fee award." *Hollowell v. Orleans Reg'l Hosp., LLC,* 217 F.3d 379, 392 (5th Cir. 2000). *See also Singer v. City of Waco, Tex.,* 324 F.3d 813, 829-830 (5th Cir. 2003) (refusing to lower attorneys' fees award in light of low recovery because of the "strong presumption: that the lodestar award is reasonable).

Case 5:17-cv-00772-XR Document 61 Filed 08/30/18 Page 12 of 13

settlement is fair and reasonable and provides Plaintiffs with significant monetary relief. Accordingly, the Parties jointly and respectfully request that this Court approve the Parties' settlement agreement and the distribution of the settlement amount to Plaintiffs in full as described above. Further, Plaintiffs' Counsel requests that this Court award as reasonable the attorneys' fees and litigation costs in the amount requested. Finally the Parties jointly request that this action be dismissed with prejudice.

Respectfully submitted,

<u>/s/ Alfonso Kennard, Jr.</u> Alfonso Kennard, Jr. Kennard Richard, P.C. 2603 Augusta Drive, 14th Floor Houston, Texas 77057 **ATTORNEYS FOR PLAINTIFFS**

<u>/s/ Michael D. Mitchell</u> Michael D. Mitchell State Bar No. 00784615 <u>michael.mitchell@ogletree.com</u> Stephen E. Hart State Bar No. 00793911 <u>Stephen.hart@ogletree.com</u> Ogletree, Deakins, Nash, Smoak & Stewart, P.C. 500 Dallas Street, Suite 3000 Houston, Texas 77002-4709 (713) 655-5756 (Phone) (713) 655-0020 (Fax) **ATTORNEYS FOR DEFENDANTS FLOWERS FOODS, INC. and FLOWERS BAKING CO. OF SAN ANTONIO, LLC**

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of August, 2018, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, thereby providing a copy of same to Plaintiff's counsel.

Alfonso Kennard, Jr. Kennard Richard, P.C. 2603 Augusta Drive, 14th Floor Houston, Texas 77057 **ATTORNEY FOR PLAINTIFFS**

/s/ Michael D. Mitchell

Michael D. Mitchell

EXHIBIT A

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FIRST AMENDED CONFIDENTIAL RELEASE AND SETTLEMENT AGREEMENT

This First Amended Confidential Release and Settlement Agreement ("Settlement Agreement") is entered into by and between Named Plaintiffs Richard Wiatrek, John Michael Albert, Kevin Dentherage, Argelio Garcia, Jerman Garcia, Lance Kelly Johnson, Christopher Lacey, Jorge Humberto Lopez, Paul Ishmael Munos, Juan Valenti Pena and Rolando Verastegui for themselves individually and on behalf of their respective business entities, if any (collectively "Plaintiffs"), as well as their spouse (if any), beneficiaries, heirs, administrators, executors, assigns, agents and representatives, on the one hand, and Flowers Baking Co. of San Antonio, LLC ("Flowers/San Antonio") and Flowers Foods, Inc. ("Flowers Foods") (collectively, the "Parties") on the other. Plaintiffs, Flowers Foods and Flowers/San Antonio shall be referred to collectively herein as "the Parties."

WHEREAS, the Parties desire to compromise and settle the claim pending in the United States District Court for the Western District of Texas, *Richard Wiatrek, et al. v. Flowers Baking Co. of San Antonio, LLC, et al,* 5:17-cv-00772, and any other issues or disputes between them, in a comprehensive manner pursuant to the terms of this Settlement Agreement;

WHEREAS, the original Confidential Release and Settlement Agreement entered between the parties contained a few minor mistakes relating to the amounts that individual Plaintiffs are receiving out of the total settlement funds paid, which prompted the parties to enter into this First Amended Confidential Release and Settlement Agreement to correct those minor mistakes;

NOW, THEREFORE, for and in consideration of the above and the additional covenants and agreements set forth herein, the Parties expressly agree as follows:

I. TERMS OF SETTLEMENT

A. <u>Non-Monetary Consideration</u>. Flowers/San Antonio hereby agrees to the following non-monetary terms:

1. Flowers will implement a Distributor Advocate position. The individual holding this position has a reporting line independent of local bakery operations and reports to the Chief Compliance Officer. The Distributor Advocate will be responsible for addressing distributor issues that cannot be resolved at the local level. The Distributor Advocate will represent distributor interests and seek to resolve outstanding issues with bakery management and the distributor. A document outlining the Distributor Advocate position is attached to this Settlement Agreement as Exhibit 1. Flowers/Houston retains the right to modify the Distributor Advocate position described in Exhibit 1.

2. Flowers will implement a Distributor Review Panel. The Distributor Review Panel is an internal dispute resolution process whereby an independent distributor may appeal to an internal review panel for resolution of contract-related disputes, such as whether a breach of contract notice was properly issued, whether the distributor failed to comply with good industry practice, and the like. The Panel will analyze the dispute between the distributor and the bakery and render a decision based on its findings. The Panel will be composed of three (3) distributors who are not from the complainantdistributor's warehouse; a sales representative from Flowers who is not involved with overseeing the bakery's business relationship with the complainant-distributor; and a representative from the corporate

distributor enablement department who has not been involved in advising Flowers on the matter under review by the Panel. A document describing the Distributor Review Panel is attached to this Settlement Agreement as Exhibit 2. Flowers/Houston retains the right to modify the Distributor Review Panel described in Exhibit 2.

3. Each Plaintiff who is a current distributor will execute an Amendment to his, her or its existing Distributor Agreement which will incorporate an Arbitration Agreement in the form attached to this Settlement Agreement as Exhibit 3. For any Plaintiff who is a current distributor, signing the Amendment will be a condition of participating in this settlement and receiving his/her applicable settlement payment. Any portion of the settlement payment allocated to a current distributor Plaintiff who does not execute the Amendment shall revert to Flowers/Houston.

B. <u>Motion for Approval of Settlement and Dismissal with Prejudice.</u> Within three (3) business days of the Parties' execution of this Settlement Agreement, the Parties will file a Joint Motion for Approval of Settlement and Dismissal with Prejudice, requesting that the Court approve the settlement of these FLSA and state law claims and dismiss Plaintiffs' claims with prejudice. The Court shall retain jurisdiction to enforce the terms of the settlement. In the event this Settlement Agreement is not finally approved by the Court, this Settlement Agreement will no longer have any effect, the settlement payment shall remain property of Flowers/San Antonio, and the Parties' litigation positions will revert to the status quo ante before execution of this Settlement Agreement with no waiver, in any way, of their claims or defenses in this Action, including, but not limited to, defenses to the merits of Plaintiffs' claims and to collective action treatment.

C. <u>Payment By Flowers/San Antonio.</u> Provided Plaintiffs have delivered to Ogletree, Deakins, Nash, Smoak & Stewart, P.C., attn.: Michael D. Mitchell, One Allen Center, Suite 3000, 500 Dallas Street, Houston, TX 77002-4709, counsel for Flowers/San Antonio ("Flowers' Counsel") the following items:

1. a completed IRS Form W-9 and wire instructions for Plaintiffs' counsel;

2. fully executed copies of this Settlement Agreement, executed by Named Plaintiffs;

3. signed Amendments to the current Distributor Agreement with the Arbitration Agreement in the form of Exhibit 3 for all current distributor Plaintiffs; and

4. provided the Court has approved the Parties' Joint Motion for Approval of Settlement and Dismissal with Prejudice, Flowers/San Antonio will provide a payment via electronic funds in the amount of One Hundred Fifty-Two Thousand Dollars (\$152,000), payable to Plaintiffs' counsel, issued on a Form 1099, which shall represent payment for fees, costs, and expenses incurred by Plaintiffs' counsel in the *Wiatrek* Action. Flowers/San Antonio separately will, either directly or through a third-party Claims Administrator, cause the 11 Plaintiffs to be paid the specific individual amounts set forth on Exhibit 4 to this Settlement Agreement (which identifies each Plaintiff by name), less any legally-required withholdings. In total, the gross total amount paid to all 11 Plaintiffs combined, equals Forty-Nine Thousand Dollars and Five Hundred Dollars (\$49,500), before any legally-required withholdings. The total amount that Flowers/San Antonio will cause to be paid to Plaintiffs' Counsel pursuant to this Settlement Agreement is Two Hundred One Thousand and Five Hundred Dollars (\$201,500). Flowers/San Antonio shall cause such payments to be made within ten (10) business days of the date the Court approves the Parties' Joint Motion for Approval of Settlement and Dismissal with Prejudice.

D. <u>Approval for Payment of Attorneys' Fees and Costs</u>. Plaintiffs' counsel will seek, and Flowers/San Antonio and Flowers Foods will not oppose, approval of their \$152,000 in requested attorneys' fees and costs in the Joint Motion for Approval of Settlement and Dismissal with Prejudice. Except for this payment, each party shall be responsible for payment of their own attorneys' fees and costs.

E. <u>Taxes and Indemnification</u>. For tax reporting purposes, Flowers/San Antonio, or as applicable the Claims Administrator, shall report all settlement payments made to Plaintiffs as statutory employee earnings on a Form W-2 for statutory employees, which represents payment for alleged overtime due under the FLSA. Plaintiffs will be responsible for reporting such amounts on their tax returns as applicable and paying any applicable taxes on such amounts. Plaintiffs agree to indemnify and hold Flowers/San Antonio and Flowers Foods harmless from any and all liability that may result from, or arise in connection with, their failure to file and pay such taxes on any amounts received pursuant to this settlement except that Flowers Foods and Flowers/San Antonio, or as applicable the Claims Administrator, shall be responsible for the employer portion of any payroll taxes.

F. <u>Confidentiality</u>. Plaintiffs agree, except as provided below, as may be compelled by a court order or subpoena, as required for purposes of Court approval, or as otherwise required under force of law, to maintain in strict confidence the negotiation of this Settlement Agreement, the contents and terms of this Settlement Agreement and accompanying Releases, the consideration for this Settlement Agreement (including intimating, in any way, the amount of consideration provided) (hereinafter referred to as "Settlement Information"), to any person, agency, business, organization, or other entity (including, but not limited to, any other current or former Distributor with Flowers/San Antonio or other subsidiary, or any other employee of Flowers/San Antonio, Flowers Foods, or other Flowers' subsidiary). Plaintiffs hereby warrant that they have not made any such disclosure to date. Plaintiffs agree to take every reasonable precaution to prevent disclosure of any Settlement Information to third parties, and each agrees that there will be no publicity, directly or indirectly, in any form, concerning any Settlement Information.

Permitted Disclosure. Notwithstanding the above, the Parties agree that nothing in G. this Settlement Agreement shall prohibit them from discussing the existence and terms of this Settlement Agreement with his spouse, or a tax, legal or financial advisor, provided that before disclosing the terms of this Settlement Agreement, Plaintiffs advise such persons or entities that the terms of this Settlement Agreement are confidential and, further, that the disclosure of such terms is prohibited. Further, Plaintiffs and Plaintiffs' Counsel acknowledge that nothing in this Settlement Agreement prohibits Plaintiffs from cooperating with the EEOC or any other state or local fair employment practices agency and that the terms of the settlement generally must be disclosed to the Court in connection with approval of the settlement. This provision also does not prohibit Plaintiffs from reporting possible violations of federal or state law or regulation to any governmental entity, including but not limited to the Department of Justice and the Securities and Exchange Commission, or from making any other disclosures protected under applicable whistleblower provisions of federal or state law or regulations. Finally, this provision does not prohibit Plaintiffs from discussing the implementation of the Distributor Advocate and/or Distributor Review Panel Process. Plaintiffs may further state that the Actions have been resolved to the mutual satisfaction of the Parties, and their doing so or having done so will not violate this Agreement.

H. <u>Compelled Disclosure.</u> In the event that Plaintiffs or Plaintiffs' Counsel are presented with a court order, subpoena, or other legal instrument that demands the disclosure of any Settlement Information, Plaintiffs or Plaintiffs' Counsel will: (a) immediately notify Flowers' Counsel of the demand for disclosure and provide Flowers' Counsel with all material information

pertaining to such demand; (b) if permissible under the terms of the court order, subpoena or other legal instrument, refrain from disclosing the Settlement Information until after Flowers' Counsel has been notified of the demand; and (c) take all steps reasonably necessary to prevent the disclosure of Settlement Information until such time as Flowers/San Antonio or Flowers Foods has had a reasonable opportunity to file for a protective order or otherwise protect its interest in preventing the disclosure of the Settlement Information in a court of law.

I. Liquidated Damages. Plaintiffs acknowledge the paramount importance and unique value to Flowers Foods and Flowers/San Antonio of the confidentiality provisions in Section I.F, any breach of which cannot reasonably or adequately be calculated or compensated in any action at law. Therefore, because each Named Plaintiff expressly agrees that it would be difficult or impossible to calculate the damages Flowers Foods or Flowers/San Antonio would suffer if he violates this Section, which would be substantial, each Named Plaintiff agrees that the appropriate relief for any breach of these confidentiality provisions includes, in addition to any rights or remedies Flowers Foods or Flowers/San Antonio may possess, liquidated damages in an amount equal to Two Thousand Five Hundred Dollars (\$2,500.00) against the Named Plaintiff responsible for the violation of this Section, which amount Named Plaintiffs expressly agree is reasonable, as well as immediate injunctive and/or other equitable relief to prevent any further breach of these confidentiality provisions, without reinstatement of any claim, right or demand Plaintiffs have settled or released by and through this Settlement Agreement.

II. RELEASE

Mutual Release Of Claims. For and in consideration of the mutual promises Α. herein contained, and effective at such time as all payments required by this Agreement have been made, and by signing below. Plaintiffs do hereby forever and fully release and discharge the Released Parties (as defined and described in Section II.A.2, herein), of and from any and all sums of money, accounts, claims, interests, demands, contracts, actions, debts, controversies, agreements, damages, losses, and causes of action, whatsoever, of whatever kind or nature, known or unknown, suspected or unsuspected, which he now owns, holds, has, or claims to own, hold, or have, and any future consequences and causes of actions therefor, arising from Plaintiffs' independent distributor relationship with Flowers Foods, Flowers/San Antonio, or other Flowers' subsidiary, including, but not limited to, any and all matters alleged or referred to in the Wiatrek lawsuit, wage and hour claims, claims challenging independent contractor status, or other misclassification claims or claims premised upon employment status, whether or not they could have been asserted in the Action. In consideration of Plaintiffs' release of claims against the Released Parties, Flowers Foods and Flowers/San Antonio hereby generally release Plaintiffs and their attorneys and agents from any and all claims, complaints, or liabilities, including attorneys' fees and costs, whether known or unknown, which Flowers Foods or Flowers/San Antonio ever had, or may claim to have had, from the beginning of time until the moment Flowers signs this Settlement Agreement (except as it pertains to normal settlement monies owed by current distributor Plaintiffs). To induce Flowers Foods and Flowers/San Antonio to release and waive all claims it may have against Plaintiffs, each Plaintiff represents that he has no knowledge of any basis for any claims that Flowers could bring against him. The Parties agree that the checks presented to the Opt-In Plaintiffs will contain release language whereby, by cashing or depositing the checks, each Opt-In Plaintiff agrees to waive all FLSA and/or wage and hour claims that were or could have been asserted against Flowers Foods, Flowers/San Antonio, Flowers Foods or other Flowers' entity,

By way of example only (and without limitation), the Claims released herein include: all claims under the Fair Labor Standards Act ("FLSA"), Title VII of the Civil Rights Act of 1964, 42 U.S.C. §2000e et seq., the Civil Rights Act of 1871, 42 U.S.C. §1981, the Civil Rights Act of 1991, 2 U.S.C. §60 et seq., Section 503 and 504 of the Rehabilitation Act of 1973, 29 U.S.C. §701 et seq., the Americans with Disabilities Act, 29 U.S.C. §12101 et seq., the Family and Medical Leave Act, 29 U.S.C. §2601 et seq., the Equal Pay Act, 29 U.S.C. §206(d), the Employee Retirement Income Security Act, 29 U.S.C. §1001 et seq., any and all claims under Texas law such as unjust enrichment, quantum meruit and other claims, and Texas common law, all as amended, all other legally waivable claims under any federal, state or local statute, regulation, or ordinance, all claims based upon any express or implied contracts, all common law claims now or hereafter recognized, and all claims for relief, including without limitation, minimum, overtime or other wages, retaliation damages, unpaid costs, penalties (including, but not limited to, late payment penalties, wage statement or other record keeping penalties, and meal or rest break penalties), wage deductions, spread of hours pay, premium pay, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief.

1. <u>Unknown Claims</u>, Each Plaintiff understands that he is releasing Claims that he may not know about. It is each Plaintiff's knowing and voluntary intent to release any unknown claim, even though he recognizes that someday he might learn that some or all of the facts he currently believes to be true are untrue, or may discover claims or facts in addition to, or different from, those which he now knows or believes to exist that, if known or suspected at the time of executing this Settlement Agreement, may have materially affected this Settlement Agreement, and even though he might then regret having signed this Release. Nevertheless, each Plaintiff is assuming that risk, and he agrees that this Release shall remain effective, in all respects, under any such circumstance. Each Plaintiff expressly waives all rights he might have under any law that is intended to protect him from waiving unknown claims. Each Plaintiff has had the opportunity to discuss this with his counsel and understands the significance of doing so.

2. <u>Released Parties.</u> The Released Parties are: (a) Flowers/San Antonio, (b) Flowers Foods, Inc.; (c) all of Flowers Foods' and Flowers/San Antonio' current or former parent companies, subsidiary companies, and/or related, affiliated, or predecessor companies, partnerships, and/or joint ventures, and, with respect to each of them, all of its past, present, and future employees, officers, partners, principals, directors, stockholders, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other persons acting by, through, under, or in concert with any of the persons or entities listed in this subsection, and their successors. Said parties shall be referred to collectively herein as the "Released Parties."

B. <u>Limitations</u>. The Releases contained in Section II.A, above, do not extend to enforcement of the obligations, terms, and covenants of this Settlement Agreement by either party. Further, the mutual release of claims shall not affect any rights or claims of the parties that may arise after this Settlement Agreement is executed.

III. REPRESENTATIONS AND WARRANTIES

A. <u>Authority</u>. The signatories below represent that they are fully authorized to enter into this Settlement Agreement and to bind the Parties hereto (including all Plaintiffs) to the terms and conditions hereof.

B. <u>No Admission Of Liability.</u> This Settlement Agreement is the result of a compromise of disputed claims and shall never at any time for any purpose be considered as an admission of correctness, liability, or responsibility on the part of any party. The Parties agree that they will never seek to introduce this Settlement Agreement as evidence of an admission of liability or an admission of any violation of any federal, state or local laws. Plaintiffs further acknowledge that through this Settlement, neither Flowers Foods nor Flowers/San Antonio will be deemed to admit or concede that collective action treatment is or was appropriate, or that Plaintiffs' claims have any merit. Rather, Flowers Foods and Flowers/San Antonio have denied and continue to deny, specifically and generally, the claims asserted in the Action and any and all liability or wrongdoing of any kind whatsoever associated with the facts or claims alleged in this Action, including that continued collective action treatment is appropriate.

C. <u>Advice Of Legal Counsel.</u> The advice of legal counsel has been obtained by all of the Parties prior to the execution of this Settlement Agreement. All of the Parties hereby execute this Settlement Agreement voluntarily and with full knowledge of its significance and with the express intention of extinguishing any and all obligations and claims owed by the Parties to each other arising out of or connected with the matters specified herein. All of the Parties acknowledge that they have been represented by competent, experienced counsel throughout all negotiations which preceded the execution of this Settlement Agreement, and this Settlement Agreement is made with the consent and advice of counsel who have jointly prepared this Settlement Agreement.

D. <u>Non-Assignment Of Claims.</u> Each Plaintiff represents and warrants that no portion of any claim, right, demand, action, or cause of action which he has or might have arising out of the matters referred to herein, nor any portion of any recovery or settlement to which he might be entitled, has been assigned or transferred to any other person, firm, or corporation not a party to this Settlement Agreement, in any manner, including by way of subrogation or operation of law or otherwise. In the event that any claim, demand, or suit should be made or instituted against any of the Parties because of any such purported assignment, subrogation, or transfer, the other party agrees to indemnify and hold harmless the party subject to such an action against such claim, suit, or demand and to pay and satisfy any such claim, suit, or demand, including necessary expenses of investigation, actual attorneys' fees, and costs.

E. <u>Adequate Investigation Of Facts.</u> In making and executing this Settlement Agreement, the Parties have made such investigation of the facts and the law pertaining to the matters described herein and this Settlement Agreement as they deem necessary, and they do not rely and have not relied upon any statement or representation, oral or written, made by any of the other Parties to this Settlement Agreement with regard to any of the facts involved in any dispute or possible dispute between any of the Parties hereto, or with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Settlement Agreement.

G. <u>Assumption Of Risk Of Mistake</u>. The Parties hereby expressly assume the risk of any mistake of fact or that the true facts might be other or different from facts now known or believed to exist, and it is the express intention of the Parties to forever settle, adjust, and compromise the disputes raised by the Actions without regard to who may or may not have been correct in their respective understandings of the facts or the laws relating thereto.

H. <u>Understanding Of Agreement.</u> Each of the Parties has read and understands the contents of this Settlement Agreement and, if necessary, has had the same translated into Spanish to ensure the same.

I. <u>Binding Upon Agents And Representatives.</u> Each and every term of this Settlement Agreement shall be binding upon the agents, representatives, insurers, employees, attorneys, heirs, administrators, executors, successors, and assigns of the respective Parties hereto and any parent, subsidiary, or affiliated entity of such Parties.

J. <u>Integration</u>. This Settlement Agreement constitutes the entire agreement between Plaintiffs, on the one hand, and Flowers, on the other hand, pertaining to the subject matter hereof, and further constitutes the final, complete, and exclusive expression of the terms and conditions of their agreement. Any and all prior agreements, representations, negotiations, and understandings, oral or written, express or implied, are hereby extinguished and merged herein.

K. <u>Cooperation</u>. The Parties hereto agree to execute any and all other documents and instruments *in* writing which may be reasonably necessary or proper to effectuate and carry out the purposes of this Settlement Agreement.

L. <u>Attorneys' Fees.</u> In the event that any of the Parties hereto should bring any action, suit, or proceeding against any of the other Parties hereto to enforce this Settlement Agreement, the validity hereof, any of the terms or provisions hereof, or any of the matters released hereby, or should any of the Parties assert this Settlement Agreement as an affirmative defense in an action brought by the other party, the prevailing party in such action, suit, or proceeding shall be entitled to recover from the other such party reasonable attorneys' fees to be fixed by the court and costs incurred in connection therewith, including attorneys' fees and costs relating to any and all appeals or petitions taken with respect to any such action, suit, or proceeding.

M. <u>Modifications In Writing</u>. The Parties agree that any modifications to this Settlement Agreement must be made in writing, and for Flowers by a duly-authorized Company official, and must be executed by all of the Parties.

N. <u>Other Rights and Obligations of the Parties.</u> Nothing in this Settlement Agreement shall otherwise affect or alter the rights and obligations of the Parties as set forth in Plaintiffs' Distributor Agreement.

O. <u>Cooperation for Settlement Approval.</u> The Parties agree to work diligently together to file and submit all documentation and information necessary to the Court for purposes of obtaining approval of this settlement and dismissal of Named Plaintiffs' claims.

P. <u>Governing Law. This Agreement</u>. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

R. <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same written Settlement Agreement.

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S. <u>Construction</u>. Plaintiffs, on the one hand, and Flowers Foods and Flowers/San Antonio, on the other hand, through their counsel, participated in the drafting of this Settlement Agreement, and they agree that any rule of construction that agreements are to be construed adverse to the drafter shall not apply herein, including to captions. Should any provisions of this Settlement Agreement be declared or determined by a court or arbitrator to be illegal or invalid, the validity of the remaining terms shall not be affected thereby.

T. <u>No Waiver</u>. No waiver of any breach of any term or provision of this Settlement Agreement shall be, or shall be construed to be, a waiver of any other breach of this Settlement Agreement. No waiver shall be binding under this Settlement Agreement unless in writing and signed by the party waiving the breach, and for Flowers by a duly-authorized Company official.

U. <u>Severability</u>. If any provision of this Settlement Agreement is found by a proper authority to be unenforceable, that provision shall be severed and the remainder of the Settlement Agreement will remain in full force and effect.

V. <u>Non-Disparagement and No Encouragement of Claims</u>. Each Named Plaintiff agrees that he will not defame or disparage about Flowers Foods, Flowers/San Antonio, any of the Released Parties, or any of their affiliates or subsidiaries, or any of their products or services, and/or any of their past or present shareholders, officers, directors, board members, employees, or agents, including by means of Facebook or any other social media outlet. Each Named Plaintiff further covenants that he shall not in any way encourage or assist any person or entity (including, but not limited to, any other current or former employee or Distributor of Flowers/San Antonio or any other subsidiaries) to take any legal or administrative action against any of the Released Parties, except as otherwise permitted by law.

EACH PLAINTIFF ACKNOWLEDGES AND AGREES THAT HE HAS READ THIS SETTLEMENT AGREEMENT (INCLUDING ALL OF ITS EXHIBITS), HAS HAD THE OPPORTUNITY TO DISCUSS THE CONTENTS OF THIS SETTLEMENT AGREEMENT WITH HIS COUNSEL AND HAS DONE SO, THAT HE HAS ENTERED INTO THIS SETTLEMENT AGREEMENT KNOWINGLY AND VOLUNTARILY, AND THAT HE HAS HAD THE OPPORTUNITY TO HAVE THE SETTLEMENT AGREEMENT TRANSLATED INTO SPANISH TO THE EXTENT HE DEEMS NECESSARY AND FULLY UNDERSTANDS IT.

WHEREFORE, the Parties hereto have executed this Settlement Agreement on the dates set forth opposite their respective signatures this _____ date of _____, 2018.

PLAINTIFFS (Fichard Wiatrik
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RICHARD WIATREK Date: ^{8/16/2018} 11:09:02 AM PDT

JOHN MICHAEL ALBERT

Date: DocuSigned by: CocuSigned by: DecuSigned by: DecuSig

ARGELIO GARCIA
Date:_____

JERMAN GARCIA Date:_____

LANCE KELLY JOHNSON
Date:

CHRISTOPHER LACEY Date:____

JORGE HUMBERTO LOPEZ Date:

PAUL ISHMAEL MUNOS Date:_____

JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 11 of 114

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JOHN MICHAEL ALBERT
Date:

KEVIN DENTHERAGE Date:

ARGELIO GARCIA
Date:_____

JERMAN GARCIA Date:_____

LANCE KELLY JOHNSON
Date:

CHRISTOPHER LACEY
Date:

JORGE HUMBERTO LOPEZ

Paul Muroz

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 12 of 114

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JOHN MICHAEL ALBERT Date:_____

KEVIN DENTHERAGE Date:_____

ARGELIO GARCIA Date:_____

JERMAN GARCIA Date: DocuSigned by:

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CHRISTOPHER LACEY Date:

JORGE HUMBERTO LOPEZ Date:

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:_____

ROLANDO VERASTEGUI Date:_____

DEFENDANTS

FLOWERS FOODS, INC. Date:_____

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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JOHN MICHAEL ALBERT Date:

KEVIN DENTHERAGE Date:_____

ARGELIO GARCIA
Date:_____

JERMAN GARCIA Date:

LANCE KELLY JOHNSON Date:

CHRISTOPHER LACEY
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JORGE HUMBERTO LOPEZ
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PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:_____

ROLANDO VERASTEGUI Date: $\beta = 22 - 20/3$.

DEFENDANTS

FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 14 of 114

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JOHN MICHAEL ALBERT
Date:

KEVIN DENTHERAGE
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ARGELIO GARCIA
Date:

JERMAN GARCIA Date:_____

LANCE KELLY JOHNSON
Date:_____

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CHRISTOPHER LACEY Date:

JORGE HUMBERTO LOPEZ
Date:

PAUL ISHMAEL MUNOS Date:

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JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LLC

Date:_____

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Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 15 of 114

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JOHN MICHAEL ALBERT
Date:

KEVIN DENTHERAGE
Date:

ARGELIO GARCIA Date:_____

JERMAN GARCIA Date: Signed by:

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LANCE KELLY JOHNSON 8/16/2018 12:18:22 PM PDT Date:

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CHRISTOPHER LACEY
Date:_____

JORGE HUMBERTO LOPEZ Date:

PAUL ISHMAEL MUNOS
Date:_____

JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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KEVIN DENTHERAGE
Date:_____

ARGELIO GARCIA Date:_____

JERMAN GARCIA Date:

LANCE KELLY JOHNSON
Date:

CHRISTOPHER LACEY Date:_____

JORGE HUMBERTO LOPEZ Date:

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 17 of 114

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JOHN MICHAEL ALBERT Date:

KEVIN DENTHERAGE Date:

JERMAN GARCIA JERMAN GARCIA Date:^{8/16/2018} 5:37:39 PM PDT

LANCE KELLY JOHNSON
Date:

CHRISTOPHER LACEY Date:____

JORGE HUMBERTO LOPEZ Date:

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:_____

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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JOHN MICHAEL ALBERT Date:

KEVIN DENTHERAGE Date:

ARGELIO GARCIA Date:_____

JERMAN GARCIA Date:_____

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LANCE KELLY JOHNSON
Date:_____

CHRISTOPHER LACEY Date:usigned.by:

JORGE HUMBERTOLOPEZ Date:

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:_____ FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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JOHN MICHAEL ALBERT Date:

KEVIN DENTHERAGE Date: DocuBigned by:

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JERMAN GARCIA Date:

LANCE KELLY JOHNSON Date:____

CHRISTOPHER LACEY Date:_____

JORGE HUMBERTO LOPEZ Date:_____

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:_____

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:_____

FLOWERS BAKING CO. OF SAN ANTONIO, LLC Date:

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Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 20 of 114

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JOHN MICHAEL ALBERT Date:

KEVIN DENTHERAGE
Date:_____

ARGELIO GARCIA Date:

JERMAN GARCIA Date:

LANCE KELLY JOHNSON Date:

Contestor

CHRISTOPHER LACEY 8/30/2018 9:30:16 AM PDT

JORGE HUMBERTO LOPEZ Date:

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:_____

ROLANDO VERASTEGUI Date:

DEFENDANTS

FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LLC

Date:

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JOHN MICHAEL ALBERT Date:

KEVIN DENTHERAGE Date:

ARGELIO GARCIA Date:

JERMAN SARCIA JERMAN SARCIA Date: 8/16/2018 5:37:39 PM PDT

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LANCE KELLY JOHNSON
Date:____

CHRISTOPHER LACEY Date:_____

JORGE HUMBERTO LOPEZ Date:

PAUL ISHMAEL MUNOS Date:

JUAN VALENTI PENA Date:

ROLANDO VERASTEGUI Date:_____

DEFENDANTS FLOWERS FOODS, INC. Date:

FLOWERS BAKING CO. OF SAN ANTONIO, LI Date:__

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AMENDMENT TO FIRST AMENDED CONFIDENTIAL RELEASE AND SETTLEMENT AGREEMENT

The First Amended Confidential Release and Settlement Agreement ("Settlement Agreement") executed by Plaintiffs in August of 2018 in the case entitled *Richard Wiatrek, et al. v. Flowers Baking Co. of San Antonio, LLC, et al, 5:17-cv-00772* is hereby amended as follows:

The last sentence of Paragraph I.A.1. is modified to read: Flowers/San Antonio retains the right to modify the Distributor Advocate position described in Exhibit 1.

The last sentence of Paragraph I.A.2 is modified to read: Flowers/San Antonio retains the right to modify the Distributor Review Panel described in Exhibit 2.

CONCLUSION

Other than the foregoing Amendment, the Parties agree that all other provisions of the Settlement Agreement remain in full force and effect, and that this Amendment is not intended to alter the Settlement Agreement in any way other than as specifically referenced herein.

IN WITNESS WHEREOF, the aforesaid Parties, intending to be legally bound, hereby have executed this Amendment To Confidential Release and Settlement Agreement.

By:

Name: Alfonzo Kennard, Jr. Title: Attorney for Plaintiffs

Date: 8/29/2018

Name: Margaret S. Hanrahan Title: Attorney for Defendants

Date

EXHIBIT 1

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EXHIBIT 1

DISTRIBUTOR ADVOCATE

The Distributor Advocate oversees the internal, alternative dispute resolution process for independent distributors. The individual holding this position has a reporting line independent of local bakery operations and reports to the Chief Compliance Officer. The Distributor Advocate is responsible for addressing distributor issues that cannot be resolved at the local level.

At the request of an independent distributor who has been unable to resolve a dispute with bakery management, the Distributor Advocate will be responsible for reviewing the dispute and working with the distributor and bakery management to reach an amicable resolution of the dispute. For disputes that the Distributor Advocate is unable to resolve, upon a Distributor's request, the Distributor Advocate will determine whether the Distributor Review Panel has authority over the dispute and, if so, assist with empaneling a Distributor Review Panel to hear the dispute. The Distributor Advocate will also independently raise issues that affect independent distributors and work with bakery management to address those issues. The Distributor Advocate position requires significant interaction with the company's in-house attorneys, other departments at corporate and subsidiary levels, and independent distributors.

The Distributor Advocate will be certified by the International Ombudsman Association. Where practicable, the Advocate will operate in accordance with the International Ombudsman Association Standards of Practice and such organization's Code of Ethics.

Position Responsibilities and Major Duties:

- Facilitate an internal, alternative dispute resolution process for specific disputes that arise between independent distributors and bakery management by:
 - Developing non-adversarial, conflict resolution approaches to resolving independent distributor concerns and issues, such as informal mediation, facilitation, conciliation, and shuttle diplomacy;
 - Working with independent distributors and bakery management to resolve disputes; and
 - Facilitating the Distributor Review Panel program.
- Serve as an advocate for the bakery's independent distributors through:
 - Monitoring independent distributor hotline calls to identify issues that affect all independent distributors and raise those issues with bakery management;
 - Attending Distributor Partnership Meetings and engaging in personal interactions with independent distributors to identify issues and concerns;
 - Preparing appropriate reports.
 - Promote and encourage better communication between independent distributors and bakery management.

The Company retains the right to modify this position provided the overall intent behind the Distributor Advocate position remains intact and the ability of the person in the Distributor Advocate position to carry out and effectuate that intent is not materially diminished.

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EXHIBIT 2

EXHIBIT 2

DISTRIBUTOR REVIEW PANEL

The Distributor Review Panel is an internal dispute resolution process whereby an independent distributor may appeal to an internal review panel for resolution of contract-related disputes, such as whether a breach of contract notice was properly issued, whether shrink or stale charges are appropriate, whether the distributor failed to comply with good industry practice, etc. The Distributor Review Panel will be charged with analyzing the dispute between the complainant-distributor and the bakery and rendering a decision based on its findings.

The Distributor Review Panel will be composed of three (3) independent distributors who are not from the complainant-distributor's warehouse; a sales representative from the Company who is not involved with overseeing the bakery's business relationship with the complainant-distributor; and a representative from the corporate distributor enablement department who has not been involved in advising the Company on the matter under review by the Panel.

The Distributor Review Panel program provides an efficient and fair process for resolving independent distributor disputes internally. The Panel shall be drawn from an established pool of volunteers. All individuals who serve on a Distributor Review Panel shall be neutral to the dispute and have no or limited knowledge of the dispute prior to serving on the Panel. Distributor Review Panel members shall have also undergone the required training prior to serving on a Panel. Information explaining how to obtain the required training and volunteer to serve as a Panel member can be obtained by contacting Marvin Dawson, Distributor Advocate.

A Distributor Review Panel's decision is determined by a majority secret ballot vote and a written decision will be rendered.¹ All Distributor Review Panel decisions shall be final and binding unless as determined by the Region Vice President the decision is contrary to law or the terms of the Distributor Agreement, or such decision would result in substantial harm to Flowers' business or trademarks. Any decision by the Region Vice President to overrule the panel must be made in writing and submitted to the Distributor Advocate.

The Company retains the right to modify the review panel process provided the overall intent behind the Distributor Review Panel remains intact and the ability of the Distributor Review Panel to carry out and effectuate that intent is not materially diminished.

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¹ Distributors who execute the new Distributor Agreement with the arbitration provision also have the option of taking disputes to binding arbitration.

EXHIBIT 3

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

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Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

- 1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:
 - a. the Right of First Refusal provision;
 - b. Payment Upon Termination and Sole Remedy provision;
 - c. Statute of Limitations provision;
 - d. Covenant Not To Compete provision;
 - e. Damages provision waiving or limiting potential damages in any way;
 - f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

2. Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

Any Dispute Resolution provision in the Agreement is hereby amended as follows:

3.

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

- 5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.
- 6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

DocuSigned by: B١ F48AA3BDFAA4B5

By: _

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 31 of 114

DocuSign Envelope ID: 057A2A06-3A7A-42AD-A954-B99A82A95BBB

Kevin Dentherage Print Name:	Its:	
8/27/2018 12:05:59 PM PDT Date:	Date:	
WITNESS:		
WIII11200,		

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of: (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multi-plaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

8/27/2018 12:05:59 PM PDT Date;

(Accepted & Effective)

COMPANY

DISTRIBUTOR

cuSigned by: By: 4E48AA3BDFAA4B5

Kevin Dentherage Print Name:

Its: _____

WITNESS:_____

By:_____

35233340.1

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

- 1, To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:
 - the Right of First Refusal provision; a.
 - b. Payment Upon Termination and Sole Remedy provision;
 - Statute of Limitations provision; c.
 - d. Covenant Not To Compete provision;
 - Damages provision waiving or limiting potential damages in any way; e.
 - Any Waiver of Jury Trial provision as all claims shall be submitted to binding f. arbitration.

2, Any Company Breach provision in the Agreement is hereby amended to read as follows:

> Company Breach: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

> Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

3. Any Dispute Resolution provision in the Agreement is hereby amended as follows:

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read; All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

DocuSigned by: Paul Muros By CACEAGECCCEEAAE

By: ____

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 38 of 114

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Print Name: Paul Munoz	Its:
8/16/2018 10:42:29 AM PDT Date:	Date:
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WITNESS:	

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

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All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multi-plaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

8/17/2018 4:17:31 PM PDT

(Accepted & Effective)

COMPANY

Date:

DISTRIBUTOR

By:

D	
ву:	

Its: _____

Print Name: Paul Munoz

-Docusigned by: Paul Munor

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WITNESS:_____

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2.

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d, Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

3. Any Dispute Resolution provision in the Agreement is hereby amended as follows:

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

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By:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 45 of 114

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Christopher Lacey Print Name:	Its:	 ·	
8/17/2018 11:24:37 AM PDT Date:	Date;	 	
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WITNESS:	- .		·

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EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of: (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date: 8/21/2018 10:37:53 AM PDT

(Accepted & Effective)

COMPANY

DISTRIBUTOR

DocuSigned by: By: 5F5194256374F3

By: _____

Its: _____

Christopher Lacey Print Name:

WITNESS:_____

35233340,1

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

2. Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

Any Dispute Resolution provision in the Agreement is hereby amended as follows:

3.

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

By: Alt

By:

Print Name	: Rolando V	erastegui_
Date:	8-22-20	18.

Its:	an a
Date:	and a start water and a start of the

WITNESS:_____

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of; (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement. Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date: $\underline{8 \cdot 22 \cdot 2018}$ (Accepted & Effective)

COMPANY

WITNESS:

DISTRIBUTOR

By: ___ Its:

By: Print Name: Rolando levas

35233340.1

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FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY")

AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d, Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

Any Dispute Resolution provision in the Agreement is hereby amended as follows:

2.

3.

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Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

DocuSigned by: 9D1B7086E044B8

By:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 59 of 114

Date:

DocuSign Envelope ID: EA478C18-99BD-4977-97AE-B23C3F853B6E

Print Name: ______

Its: _____

Date: 8/20/2018 1:16:11 PM PDT

WITNESS:

EXHIBIT 1

ARBITRATION AGREEMENT

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All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date:

8/21/2018 8:21:24 AM PDT

(Accepted & Effective)

COMPANY

DISTRIBUTOR

By:

Print Name:

ocuSigned by:

Juan Pena

Ву:	· · · · · · · · · · · · · · · · · · ·	
[ts:		
WITNESS		

35233340.1

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

2. Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

Any Dispute Resolution provision in the Agreement is hereby amended as follows:

3.

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

5.

6.

COMPANY

B

By:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 66 of 114

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Print 1	Name:	Lance	kelly	Johnson	
Date;	8/16/2	2018 12	:18:22	PM PDT	<u></u>

WITNESS:_____

Its:

Date:

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court, The Arbitrator shall issue a written decision within forty-five (45) days of the later of; (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR, Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

8/20/2018 11:28:33 AM PDT

Date:

(Accepted & Effective)

COMPANY

DISTRIBUTOR

DocuSigned by: By:

Print Name:

By: _____

Its: _____

WITNESS:_____

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Lance kelly Johnson

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

2. Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

3. Any Dispute Resolution provision in the Agreement is hereby amended as follows:

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

By: _

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 73 of 114

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Print]	John Michael Albert	
Date:	8/17/2018 7:22:32 AM PDT	

Date:			
 -			

Its:

WITNESS:

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of; (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law, No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

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Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date: 8/17/2018 2:36:44 PM PDT

(Accepted & Effective)

COMPANY

WITNESS:

DISTRIBUTOR

By:

By: ______
Its: _____

John Michael Albert Print Name:

35233340.1

2.

3.

)

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY")

AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

Any Dispute Resolution provision in the Agreement is hereby amended as follows:

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

6.

COMPANY

DocuSigned by: Richard Wiatreb B527A2BEA6664B9

By:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 80 of 114

Date: ____

DocuSign Envelope ID: E1C82487-81D2-459C-BD9F-F3633CDB8237

Richard Wiatrek
Date:
VITNESS:

Its: _____

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of: (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date:

(Accepted & Effective)

COMPANY

DISTRIBUTOR

Ву:	 	
Its:		

By: _____ Print Name:

WITNESS:

35233340.1

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement . ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

Any Dispute Resolution provision in the Agreement is hereby amended as follows:

2.

3.

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

DocuSigned by: Depen the

By:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 87 of 114

DocuSign Envelope ID: 0E2A4B33-57E8-4793-88E4-73D18ADBA2B6

Th 1 / 11 /	JERMAN	GARCIA	
Print Name: _			

Its:	

Date: _____

Date:

WITNESS:

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of: (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date: 8/17/2018 3:31:45 PM PDT

(Accepted & Effective)

COMPANY

WITNESS:

DISTRIBUTOR

	DocuSigned by:		
By: _	Denan	Hier	

By: _____

Its: _____

JERMAN GARCIA Print Name:

35233340,1

DocuSign Envelope ID: 559FF2E1-9285-4499-83A4-D498BE71962E

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

2. Any Company Breach provision in the Agreement is hereby amended to read as follows:

<u>Company Breach</u>: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

3. Any Dispute Resolution provision in the Agreement is hereby amended as follows:

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Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

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6.

COMPANY

DocuSigned by By:

By:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 94 of 114

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Jorge Humberto Lopez Print Name:	Its:
8/16/2018 6:17:07 PM PDT Date:	Date:
WITNESS;	

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EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of; (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

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trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement. DocuSign Envelope ID: 559FF2E1-9285-4499-83A4-D498BE71962E

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

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This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date: 8/20/2018 2:44:03 PM PDT

(Accepted & Effective)

COMPANY

DISTRIBUTOR

Ву:	 	
Its:		
WITNESS:		

By;

Print Name: ______Jorge Humberto Lopez

35233340.1

FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

Whereas, COMPANY and DISTRIBUTOR have previously entered into a Distributor Agreement ("Agreement") pursuant to which DISTRIBUTOR acquired certain Distribution Rights; and

Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
- c. Statute of Limitations provision;
- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

2. Any Company Breach provision in the Agreement is hereby amended to read as follows:

Company Breach: If DISTRIBUTOR maintains that COMPANY is in breach of this Agreement, DISTRIBUTOR should notify COMPANY in writing, by certified mail, return receipt requested, of the alleged breach. Such written notice should include the specific section of this Agreement DISTRIBUTOR maintains has been breached and sufficient facts to provide reasonable notice to COMPANY of the action or failure to act which DISTRIBUTOR maintains is a breach of this Agreement.

Upon receipt of the DISTRIBUTOR's notice of breach, COMPANY shall have a reasonable period of time to investigate and cure any breach. Any failure to comply with this provision shall not affect DISTRIBUTOR's right to submit a claim to mandatory and binding arbitration.

Any Dispute Resolution provision in the Agreement is hereby amended as follows:

3.

Any provision allowing either party to initiate litigation is hereby deleted in its entirety as all claims shall be submitted to binding arbitration.

The confidentiality provision is changed to read: All negotiations and mediation pursuant to this Article are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and any similar states rules of evidence.

The tolling provision is changed to read: All applicable statutes of limitation and defenses based upon the passage of time shall be tolled during the negotiation and mediation procedures specified in the Article. All deadlines specified in such procedures may be extended by mutual agreement of the parties.

4. The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

COMPANY

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By:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 101 of 114

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Its:	
Date:	

EXHIBIT 1

ARBITRATION AGREEMENT

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COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of: (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date: 8/20/2018 5:31:58 PM PDT

(Accepted & Effective)

COMPANY

WITNESS:

DISTRIBUTOR

By:

Print Name:

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Argelio Garcia

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FLOWERS BAKING CO. OF HOUSTON, LLC ("COMPANY") AMENDMENT TO DISTRIBUTOR AGREEMENT

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Whereas, the parties agree that it is desirable to submit claims and disputes on an individual basis to binding arbitration in order to resolve such disputes in a time-efficient manner and to allow an arbitrator to award all relief available under the law;

Whereas, the Parties agree that certain other amendments to the Agreement are mutually beneficial;

Therefore, in consideration of these premises, and the terms contained herein, the parties mutually agree as follows:

1. To the extent DISTRIBUTOR has any of the following provisions in his/her/its Distributor Agreement, they are hereby deleted in their entirety:

- a. the Right of First Refusal provision;
- b. Payment Upon Termination and Sole Remedy provision;
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- d. Covenant Not To Compete provision;
- e. Damages provision waiving or limiting potential damages in any way;
- f. Any Waiver of Jury Trial provision as all claims shall be submitted to binding arbitration.

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Any provision allowing either party to initiate litigation is hereby deleted in its , entirety as all claims shall be submitted to binding arbitration.

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The following Mandatory and Binding Arbitration provision is hereby incorporated in the Agreement:

<u>Mandatory and Binding Arbitration</u>: All claims, disputes, and controversies arising out of or in any manner relating to this Agreement or any other agreement executed in connection with this Agreement, or to the performance, interpretation, application or enforcement hereof, including, but not limited to breach hereof and/or termination hereof, which has not been resolved pursuant to any negotiation and mediation provisions in the Agreement or otherwise shall be submitted to individual binding arbitration in accordance with the terms and conditions set forth in the Arbitration Agreement attached hereto as <u>Exhibit 1</u>, excepting only such claims, disputes, and controversies as specifically excluded therein.

5. Should any portion, word, clause, sentence or paragraph of this Amendment be declared void or unenforceable, including the Arbitration Agreement attached hereto, such portions shall be modified or deleted in such a manner as to make this Agreement as modified legal and enforceable to the fullest extent permitted under applicable law.

6. Except as specifically set forth herein, the Agreement, including any prior amendments thereto, remains in full force and effect except as specifically amended by the terms herein. Such Agreement, including any prior amendments thereto, and this Amendment set forth the entire agreement between the parties as of the date this Amendment is executed and may not be modified except by written agreement of the parties or as otherwise set forth in the Agreement.

The parties acknowledge that each has executed this Amendment voluntarily, that each understands the provisions herein, and that no promise or inducement not contained herein has been made regarding this Amendment.

DISTRIBUTOR

4.

COMPANY

Bv:

Case 5:17-cv-00772-XR Document 61-1 Filed 08/30/18 Page 108 of 114

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Christohpher Lacey Print Name:	Its:
8/30/2018 9:30:16 AM PDT Date:	Date:
WITNESS:	-

EXHIBIT 1

ARBITRATION AGREEMENT

The parties agree that any claim, dispute, and/or controversy except as specifically excluded herein, that either DISTRIBUTOR (which includes its owner or owners as applicable) may have against COMPANY (and/or its affiliated companies and its and/or their directors, officers, managers, employees, and agents and their successors and assigns) or that COMPANY may have against DISTRIBUTOR (or its owners, directors, officers, managers, employees, and agents), arising from, related to, or having any relationship or connection whatsoever with the Distributor Agreement between DISTRIBUTOR and COMPANY ("Agreement"), including the termination of the Agreement, services provided to COMPANY by DISTRIBUTOR, or any other association that DISTRIBUTOR may have with COMPANY ("Covered Claims") shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act (9 U.S.C. §§ 1, et seq.) ("FAA") in conformity with the Commercial Arbitration Rules of the American Arbitration Association ("AAA" or "AAA Rules"), or any successor rules, except as otherwise agreed to by the parties and/or specified herein. Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. Copies of AAA's Rules are available on AAA's website (www.adr.org).

COMPANY shall pay for all arbitration filing fees and costs that are customarily associated with AAA arbitration, subject to the Arbitrator's authority to award fees and costs to COMPANY as the prevailing party. Each party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys' fees, provided that an Arbitrator may award attorney's fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney's fees and costs could be awarded in court. The arbitration shall be subject to the same burdens of proof and statutes of limitations as if the Covered Claims were being heard in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of: (1) the arbitration hearing; or (2) submission of the parties' post-arbitration briefs. The Arbitrator's written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law had the Covered Claim been brought on an individual basis in such forum, including attorneys' fees and costs. Subject to the parties' right to appeal, the decision of the arbitrator will be final and binding. The Arbitrator shall not have the authority to add to, amend, or modify, existing law. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration.

All Covered Claims against COMPANY must be brought by DISTRIBUTOR on an individual basis only and not as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. DISTRIBUTOR further agrees that if it is within any such class, collective, representative, or multi-plaintiff action, it will take all steps necessary to opt-out of the action or refrain from opting in or joining, as the case may be, and DISTRIBUTOR expressly waives any right to recover any relief from any such class, collective, representative, or multi-plaintiff action. Similarly, all Covered Claims by COMPANY against DISTRIBUTOR may not be brought as a plaintiff or class member in any purported class, collective, representative, or multi-plaintiff action. The parties understand that there is no right or authority for any Covered Claim to be heard or arbitrated on a multi-plaintiff, collective, or class action basis, as a private attorney general, or any other representative basis. The parties understand that there are no bench or jury

trials and no class, collective, representative, or multi-plaintiff actions are permitted under this Arbitration Agreement. The Arbitrator shall not consolidate claims of different distributors into one proceeding, nor shall the Arbitrator have the power or authority to hear arbitration as a class, collective, representative, or multi-plaintiff action. The Arbitrator may award damages on an individual basis only.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, BOTH PARTIES EXPLICITY WAIVE ANY RIGHT TO: (1) INITIATE OR MAINTAIN ANY COVERED CLAIM ON A CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF BASIS EITHER IN COURT OR ARBITRATION; (2) SERVE OR PARTICIPATE AS A REPRESENTATIVE OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; (3) SERVE OR PARTICIPATE AS A MEMBER OF ANY SUCH CLASS, COLLECTIVE, OR REPRESENTATIVE ACTION; OR (4) RECOVER ANY RELIEF FROM ANY SUCH CLASS, COLLECTIVE, REPRESENTATIVE, OR MULTI-PLAINTIFF ACTION.

Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or decide any issue concerning the validity or enforceability of such prohibition. Any issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement (except for those concerning the validity or enforceability of the prohibition against class, collective, representative, or multiplaintiff action arbitration and/or applicability of the FAA) shall be resolved by the arbitrator, not a court.

The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery including, but not limited to, issuing subpoenas to compel the attendance of witnesses at the arbitration hearing; serving written discovery; conducting depositions; and compelling the production of documents during discovery.

Covered Claims covered under this Arbitration Agreement include, but are not limited to: breach of contract, any claims challenging the independent contractor status of DISTRIBUTOR, claims alleging that DISTRIBUTOR was misclassified as an independent contractor, any other claims premised upon DISTRIBUTOR's alleged status as anything other than an independent contractor, tort claims, discrimination claims, retaliation claims, and claims for alleged unpaid compensation, civil penalties, or statutory penalties under either federal or state law.

This Arbitration Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration. This Arbitration Agreement also does not preclude either DISTRIBUTOR or COMPANY from seeking provisional remedies such as temporary restraining orders or preliminary injunctions in accordance with applicable law. A party's seeking or obtaining such provisional remedies shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement.

Nothing in this Arbitration Agreement is intended to affect or limit DISTRIBUTOR's right to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if DISTRIBUTOR chooses to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).

The parties agree that arbitration proceedings under this Arbitration Agreement are to be treated as confidential. The parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except (a) as required by subpoena, court order, or other legal process, or (b) as otherwise necessary or appropriate in the prosecution or defense of the case, or (c) as required by law. If disclosure is compelled of one party by subpoena, court order or other legal process, or as otherwise required by law, the party agrees to notify the other party as soon as notice of such process is received and before disclosure takes place. The parties may, however, disclose such information to their legal representatives, accountants or tax advisors or members of their immediate families as necessary so long as they agree to maintain such information in strict confidence. COMPANY may also disclose such information to individuals in affiliated companies for legal reporting purposes and other legitimate business reasons.

Any request for arbitration must be in writing and provided to the other party and to AAA by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute who are known to the claimant at the time of filing; the amount in controversy, if any; and the remedy or remedies sought. The parties agree that either the filing or the service of a request for arbitration shall toll all applicable statutes of limitation and other time limitations to the same extent that a filing in court would toll applicable statutes of limitation and other time limitations in an action in court.

DISTRIBUTOR acknowledges that this is an important document that affects its legal rights and that the DISTRIBUTOR has been given the opportunity to discuss this Arbitration Agreement with private legal counsel. If any provision of AAA's Rules or of this Arbitration Agreement are determined to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law, or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by COMPANY after thirty (30) days written notice to DISTRIBUTOR. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or that have been initiated by either party pursuant to the AAA Rules. The parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Arbitration Agreement, including but not limited to the additional monetary consideration and various other amendments to the Distributor Agreement as set forth in the Amendment executed concurrently herewith, and each party's promise to resolve their claims by arbitration. Finally, this Arbitration Agreement is the complete agreement of the parties on the subject of arbitration of disputes and supersedes any prior or contemporaneous oral or written agreement or understanding on the subject. Any agreement contrary to the foregoing must be in writing signed by the President of COMPANY.

This Arbitration Agreement shall be governed by the FAA and Texas law to the extent Texas law is not inconsistent with the FAA.

DISTRIBUTOR acknowledges that it has received and read and specifically agrees to be bound by this Arbitration Agreement. DISTRIBUTOR understands that this Arbitration Agreement requires that disputes that involve matters subject to the Agreement be submitted to arbitration pursuant to the Arbitration Agreement rather than to a judge or jury in court and that such disputes must be brought on an individual basis only.

Date: 8/30/2018 9:30:16 AM PDT (Accepted & Effective)

COMPANY

WITNESS:

DISTRIBUTOR

By: 4BDCBAA586AF4

Ву:_____

Its: _____

Print Name: Christohpher Lacey

35233340.1

EXHIBIT 4

• • • •

Wiatrek v. Flowers

Plaintiff Name	Settlen	nent Allocation	Leadership Pay	To	tal
Argelio Garcia Jr.	\$	500.00		\$	500.00
Christopher Lacey	\$	500.00		\$	500.00
Jerman Garcia	\$	500.00		\$	500.00
John Michael Albert	\$	500.00		\$	500.00
Jorge Humberto Lopez	\$	518.13		\$	518.13
Juan Valentine Pena	\$	9,580.45		\$	9,580.45
Kevin Dentherage	\$	9,321.39		\$	9,321.39
Lance Kelly Johnson	\$	500.00		\$	500,00
Paul Ishmael Munoz	\$	9,580.45		\$	9,580.45
Rolando Verastegui	\$	9,494.09		\$	9,494.09
Richard Wiatrek	\$	3,505.50	\$ 5,000.00	\$	8,505.50

\$ 49,500.00

Plaintiffs' Settlement Funds:	\$	49,500.00
Attorneys' fees and Expenses	\$	152,000.00
Total:	Ş	201,500.00

EXHIBIT B

Case 5:17-cv-00772-XR Document 61-2 Filed 08/30/18 Page 2 of 4

IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS SAN ANTONIO DIVISION

RICHARD WIATREK,	§
Individually and on Behalf of all	Ş
Others Similarly Situated,	ş
	§
Plaintiff,	§
V.	
	ş Ş
	ş
FLOWERS FOODS, INC. and	§
FLOWERS BAKING CO. OF SAN	§
ANTONIO, LLC,	§
	§
Defendants.	Ş

§ § §

CIVIL ACTION NO. 5:17-cv-00772

JURY DEMANDED

AFFIDAVIT OF ALFONSO KENNARD JR.

§

STATE OF	TEXAS	
COUNTY (OF HARRIS	

BEFORE ME, the undersigned authority, on this day personally appeared Alfonso Kennard Jr., who is personally known to me or presented a valid Texas drivers license to verify

his identity, and who, after first duly sworn under oath, deposes and states as follows:

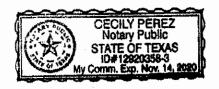
- 1. "My name is Alfonso Kennard, Jr. I am over twenty-one years old, of sound mind, and I am competent to make this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.
- 2. I am the managing partner at Kennard Miller Hernandez P.C., and am the attorney-incharge in the above-styled cause of action. I am an attorney licensed to practice in the State of Texas and the United States District Court for the Western District of Texas. I have been a licensed attorney for over 10 years. I am board-certified in labor and employment law by the Texas Board of Legal Specialization.

- 3. On August 15, 2017, Plaintiff filed his Original Petition.
- 4. On November 15, 2017, an initial status conference with the Court was held.
- 5. On November 22, 2017, Plaintiff filed his Motion for Conditional Certification and filed their corrected Motion for Conditional Certification on November 27, 2017. The Court granted Plaintiff's Motion for Conditional Certification on February 5, 2018.
- 6. On April 13, 2018, Plaintiffs served Defendants with their first set of Discovery Requests. Defendants' served Plaintiff with their first Discovery Requests on May 31, 2018.
- 7. On June 13, 2018 the Court held a hearing regarding Defendants' Motion to Dismiss, Plaintiffs' Motion to Amend Complaint, Plaintiffs' Motion to Certify a Rule 23 Class and Plaintiffs' Motion for Sanctions.
- 8. Using a "billing judgment" analysis the calculated attorney's fees, costs, and expenses are \$152,000.00. Our fees exceeded \$400,000.00, but reduced them in order to facilitate a settlement for the distributors. The total amount of time and the corresponding dollar amounts were reasonable and necessary.
- 9. The hourly rates charged by myself and/or other attorneys and legal support staff are more than reasonable for counsel in the Harris County, Texas legal community for legal work of this nature and complexity. As a board-certified Labor and Employment attorney I regularly bill \$625 for my services per hour. My senior associate regularly bills \$495 per hour. My associate attorney regularly bills \$375 per hour. I have personal knowledge of all the hours worked in this case because I worked each hour or supervised the work completed. Further, I exercised billing judgment by removing all duplicative or unnecessary billable hours.

SOKENNARD JR.

SUBSCRIBED AND SWORN TO BEFORE ME, an officer authorized to administer oaths, on the 12 day of August, 2018, to certify which witness my hand and official seal.

Notary Public'in and for the State of Texas



<u>Cecily Perez</u> Printed Name of Notary Public

My Commission Expires:

11/14/2020

Case 5:17-cv-00772-XR Document 61-3 Filed 08/30/18 Page 1 of 2

IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS SAN ANTONIO DIVISION

RICHARD WIATREK Individually and	Ş
on Behalf of all Others Similarly Situated,	Ş
	Ş
Plaintiff,	ş
	§
V.	ş
·	ş
FLOWERS FOODS, INC. and	§
FLOWERS BAKING CO. OF	ş
SAN ANTONIO, LLC,	Ş
	ş
Defendants.	s Ş
	5 8
	X

Civil Action No. 5:17-cv-00772

ORDER GRANTING JOINT MOTION FOR APPROVAL OF FLSA SETTLEMENT

Before the Court is the parties' Joint Motion for Approval of FLSA Settlement. The Court GRANTS the parties' Motion and approves the parties' proposed settlement. Having reviewed the terms of the settlement here, the Court determines that the settlement is both fair and reasonable. Both parties believe the agreement to be fair and reasonable, which weighs in favor of approval where, as here, the parties have engaged in discovery.

Having reviewed the terms of the settlement here, the Court determines that the settlement is both fair and reasonable. The Court notes that the parties have litigated this matter for more than 18 months. The parties exchanged records and other documents and mediated the claims. Additionally, all parties believe the agreement to be fair and reasonable, which weighs in favor of approval where, as here, the parties have engaged in discovery.

Case 5:17-cv-00772-XR Document 61-3 Filed 08/30/18 Page 2 of 2

Accordingly, the Court approves the parties' settlement of their FLSA claims and the parties' Motion is GRANTED. All claims of all plaintiffs and all opt-ins are be dismissed with prejudice. IT IS SO ORDERED.

UNITED STATES DISTRICT JUDGE

Date: _____