1 2 3 4 5 6	DANIEL J. BROWN (SBN 307604) dbrown@stansburybrownlaw.com KATHLEEN J. BECKET (SBN 334091) kbecket@stansburybrownlaw.com STANSBURY BROWN LAW, PC 2610 ½ Abbot Kinney Blvd. Venice, CA 90291 Tel: 323-204-3124 Attorneys for Plaintiff	ELECTRONICALLY FILED Superior Court of California, County of Tulare 09/09/2025 By: Charisma Hughes, Deputy Clerk
7	SUPERIOR COURT OF THE	STATE OF CALIFORNIA
8	FOR THE COUNT	TY OF TULARE
9	RAMON MENDOZA ARROYO, as an	Case No.: VCU310071
10	individual, and on behalf of all others similarly situated,	[Assigned for all purposes to the Hon. Gary M. Johnson; Dept. 7]
11	Plaintiff,	DECLARATION OF DANIEL J.
12 13	v. CONTRACT LABOR MANAGEMENT,	BROWN IN SUPPORT OF PLAINTIFF'S MOTION FOR
14	INC., a California corporation; FRUITION SALES, a California corporation; RISING C.	PRELIMINARY APPROVAL OF SETTLEMENT
15	RANCHES, INC. a California corporation; and DOES 1 through 100, inclusive,	Date: October 6, 2025 Time: 8:30 a.m.
16	Defendants.	Dept.: 7
17		Complaint Filed: June 17, 2024 Trial Date: None Set
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I, DANIEL J. BROWN, declare as follows:

- 1. I am the principal of the law firm of Stansbury Brown Law, and counsel for the named Plaintiff Ramon Mendoza Arroyo ("Plaintiff") and the proposed Settlement Class in the above-captioned matter. I am a member in good standing of the bar of the State of California and am admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration and could testify competently to them if called upon to do so.
- 2. I am a 2015 graduate of UCLA School of Law. I was admitted to the California State Bar in December 2015 after passing the bar exam on my first attempt. Since that time, I have practiced exclusively in the area of employment litigation. From December 2015 to June 2017, I worked for the law firm Rastegar Law Group, APC, an employment litigation firm in Torrance, California. The vast majority of my work at Rastegar Law Group, APC, focused on representing employees in wage and hour class actions. I was also the lead attorney on individual claims for wrongful termination, harassment, discrimination, and retaliation. While nonexhaustive, the type of work I performed included: conducting client intakes, performing prefiling research and analysis, drafting complaints, attending court hearings, corresponding with opposing counsel, drafting and responding to written discovery, preparing for and taking and defending depositions, analyzing payroll and timekeeping records and employee handbooks, drafting and opposing motions for remand, demurrers and motions to dismiss, motions to compel, drafting mediation briefs, attending mediations, drafting long-form settlement agreements, drafting motions for preliminary and final settlement approval, and overseeing the claims and/or opt-out processes.
- 3. In June 2017, I voluntarily resigned from the Rastegar Law Group, APC, in order to accept a position with the Haines Law Group, APC, an employment litigation firm specializing in employment class action litigation. During my employment at the Haines Law Group, APC, I played a significant role in the class actions that I was staffed on. In particular, I received a wide-array of wage and hour class action experience performing the following types of tasks: drafting oppositions to demurrers, motions to strike and/or dismiss; remanding actions back to state court from federal court; drafting and responding to written discovery; drafting and opposing discovery

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related motions; arguing discovery related motions; interviewing putative class members and obtaining declarations in connection with class certification; drafting motions for class certification; conducting exposure analyses to assess the strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification and potential damages resulting from such claims; drafting mediation briefs; serving as the primary contact for opposing counsel; deposing corporate witnesses and putative class members; and defending the depositions of named plaintiffs. In short, I played an integral role in all aspects of litigation from the inception of a matter through and beyond class certification.

In June 2019, I started my own law firm, Stansbury Brown Law, focusing almost exclusively on employment litigation. Currently, over eighty-five percent (85%) of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and I am currently responsible for prosecuting over thirty (30) wage and hour class actions. The following is a nonexhaustive list of wage and hour class actions in which I have played a significant role in prosecuting the litigation, which have received final approval: Spinks v. Suja Life, LLC., Case No. 37-2014-00036496-CU-OE-CTL, California Superior Court, County of San Diego, Judge Richard E.L. Strauss presiding (approved as class counsel in wage and hour class action on behalf of non-exempt employees of a juice manufacture involving claims for unpaid wages, meal and rest period violations, and other claims); Galvan v. Amvac Chemical Corporation, Case No. 30-2014-00716103-CU-OE-CXC, California Superior Court, County of Orange, Judge William D. Claster presiding (granted final approval of settlement on behalf of non-exempt employees of a chemical manufacturing company involving claims for unpaid overtime and waiting time penalties); Blank v. Coty, Inc., et al., Case No. BC624850, California Superior Court, County of Los Angeles, Judge William F. Highberger presiding (granting final approval of a class of employees of a beauty products manufacturer involving claims for unpaid overtime, meal period violations, and wage statement violations); Lira v. Discus Dental, LLC, et al., Case No. CIVDS1620402, California Superior Court, County of San Bernardino, Judge David Cohn presiding (approved as class counsel in a wage and hour class action on behalf of non-exempt employees of a manufacturer of dental products involving claims for unpaid overtime, minimum

wage violations, meal period violations, wage statement and waiting time penalties); Nieto v.
Emtek Products, Inc. Case No. BC652704, California Superior Court, County of Los Angeles,
Judge Shepard Wiley, Jr. presiding (approved as class counsel in a wage and hour class action on
behalf of non-exempt employees of a manufacturer of door hardware involving claims for meal
and rest period violations, and for waiting time, wage statement, and for penalties pursuant to the
Private Attorneys General Act ("PAGA")); Frank Gonzalez III v. Prime Communications, Case
No. BC702262, California Superior Court, Judge Kenneth R. Freeman presiding (granting final
approval to a wage and hour class action on behalf of non-exempt employees against a cell phone
provider for meal and rest period violations, off-the-clock violations, and for derivative penalties);
Fierro v. Universal City Studios LLC, Case No. BC642460, California Superior Court, County of
Los Angeles, Judge Maren E. Nelson presiding (granting final approval of a wage and hour class
action on behalf of current and former non-exempt employees against an amusement park
involving claims for meal and rest period violations, failure to indemnify, failure to pay all
minimum and overtime wages, and for waiting time, wage statement, and PAGA penalties);
Stephen et al. v. PSC Industrial Outsourcing, LP, Case No. BC10752, California Superior Court,
County of Los Angeles, Judge Shepard Wiley Jr. presiding (granting final approval in and wage
and hour class action on behalf of current and former non-exempt employees of an industrial
cleaning company for meal and rest period violations, unpaid wages, failure to reimburse business
expenses, and waiting time, wage statement, and PAGA penalties); Duran v. Prada USA Corp.,
Case No. BC644319, California Superior Court, Los Angeles County, Judge Maren E. Nelson
presiding (approved as class counsel in a wage and hour class action on behalf of current and
former employees of a clothing store involving claims for unlawful claw back of earned
commissions, meal and rest period violations, failure to reimburse necessary business expenses,
and derivate claims for penalties); Honorato Lopez v. Moon Valley Nursey, Inc., Case No.
BC668161, California Superior Court, Los Angeles County, Judge John Shepard Wiley, Jr.
(approved as class counsel in a wage and hour class action on behalf of current and former
employees of a commercial nursery involving claims for failure to pay for all hours worked,
automatically deducting work time for meal periods regardless if taken, rest period violations,

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19CECG04356, California Superior Court, County of Fresno, Honorable Kristi Culver Kapetan
presiding (PAGA only approving a wage and hour PAGA only settlement on behalf of current
and former agricultural workers involving claims of unpaid non-productive and rest and recovery
time, meal and rest period violations, facially deficient wage statements, and waiting time
violations); Massey v. Louidar, Case No. RIC1905130, California Superior Court, County of
Riverside, Honorable Sunshine Sykes, presiding (approved as class counsel in a wage and hour
class action on behalf of current and former non-exempt employees of a restaurant involving
claims for minimum wage and overtime violations, meal and rest period violations, and claims
for derivative penalties); Jesse Alvarez v. Associa Developer Services, Inc., et al., Case No.
RIC1905170, California Superior Court, County of Riverside, Honorable Sunshine S. Sykes
presiding (approved as class counsel in a wage and hour class action on behalf of current and
former non-exempt employees of a property management company involving claims off-the-
clock work, unpaid overtime, on-duty meal and rest periods, and claims for derivative penalties);
Saul Tamayo Diaz v. Antonini Bros., Case No. STK-CV-UOE-2020-0000823, California Superior
Court, County of San Joaquin, Honorable George J. Abdallah presiding (approved as class
counsel in a wage and hour case on behalf of current and former non-exempt truck drivers for
unpaid minimum wages, meal and rest period violations, and derivative wage statement, waiting
time, and PAGA civil penalties); Manuel Alberto Alvino v. Aguayo Contracting, Inc., Case No.
VCU281300, Superior Court of California, County of Tulare, Honorable David C. Mathias,
presiding (approved as class counsel in a wage and hour class action on behalf of current and
former agricultural workers for unpaid wages, meal and rest period violations, and derivate
penalties); Nazario Martinez v. JNM Contracting, Inc., et al., Case No. VCU282822, Superior
Court of California, County of Tulare, Honorable Nathan D. Id presiding (approved as class
counsel in a wage and hour class and representative action on behalf of current and former non-
exempt agricultural workers for unpaid wages, meal and rest period violations, and derivate
penalties); Gabriel Valles v. Fresno Fab-Tech, Inc., Case No. 19CECG04218, Superior Court of
California, County of Fresno, Honorable D. Tyler Tharpe presiding (approved as class counsel in
a wage and hour class action on behalf of metal fabricators for unpaid wages, meal and rest period

violations, and associated penalties); *Maria E. Herrera De Quilo v. Yergat Packing Company, Inc.*, Case No. MCV085367, Superior Court of California, County of Madera, Honorable Michael J. Jurkovich presiding (approved as class counsel in a wage and hour class action on behalf of current and former agricultural workers for unpaid wages, meal violations, and derivative penalties); *Juan Olivares v. Brickley Construction Company, Inc.*, Case No. CIVSB2025107, Superior Court of California, County of San Bernardino, Honorable David Cohn presiding (approved as class counsel in wage and hour class action on behalf of construction workers for off-the-clock violations, regular rate violations, meal and rest period violations and related penalties); *Nora Ambris Cruz v. WMJ Farms, Incorporated*, Case No. VCU282915, Superior Court of California, County of Tulare, Honorable David C. Mathias presiding (approved as class counsel in a wage and hour class action on behalf of current and former agricultural workers for unpaid wages, meal and rest period violations, and derivative penalties).

- 5. I have also been named a Southern California Super Lawyers' Rising Star in the area of employment litigation four years in a row from 2019 to 2025.
- 6. I was also recognized by TopVerdict for being part of a team that secured one of the top 50 labor and employment law settlements in California in 2019. I am also active in the California employment and consumer law community. I am a member of the Consumer Attorneys Association of Los Angeles ("CAALA") and the California Employment Lawyers Association ("CELA") for which I serve on the CELA Wage and Hour Committee. I also participate in the CELA mentor program to provide mentorship and guidance to young attorneys interested in employment law.
- 7. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately involved in every aspect of this case from its inception through the present, and I believe that the proposed Settlement is a fair result for the Settlement Class.
- 8. Defendant Contract Labor Management, Inc. ("CLM") is a registered farm labor contractor ("FLC"), located in Tulare County, in the business of providing agricultural workers to harvest and transport crops for farm clients. Defendants Fruition Sales ("Fruition") and Rising C Ranch, Inc. ("RCR") are farming operations that hired CLM to provide agricultural workers

to harvest and transport agricultural goods in their fields. CLM, Fruition, and RCR are collectively referred to herein as "Defendants." Plaintiff, a forklift driver tasked with loading, unloading and transporting bins of citrus fruit, was employed by CLM on a seasonal basis from approximately 2012 until approximately June 2023. As such, he, along with other non-exempt employees of Defendants, was subjected to Defendants' compensation practices during the Class Period.

- 9. Plaintiff filed a complaint ("Complaint") against Defendants on June 17, 2024, in Tulare County Superior Court, Case No. VCU310071, which alleged causes of action for: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) waiting time penalties; (6) wage statement violations; (7) unfair competition; (8) failure to reimburse for necessary business expenses. Plaintiff filed a First Amended Class and Representative Action Complaint ("FAC") on July 30, 2024, to add an additional cause of action for civil penalties under the Private Attorneys General Act ("PAGA") pursuant to Labor Code Sections 2698 *et seq.* based on claims asserted in the PAGA letter Plaintiff submitted to the LWDA on May 23, 2024, in Case No. LWDA-CM-1030221-24. The Complaint and FAC are referred to hereinafter as the "Action."
- 10. Prior to mediation, Plaintiff and Defendants (collectively "the Parties") agreed to exchange informal discovery. After agreeing to participate in early mediation, Defendants informally produced a sampling of all timekeeping and payroll data for all current and former non-exempt employees of Contract Labor Management, Inc. who worked at least one shift directly for CLM or performing work for Fruition Sales and/or Rising C Ranches, Inc. during the Class Period, key class data points, and other documents and information relevant to the claims alleged in advance of mediation. Moreover, Defendants confirmed key class data points at the start of mediation. After the detailed review of the payroll and time records and other documents produced by Defendants, Class Counsel drew on their extensive experience in similar cases to assess strengths and weaknesses of Plaintiff's case. This discovery allowed the Parties to assess the merits and value of Plaintiff's claims and Defendants' defenses thereto, if a settlement could not be reached.

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- 11. On February 26, 2025, after extensive research and analysis, including Class Counsel's detailed analysis of Defendants' potential exposure with the help of their retained expert, a full-day mediation was held with Christopher Barnes, Esq., a well-respected wage and hour class action mediator. When I transmitted the time and pay data to my firm's hired expert, James Toney, owner and chief analyst at JTCalcs, I requested that he confirm the date range of the data provided, and extrapolate: (i) the size of the various subclasses in the operative complaint, including for the four year class period, the three year waiting time class, and the 1 year PAGA and wage statement class, (ii) the number of pay periods and shifts worked by the class, (iii) the average rate of pay for the class, (iv) the number of shifts worked between 3.5 to 6.0 hours, 6.01 hours to 10.0 hours, 10.1 hours to 14.0 hours, and (v) the number of under paid rest and recovery periods worked, and whether or not employees were paid within four days as required by Labor Code § 205. During mediation, the Parties vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff's claims, and the legal basis for the claims and defenses for the claims alleged in the Lawsuit. The Parties were able to resolve the matter on a class and representative basis after a full day of mediation. The Parties subsequently worked diligently to negotiate and memorialize the terms on the long form Settlement Agreement, which was signed by the Parties and is now presented to this Court for preliminary approval. A true and correct copy of the Stipulation of Class and PAGA Settlement ("Settlement" or "Settlement Agreement") is attached hereto as Exhibit A. The proposed Class Notice Packet, composed of the Notice of Pendency of Class Action Settlement ("Class Notice") is attached to hereto as Exhibit B.
- 12. Defense counsel represents that the Settlement Class consists of approximately 300 current and former employees. Although the Parties engaged in significant informal discovery in advance of mediation, the Parties still had significant discovery to complete in formal litigation had the matter not settled. This would have required expenditure of substantial time and resources by both Parties that would have very likely spanned several years. Moreover, even if Plaintiff was able to certify the classes, the Parties would incur considerably more attorney fees and costs through a possible decertification motion, trial, and possible appeal. This

settlement avoids those risks and the accompanying expense.

13. The monetary terms of the Settlement are summarized below:

Gross Settlement Amount ("GSA"):	\$195,000.00
Minus Court-approved attorneys' fees (35% of GSA):	\$6,8250.00
Minus Court-approved, verified costs (up to):	\$20,000.00
Minus Court-approved Class Representative Service Award:	\$5,000.00
Minus Settlement Administrator costs:	\$7,990.00
Minus PAGA Penalties to LWDA:	\$3,750.00
Net Settlement Amount ("NSA"):	\$90,010.00

Plaintiff alleges that Defendants failed to maintain a written lawful meal period policy and practice. Plaintiff also alleges that Defendants frequently required him to continue working during meal periods, such that he was forced to eat while continuing to work. Defendants rarely recorded meal periods, and to the extent there are meal period notations in the time records, the notations are fabricated and non-sensical. Review of the Class time and pay records confirms that Defendants also failed to pay any meal period premium wages per Labor Code section 226.7. Based on information provided by CLM, there were approximately 13,827 shifts over 5.0 hours with a non-compliant meal period and Plaintiff therefore calculates Defendants' exposure on this claim as follows: \$208,787.00 (13,827 shifts * \$15.10 average hourly rate of pay). In response to Plaintiff's allegations, Defendants maintain that they always provided legally compliant meal periods to Class Members and maintained and enforced lawful verbal meal period policies which provide for timely meal periods. Defendants further argued that this claim would not be certified due to the lack of any common evidence tying together the reason that Class Members experienced a meal period violation.

Therefore, Plaintiff discounted the maximum amount that the Settlement Class could potentially recover for meal period violations by 50% for a risk of non-certification, and an additional 55% for a risk of losing on the merits, to arrive at an estimated exposure amount of approximately \$46,977.

15. Plaintiff argues that Defendants failed to authorize duty free rest periods to the Class, including failing to pay for all rest and recovery time as required by Labor Code § 226.2.

Indeed, until approximately March 2023, CLM did not pay piece-rate workers for rest periods, e.g., rest and recovery time at all. Moreover, Defendants failed to pay any rest period premium wages per Labor Code section 226.7. Plaintiff estimates a violation on every shift over 3.5 hours and therefore calculates Defendants' exposure on this claim as follows: \$229,520.00 (15,200 shifts with a rest period violation [assuming a violation on every shift over 3.5 hours] * \$15.10 average hourly rate of pay). However, Defendants contend that they always authorized lawful rest periods and maintained lawful verbal rest period policies. Defendants further argue that Plaintiff's rest period claim is inherently unsuited for class treatment as there are no records of whether or not rest periods were taken, therefore requiring an individualized inquiry into whether each class member failed to take rest periods on each shift, which would devolve into an unmanageable series of mini-trials. In light of these defenses, Plaintiff discounted the maximum amount for this claim by 60% for risk of non-certification, and an additional 65% for a risk of being unsuccessful on the merits, or having the maximum exposure reduced, to arrive at an estimated exposure of \$32,133.00.

16. Plaintiff alleges that he and other Class Members were not paid for all time worked because CLM paid putative class members on a piece-rate basis and did not compensate for non-productive time until approximately March 2022, and did not actually record the start and stop time of shifts. Time records reveal that Defendants would just write down the alleged number of hours worked and/or just make up the start and stop time. Defendants' alleged failure to pay Class Members for all hours worked, including overtime hours worked, if established, would violate California law, which is designed to ensure payment for all hours worked. After conducting an investigation of this claim for mediation, Plaintiff estimated that the Class Members were undercompensated approximately 30 minutes of off-the-clock work per shift, which resulted in 7,682 hours of off-the-clock work. Therefore, Plaintiff calculated Defendants' exposure on this claim as follows: \$115,998.00 ([7,682 regular rate off-the-clock hours * \$15.1 average minimum wage rate of pay]). Defendants countered that throughout the Class Period they employed lawful policies concerning all compensation owed and paid for all hours worked. Defendants also argue that the time and pay records evidence that piece-rate workers were compensated for non-productive time and that the amount of non-productive compensated was a

good-faith reasonable estimate. Moreover, Defendants argued further that by its very nature this claim is not suited for class treatment, as there are no records to indicate how often or how much off the clock work was performed thereby prohibiting class certification of this claim. In light of these defenses, Plaintiff discounted the maximum amount for this claim by 50% for risk of non-certification, and an additional 65% for being unsuccessful on the merits, or having the amount of damages reduced due to an over estimation of the amount of off-the-clock work performed to arrive at an estimated exposure of \$26,099.

17. Plaintiff alleges CLM's wage statements were facially deficient because they do not list the correct hours worked and otherwise do not clearly indicate the pay class members earned in the pay period. Further, as a result of the alleged unpaid wages and unpaid meal and rest period premium wages described above, Plaintiff alleges that CLM issued inaccurate wage statements in violation of Labor Code § 226. Plaintiff calculated Defendants' maximum exposure for wage statement violations at \$83,900.00 (102 initial violations * \$50 for initial penalty) + (788 subsequent violations x \$100 subsequent violation penalty).

In response, Defendants argued that: (i) no violations occurred based on the decision in *Maldonado v. Epsilon Plastics, Inc.* (2018) 22 Cal.App.5th 1308, which holds that there is no wage statement violation when the wage statements accurately reflect the compensation received by an employee, (ii) any alleged violations were not "knowing and intentional" as required by Labor Code § 226(e), and (iii) no injury was suffered. As such, Plaintiff discounted this claim by 30% for risk of non-certification for failure to certify the underlying claim and an additional 25% for failing to prevail on the merits to arrive at an estimated exposure of \$44,048.00.

18. Plaintiff alleges that Defendants are also liable for waiting time penalties as a result of their failure to pay all off-the-clock and premium wages owed. There are approximately 224 Class Members who separated their employment with Defendants within the relevant time period. The estimated average waiting time penalty per former employee was calculated at \$2,989 (\$15.10 * 6.6 average number of hours per shift * 30 days), resulting in a total maximum exposure of \$669,536.00 (224 former employees * \$2,989).

To the extent that Plaintiff's waiting time penalty claim was derivative of his unpaid wage claims, Defendants argue that not all former employees (if any) did, in fact, experience under

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payment of wages (and therefore Plaintiff's exposure was overstated). Defendants also contend that because they possessed good-faith defenses to the underlying claims, any failure to pay wages was not "willful" as a matter of law. As a result, Plaintiff discounted the maximum exposure by 65% to account for the risk of non-certification of the claims upon which the waiting time penalties rely, and an additional 75% for failing to prevail on the merits, including the inability to establish willfulness, to arrive at an estimated exposure of \$58,584.00.

19. Plaintiff also seeks civil penalties under the PAGA as a result of the foregoing alleged Labor Code violations. The specific statutory violations upon which Plaintiff based the claim under PAGA are: (i) Labor Code sections 204, 510, 558, 1194, and 1198 for failing to pay all overtime wages owed; (ii) Labor Code sections 558, 1182.12, 1194, 1194.2, 1197, and 1198 for failing to pay all minimum wages owed; (iii) Labor Code sections 226.7, 512, 558, and 1198 for meal period violations; (iv) Labor Code sections 226.7, 516, 558, and 1198 for rest period violations; (v) Labor Code section 226 for failing to provide accurate, itemized wage statements; (vi) Labor Code sections 201 through 204 for failing to timely pay all wages owed, including upon termination; (vii) Labor Code section 205 for failing to pay all wages earned up to and including the fourth day before the scheduled payday; and (viii) Labor Code section 2810.5 for failing to provide Labor Code section 2810.5 disclosures. Based on the violations addressed above, Plaintiff contends that Defendants are liable for PAGA civil penalties for each of the 788 pay periods worked by 102 aggrieved employees during the PAGA period. Accordingly, Plaintiff calculated Defendants' exposure at \$167,800.00 [102 aggrieved employees * \$100 for initial violation] + [788 subsequent violations * \$200 for subsequent violation].

However, Defendants assert a number of credible defenses to Plaintiff's claims. First, these penalties derive from the underlying wage and hour violations discussed above, which Defendants vigorously dispute. Defendants further allege that none of the violations would be deemed knowing and intentional as there is no evidence to suggesting Defendants intentionally violated the Labor Code and that their verbal policies and procedures demonstrate that they acted in good faith in regard to paying the putative class members all wages due. For these reasons, Defendants argue the Court would drastically reduce any award of PAGA penalties as "confiscatory." Therefore, Plaintiff discounted the maximum PAGA exposure by 60% for risk

of losing on the merits, and an additional 60% to account for additional risks unique to the PAGA claim, including the discretionary nature and the possibility of the Court reducing penalties, to arrive at an estimated exposure of \$26,848.00.

- 20. Using these estimated figures for each of the claims described above, Plaintiff predicted that the potential recovery for the Settlement Class would be approximately \$234,689. The proposed settlement of \$195,000 therefore represents approximately 83% of the reasonably forecasted recovery for the Settlement Class.
- 21. My firm will also apply for an attorneys' fees award of thirty-five percent (35%) of the GSA, which is currently estimated to be \$68,250.00 and up to \$20,000.00 in verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. My efforts in this case include conducting pre-filing investigation, legal research and analysis regarding the merits of Plaintiff's claims, Plaintiff's ability to recover penalties under the PAGA, propounding informal discovery, reviewing documents and data provided by Defendants prior to mediation, drafting and filing Plaintiff's Complaint and LWDA notice letter, drafting and filing the FAC, drafting a mediation brief, preparing for and attending mediation, drafting the long-form Settlement Agreement and Notice Packet documents, reviewing and analyzing discovery, preparing the motion for preliminary settlement approval and supporting declarations, and otherwise litigating the case. Given the potential for adverse outcomes, the contingent risk borne by my firm was great.

The quality of my office's work, and the efficacy and dedication with which it was performed, should be compensated. My previous experience in litigating wage and hour class and representative actions also supports the reasonableness of the fee request. I am well-versed in wage and hour class and representative action litigation. My experience in similar matters was integral in evaluating the strengths and weaknesses of this case and the reasonableness of the Settlement. I also expect to expend additional attorney time in attending the hearing on this Motion, overseeing the notice process and fielding questions from Class Members. My office has spent approximately 173 hours on this case. My reasonable hourly rate based on the widely used *Laffey* Matrix is \$839. *See* Exh. C (*Laffey* Matrix). Class Counsel Jessica Flores' reasonable

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hourly rate based on the widely used *Laffey* Matrix is \$948 per hour. Class Counsel Kathleen J. Becket's reasonable hourly rate based on the widely used *Laffey* Matrix is \$581 per hour. I spent over approximately 124 hours on this case. My Associate Jessica Flores spent over approximately 34 hours on this case. Associate Kathleen J. Becket spent over approximately 15 hours on this case. Therefore, Counsel has a lodestar of approximately \$144,983.00 which results in just under a *negative* .48 multiplier compared to the \$68,250.00 fee request. As such, the fee request is justified without the use of an increasing multiplier. All attorneys involved have previously been approved at or above Laffey Matrix rates by numerous California State Courts. California Courts have applied the *Laffey* Matrix with adjustments based on "Locality Pay Tables" accounting for the location of Counsel's office. Syers Properties III, Inc. v. Rankin (2014) 226 Cal.App.4th 691, 695-696 [affirming fee award based on *Laffey* Matrix with upward 9% rate adjustment from D.C. area compared to San Francisco Bay Area based on Locality Pay Tables]. My office is located in Los Angeles County. The 2024 Locality Pay Tables state a 2.58% difference for Los Angeles County over the D.C. area. [2024 Locality Pay Tables available at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary tables/pdf/2024/LA.pdf show +33.26 locality pay for Washington-Baltimore-Arlington, and +35.84 locality pay for Los Angeles County]. While these cases suggest an hourly rate for my firm above the Laffey rate, we are only requesting the *Laffey* rate here. I strongly believe that my rate and the rates of the attorneys in my firm reflect the market rate for attorneys with comparable experience, knowledge and skill.

- 22. To date, my firm has incurred approximately \$10,145.47 in litigation costs without receiving any compensation to date. Attached hereto as **Exhibit D** is a true and correct copy of my firm's itemized costs to date. As part of Plaintiff's motion for final approval, my firm will request only the reimbursement of costs reasonably incurred supported by declaration with an itemized cost sheet. The costs Plaintiff seeks are the types of costs routinely approved by courts.
- 23. Plaintiff will seek a Class Representative Service Award of \$5,000, and I believe this Service Award is reasonable given Plaintiff's effort in this case and the risks he undertook on behalf of the Settlement Class, including the risk that he could be held liable for Defendants' costs if this case was unsuccessful. Plaintiff also faced especially prevalent risks in bringing

forward this lawsuit in that he generally must be hired by different operations multiple times a year to harvest different crops depending on the season and therefore faces numerous continued risks that employers will not hire or rehire him because he filed this lawsuit. This is in contrast with typical workers who do not need to be rehired multiple times a year, and therefore do not face such a sustained risk that employers will not hire or rehire them because they previously filed a lawsuit to vindicate the rights of other workers. Plaintiff was integral in the prosecution of this action, by, among other things, providing substantial factual information and documents to my office, attending multiple telephonic meetings to discuss the claims and theories at issue in the litigation, and otherwise actively participating in the prosecution of his claims. Moreover, he provided wage statements prior to filing the lawsuit, which allowed my office to determine liability early on in this litigation without the need to propound formal discovery which helped this case settle at a relatively early posture. Finally, unlike other Class members, he has committed to a general release.

- 24. My office submitted the proposed Settlement to the Labor and Workforce Development Agency ("LWDA") on July 28, 2025. Attached hereto as **Exhibit E** is a true and correct email confirmation of my submission of the Settlement to the LWDA.
- 25. My office has agreed with Perez, Williams, Medina & Rodriguez LLP that the attorney's fees in this case will be shared as follows: Twenty-five percent (25%) to Perez, Williams, Medina & Rodriguez LLP; and Seventy-five percent (75%) to Stansbury Brown Law, PC. Plaintiff Ramon Mendoza Arroyo consented to this fee split in writing on May 2, 2024.

I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct. Executed on September 9, at Venice, California.

Daniel J. Brown

STIPULATION OF CLASS AND PAGA SETTLEMENT

This Stipulation of Class and PAGA Settlement ("Settlement Agreement") is reached by and between: (i) Plaintiff Ramon Mendoza Arroyo ("Plaintiff"), individually and on behalf of all Aggrieved Employees, defined below, and members of the Settlement Class, defined below, on the one hand; and (ii) Defendants Contract Labor Management, Inc. ("CLM"), Fruition Sales ("Fruition"), and Rising "C" Ranches, Inc. ("RCR") (collectively "Defendants") on the other hand (Plaintiff and Defendants are referred to herein as the "Parties"). Plaintiff, Aggrieved Employees, and the Settlement Class are represented by Daniel J. Brown and Kathleen J. Becket of Stansbury Brown Law, PC ("Class Counsel"). Defendant CLM is represented by Andrea M. Chapman and Zena M. Sin-Zaragoza of Chapman Law, PC; Defendants Fruition and RCR are represented by Michael J. Conway II of Sagaser, Watkins & Wieland, PC.

Plaintiff filed a class action complaint ("Complaint") against Defendants on June 17, 2024, in Tulare County Superior Court, Case No. VCU310071, which alleges causes of action for: (1) minimum wage violations; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) waiting time penalties; (6) wage statement violations; (7) unfair competition; (8) failure to reimburse for necessary business expenses. Plaintiff filed a First Amended Class and Representative Action Complaint ("FAC") on July 30, 2024, to add an additional cause of action for civil penalties under the Private Attorneys General Act ("PAGA") pursuant to Labor Code section 2698 et seq. based on claims asserted in the PAGA letters Plaintiff submitted to the LWDA on May 23, 2024, in Case No. LWDA-CM-1030221-24. The matter is referred to herein as the "Action." The FAC is the Operative Complaint for settlement purposes.

On February 26, 2025, Plaintiff and Defendants, represented by their respective counsel of record, privately mediated the Action before respected mediator Christopher Barnes, Esq. The Parties were able to reach a resolution at the mediation, which is now presented to the Court for approval.

Prior to entering into settlement discussions, the Parties conducted significant investigation of the facts and law through informal discovery, which included review and analysis of Defendant CLM's policies and putative class members' and Aggrieved Employees' time records and payroll records. Counsel for the Parties have further investigated the applicable law as applied to the facts discovered regarding Plaintiff's claims, the defenses thereto, and the damages and penalties claimed by Plaintiff in the Action. As a result of the Parties' thorough investigation of the allegations and defenses thereto, they were able to reach an agreement to settle after extensive negotiations.

Given the risks and uncertainties of litigation, the Parties have agreed to settle this Action on the terms set forth herein and subject to the approval of Court. Nothing herein shall be construed as an admission of any wrongdoing or of liability as the Settlement Agreement is intended solely to allow the Parties to resolve the disputed claims asserted in this Action and avoid further litigation.

1. Certification for Settlement Purposes.

Subject to Section 4(D) of this Settlement Agreement, and for the purposes of this Settlement Agreement only, the Parties stipulate to conditional certification of the following Settlement Class (hereinafter, the "Settlement Class" or "Settlement Class Members"):

All current and former non-exempt employees of CLM who performed work for Contract Labor Management, Inc. directly, and/or for Fruition Sales and/or Rising C Ranches, Inc. in California at any time from June 17, 2020, through September 5, 2024 (the "Class Period").

To the extent the escalator clause in Section 4(D) of this Settlement Agreement is triggered (thereby resulting in application of Sections 4(D)(i-iii), as applicable), and to the extent CLM does not pay the amounts specified therein, the "Settlement Class" or "Settlement Class Members" shall only consist of current and former non-exempt employees of CLM who performed work for Fruition Sales and/or RCR in California at any time from June 17, 2020, to September 5, 2024.

2. Aggrieved Employees.

For the purposes of this Settlement Agreement only, the Parties stipulate that the "Aggrieved Employees" shall be defined as:

All current and former non-exempt employees of CLM who performed work for Contract Labor Management, Inc. directly, and/or for Fruition Sales and/or Rising C Ranches, Inc. in California in California at any time from May 24, 2023, through September 5, 2024 (the "PAGA Period").

To the extent the escalator clause in Section 4(D) of this Settlement Agreement is triggered (thereby resulting in application of Sections 4(D)(i-iii), as applicable), and to the extent CLM does not pay the amounts specified therein, the "Aggrieved Employees" shall only consist of current and former non-exempt employees of CLM who performed work for Fruition Sales and/or RCR in California at any time from May 24, 2023, to September 5, 2024.

3. Releases.

A. Released Parties. As referenced herein, Released Parties shall collectively mean: Defendants CLM, Fruition, and RCR; their present and former parents, subsidiaries, affiliated entities, commonly owned or controlled entities, owners, board members, officers, directors, trustees, shareholders, members, partners, employees, clients, agents, insurers, attorneys, representatives, heirs, executors, administrators, successors and assigns; and any individual or entity to whom liability for the Released Class Claims and/or Released PAGA claims, defined below, could be assigned under any theory of law, including but not limited to pursuant to Labor Code §558.1, or on a joint-employer, alter-ego, or other liability theory. To the extent the escalator clause in Section 4(D) of this Settlement Agreement is triggered (thereby resulting in application

- of Sections 4(D)(i-iii), as applicable), and to the extent CLM does not pay the amounts specified therein, CLM shall not be included in the definition of Released Parties.
- B. Releases Effective Upon Full Payment of the GSA. Effective on the date when Defendants fully fund their respective portions of the Gross Settlement Amount ("GSA") and employer payroll taxes owed on the wage portion of the individual Participating Member Payments for which they are responsible (as set forth in Section 4 of this Settlement Agreement), Plaintiff, Settlement Class Members, and Aggrieved Employees will release claims against the Released Parties as described below. To the extent the escalator clause in Section 4(D) of this Settlement Agreement is triggered (thereby resulting in application of Sections 4(D)(i-iii), as applicable), and to the extent CLM does not pay the amounts specified therein but Fruition and/or RCR fund the amount(s) for which they are responsible, then Fruition and/or RCR shall be entitled to the benefit of this release immediately upon their payment of amount(s) owed by them under this Settlement Agreement.
- C. Released Class Claims. All Settlement Class Members who do not opt out of the settlement (collectively, "Participating Settlement Class Members") on behalf of themselves and their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties, from all claims not assertable under PAGA that Plaintiff alleged, or could have alleged, by reason of or in connection with any matter or fact set forth in the Action during the Class Period ("Released Class Claims"). The release extends to the limits of the Class Period. Without limiting the foregoing, Released Class Claims shall include:
 - i. All claims relating to unpaid wages (including minimum, overtime, straight-time, piece, or other form of wages); all claims related to the timeliness of wage payments (whether regular or final wages); all claims related to the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; all claims relating to the failure to provide compliant meal, rest, and recovery periods; all claims relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all claims relating to the provision of wage statements, including the accuracy or substance of wage statements; all claims relating to the failure to maintain accurate employment records; all claims relating to the failure to reimburse necessary business expenses; and all claims relating to unfair business practices resulting from any of the foregoing.
 - ii. All claims arising under California Labor Code §§201, 202, 203, 204, 205, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2802; 8 C.C.R. §11090, Sections 3, 4, 7, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395; California Business and Professions Code §§17200-17208; California Civil Code §§3287 and 3289; California Code of Civil Procedure

- §1021.5; and related claims under the applicable provisions of the Fair Labor Standards Act (29 U.S.C. §§201, et seq.).
- iii. All remedies associated with any of the claims described herein, including but not limited to compensatory, consequential, incidental, liquidated, punitive, statutory penalties, civil penalties, restitution, interest, costs, attorneys' fees, or injunctive and/or other equitable relief.
- D. Released PAGA Claims. All Aggrieved Employees, regardless of whether they opt out of the Settlement Class, on behalf of themselves; their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns; and, the State of California (including any office or agency thereof), will release and discharge the Released Parties from all claims assertable under PAGA that Plaintiff alleged, or could have alleged, by reason of or in connection with any matter or fact set forth in the Action or any notices issued by Plaintiff to the LWDA and/or set forth in the Action during the PAGA Period. The release extends to the limits of the PAGA Period. Without limiting the foregoing, Released PAGA Claims shall include:
 - 1. All claims for remedies recoverable under PAGA relating to unpaid wages (including minimum, overtime, straight-time, piece, or other form of wages); all claims for remedies recoverable under PAGA related to the timeliness of wage payments (whether regular or final wages); all claims for remedies recoverable under PAGA related to the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; all claims for remedies recoverable under PAGA relating to the failure to provide compliant meal, rest, and recovery periods; all claims for remedies recoverable under PAGA relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all claims for remedies recoverable under PAGA relating to the provision of wage statements, including the accuracy or substance of wage statements; all claims for remedies recoverable under PAGA relating to the failure to maintain accurate employment records; all claims for remedies recoverable under PAGA relating to the failure to reimburse necessary business expenses; all claims for remedies recoverable under PAGA for failing to permit and authorize Aggrieved Employees to exercise the use of their accrued paid sick leave days pursuant to Labor Code §245.5; and, all claims for remedies recoverable under PAGA for failing to provide legally mandated disclosures and/or written notices regarding the terms of employment pursuant to Labor Code §2810.5.
 - **2.** All claims for remedies recoverable under PAGA arising under, or due to a violation of, California Labor Code §§201, 202, 203, 204, 205, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246.5, 510, 512, 558, 1174,

- 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2802, and 2810.5; 8 C.C.R. §11090, Sections 3, 4, 7, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395; and, other default remedies under PAGA pursuant to Labor Code §2699.
- **3.** All remedies associated with any of the claims described herein, including but not limited to civil penalties, costs, attorneys' fees, or injunctive and/or other equitable relief.
- E. Limitations on Release of Class and PAGA Claims. The releases described above are limited to liability arising from work Settlement Class Members performed on behalf of Fruition, RCR, and/or CLM, directly. To that end, the parties intend this release to fully discharge FS and RCR from all liability to Settlement Class Members for the Released Class/PAGA Claims. However, the release shall not discharge CLM from any liability that it may have to Settlement Class Members which arises out of work Settlement Class Members performed on behalf of CLM for entities/persons other than FS, RCR, and/or CLM, directly.
- F. Plaintiff's Release of Unknown Claims. In light of his Class Representative Service Award, Plaintiff agrees to release, in addition to the Released Class and PAGA Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. The Parties understand and agree that Plaintiff is not, by way of this release, releasing any workers compensation claims or any other claims which cannot be released as a matter of law. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims and that he is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:
 - A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that if known by him or her, would have materially affected his or her settlement with the debtor or released party.
- 4. Settlement Payment. In exchange for the releases set forth in this Settlement Agreement in their favor, Fruition and RCR agree to pay a common fund of One Hundred Ninety-Five Thousand Dollars and Zero Cents (\$195,000.00) in full and complete settlement of this matter. Besides the triggering of the escalator clause pursuant to paragraph 4(D) of this Settlement Agreement and Fruition/RCR's payment of their proportional share of payroll taxes pursuant to paragraph 4(C) of this Settlement Agreement, in no event shall Fruition/RCR be required to pay more than the GSA. In exchange for the releases set forth in this Settlement Agreement in its favor, CLM agrees to pay additional amounts, if necessary, to comply with Sections 4(D)(iiii), as applicable. Collectively, these sums, exclusive of any sums deposited by Defendants to the Settlement Administrator for payroll taxes, shall be referred to as the "Gross Settlement Amount" or "GSA". The GSA shall be paid as follows:

- A. Funding of the Gross Settlement Amount. Fruition, RCR, and CLM shall deposit their portions of the GSA with the Settlement Administrator within 30 days after the Effective Settlement Date (defined below).
- B. **Non-revisionary.** This is a non-reversionary settlement. The Gross Settlement Amount includes:
 - i. All payments to the Aggrieved Employees and Settlement Class;
 - ii. Settlement Administrator. All fees and expenses of the settlement administrator associated with the administration of the settlement, which are anticipated to be no greater than Seven Thousand Nine Hundred Ninety Dollars and Zero Cents (\$7,990.00). The Parties agree to the appointment of Apex Class Action as the settlement administrator ("Settlement Administrator") and to Class Counsel seeking Court approval to pay up to Seven Thousand Nine Hundred Ninety Dollars and Zero Cents (\$7,990.00). from the Gross Settlement Amount for the Settlement Administrator's services. The Settlement Administrator shall be responsible for sending all required notices in both English and Spanish, providing written reports to Class Counsel and Defense Counsel that, among other things, tally the number of Notices mailed or re-mailed, Notices returned undelivered, Requests for Exclusion, objections and disputes received from Settlement Class Members, calculating the Net Settlement Amount, calculating payment amounts to employees, preparing all checks and mailings and disbursing all residuals resulting from uncashed settlement checks as set forth in Paragraph 5(C), and providing declarations regarding the Settlement Administrator's background and services for Preliminary Approval, attesting to its due diligence and compliance with all of its obligations under this Agreement for Final Approval, providing appropriate notice of entry of judgment, and preparing a final report detailing disbursement of the Gross Settlement Amount in compliance with the Final Approval Order. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after checks have been mailed to all Aggrieved Employees and Participating Settlement Class Members;
 - iii. Class Representative Service Award. Up to Five Thousand Dollars and Zero Cents (\$5,000) for a class representative service award to Plaintiff subject to Court approval, in recognition of Plaintiff's general release of claims, contributions to the Action, and service to the Settlement Class. Defendants will not object to a request for a Class Representative Service Award for Plaintiff in exchange for the general release of his claims and waiver of Civil Code Section 1542, his time and risks in prosecuting this case, and his service to the Settlement Class. This payment will be in addition to Plaintiff's Participating Member Payment (defined below) as a Participating Member and shall be reported on an IRS Form 1099 by the Settlement Administrator. It is the intent of the Parties that the Class Representative Service Award to the Plaintiff is for his services in connection with this Action and is not wages, therefore the

Settlement Administrator shall not withhold any taxes from the Class Representative Service Award and shall report it on an IRS Form 1099, which shall be provided to Plaintiff and to the pertinent taxing authorities as required by law. Although it is the contemplation of the Parties that the Class Representative Service Award does not represent wages, the Internal Revenue Service, the California Franchise Tax Board, or some other taxing authority may take the position that some or all of the Class Representative Service Award constitutes wages for income tax and withholding purposes. Plaintiff agrees to assume all responsibility for remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, to be withheld by Defendants from the Class Representative Service Award paid under this Settlement Agreement, and all liability associated therewith. In the event that the Court reduces or does not approve the requested Class Representative Service Award, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding;

- iv. Class Counsel Fees and Costs. Up to thirty-five percent (35%) of the Gross Settlement Amount in attorneys' fees, which is currently estimated to be Sixty-Eight Thousand Two Hundred Fifty Dollars and Zero Cents (\$68,250.00), plus up to Twenty Thousand Dollars and Zero Cents (\$20,000.00) in verified costs and expenses related to the Action as supported by declaration. In the event that the Court reduces or does not approve Class Counsel's requested fees and costs, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding. If the Gross Settlement Amount increases pursuant to Paragraph 4(D), the amount of fees requested by Class Counsel will increase proportionally such that the requested award is thirty-five percent of the GSA. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised, responses to any intervenors and any appeals necessitated by those objections or intervenors. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award as approved by the Court; and
- v. <u>PAGA Penalties</u>. Five Thousand Dollars and Zero Cents (\$5,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Three Thousand Seven Hundred Fifty Dollars and Zero Cents (\$3,750.00) will be payable to the Labor & Workforce Development Agency ("**LWDA Payment**"), and the remaining twenty-five percent (25%), or One Thousand Two Hundred Fifty Dollars and Zero Cents (\$1,250.00) will be payable to the Aggrieved Employees as the "**PAGA Amount.**" The LWDA

Payment and PAGA Amount are collectively referred to herein as the "PAGA Penalties."

- C. **Payroll Tax Payments.** Defendants' share of payroll taxes shall be paid by Defendants separately from, and in addition to, the Gross Settlement Amount.
- D. Class Escalator Clause. Defendants represent there are approximately 4,000 Class Workweeks within the Class Period. A "Class Workweek" shall mean any calendar week during the Class Period in which a Settlement Class Member worked at least one shift performing work for CLM directly, and/or for Fruition and/or RCR. If the actual number of Class Workweeks released by this Settlement increases by more than 10% (i.e., increase by more than 400 Class Workweeks), then the following terms shall apply:
 - i. If the total number of Class Workweeks worked by CLM employees on behalf of FS/RCR during the Class Period exceeds 4,400 ("FS/RCR Class Workweeks"), then FS/RCR shall pay an additional \$44.31 per FS/RCR Class Workweek above 4,400. Thus, if there were 4,500 FS/RCR Class Workweeks, FS/RCR would owe an additional \$4,431.00. If the total number of FS/RCR Class Workweeks does not exceed 4,400, FS/RCR shall have no duty to contribute more than \$195,000.00 plus an amount sufficient to cover its proportional share of payroll taxes in order to comply with this Agreement.
 - ii. If (a) the total number of FS/RCR Class Workweeks is less than 4,400; and (b) the total number of Class Workweeks exceeds 4,400, then CLM shall pay \$44.31 for each Class Workweek above 4,400. If CLM does not fund the increase in the GSA then the Releases identified in Section 3 of this Settlement Agreement will not apply to CLM. However, CLM's failure to fund the increase in the GSA will not be a reason for any Party to withdraw from the Settlement.
 - iii. If the total number of FS/RCR Class Workweeks exceeds 4,400, then CLM shall pay \$44.31 for each Class Workweek worked by CLM employees on behalf of CLM during the Class Period ("CLM Class Workweeks"). If CLM does not fund the increase in the GSA then the Releases identified in Section 3 of this Settlement Agreement will not apply to CLM. However, CLM's failure to fund the increase in the GSA will not be a reason for any Party to withdraw from the Settlement.
- E. **Effective Date of Settlement.** The Effective Settlement Date of this settlement shall be the later of the time when: either (i) the Judgment in the Action granting final approval of the settlement is final and no longer subject to appeal, if there are objections, or (ii) 30 days after Notice is provided by Plaintiff to Defendants that the Court entered the order on final approval of the settlement and judgment, if there are no objections ("**Effective Settlement Date**"). If any Settlement Class Member appeals the judgment, the Effective Settlement Date shall be continued to the date on which the appellate court has issued a remittitur confirming the judgment.

- F. **Disbursement of Gross Settlement Amount.** Within ten (10) calendar days following the funding of the Gross Settlement Amount with the Settlement Administrator by Defendants, the Settlement Administrator will calculate Participating Member Payments (defined below) and mail individual Participating Member Payments to Participating Settlement Class Members and Aggrieved Employees and transfer to Class Counsel its attorney's fees and verified costs.
- 5. <u>Participating Member Payment Procedures</u>. Participating Settlement Class Members and Aggrieved Employees are not required to submit a claim form to receive their share of the Settlement ("Participating Member Payment"). Participating Member Payments will be determined and paid as follows:
 - A. Net Settlement Amount: The Net Settlement Amount is the Gross Settlement Amount after the following deductions are made: (a) all costs of settlement administration; (b) Class Representative Service Award to Plaintiff; (c) the LWDA Payment; and (d) costs and attorneys' fees for Class Counsel. The Net Settlement Amount shall be available for Participating Members. From the Net Settlement Amount, the Settlement Administrator will calculate each Participating Member Payment based on the following formula:
 - i. <u>PAGA Amount</u>. Each Aggrieved Employee shall receive a portion of the One Thousand Two Hundred-Fifty Dollars and Zero Cents (\$1,250.00) that has been designated as the PAGA Amount based on their proportionate share of PAGA Pay Periods by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee's PAGA Pay Periods, and the denominator of which is the total PAGA Pay Periods of all Aggrieved Employees. A "PAGA Pay Period" shall mean any calendar week during the PAGA Period in which an Aggrieved Employee worked at least one shift performing work for CLM directly, and/or for Fruition and/or RCR.
 - ii. Remainder. The remainder of the Net Settlement Amount shall be distributed to each Participating Settlement Class Member based on their proportionate share of Class Workweeks, by multiplying the remaining Net Settlement Amount by a fraction, the numerator of which is the Participating Settlement Class Member's Class Workweeks, and the denominator of which is the total Class Workweeks of all Participating Settlement Class Members.
 - iii. To the extent the escalator clause in Section 4(D) of this Settlement Agreement is triggered (thereby resulting in application of Sections 4(D)(i-iii), as applicable), and to the extent CLM does not pay the amounts specified therein, payments shall be calculated consistent with the above methodology, except only the FS/RCR Class Workweeks shall be used in the calculation, as opposed to all Class Workweeks.

- B. Participating Member Payment Tax Treatment. For purposes of calculating applicable taxes and withholdings for the payment to Participating Members described in Paragraph 5(A)(ii), ten percent (10%) of each such payment shall be designated as wages subject to W-2 reporting and normal payroll withholdings; the remaining ninety percent (90%) of each such payment shall be designated as non-wages subject to IRS Form 1099 reporting with no withholdings. Additionally, 100% of the PAGA Amount paid to Aggrieved Employees shall be designated as non-wages subject to IRS Form 1099 reporting with no withholdings. Notwithstanding the treatment of these payments to each Participating Member above, none of the Participating Member Payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any other purpose, including for purposes of calculating any applicable benefit or retirement plan, unless required by such plans.
- C. **Deadline to Negotiate Participating Member Payment**. Each Participating Member who receives a Participating Member Payment must negotiate the settlement check within one hundred eighty (180) days from the date of issuance. The one hundred eighty (180) day expiration of the settlement checks will be pre-printed on the front of the settlement check. Any funds payable to Participating Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued and will be transferred by the Settlement Administrator to the California Farmworker Foundation, as the designated *cy pres*.
- D. Defendants shall be deemed to have fully discharged their obligations to each Participating Member when the Settlement Administrator mails each Participating Member a settlement check, regardless of whether such checks are actually received and/or negotiated by Participating Members. Neither Plaintiff, Defendants, nor their respective counsel shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by his, her, or its own acts of omission or commission, the same is true for the Settlement Administrator. All Settlement Class Members and Aggrieved Employees shall be bound by all terms and conditions of this Settlement Agreement and the judgment entered in accordance herewith regardless of whether they actually receive notice, whether they actually receive their notice, and whether they actually negotiate their payment(s).
- 6. **Preliminary Approval**. Plaintiff shall apply to the Court for the entry of an Order:
 - A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
 - B. Appointing Daniel J. Brown and Kathleen J. Becket of Stansbury Brown Law, PC as Class Counsel;
 - C. Appointing Ramon Mendoza Arroyo as the Class Representative for the Settlement Class;
 - D. Approving Apex Class Action as Settlement Administrator;

- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Class Notice Packet and directing the mailing of same in English and Spanish;
- G. Scheduling a Final Approval hearing;
- H. Plaintiff shall submit the proposed settlement to the Labor Workforce Development Agency ("LWDA") pursuant to Labor Code § 2699(1)(2). Proof of this submission will be provided to the Court and to Defendants' counsel; and
- I. If Final Approval is granted, Plaintiff shall submit a copy of the Superior Court's judgment to the LWDA after entry of the judgment or order, pursuant to Labor Code § 2699(1)(3).
- 7. <u>Notice Procedures</u>. Following preliminary approval, Settlement Class Members and Aggrieved Employees shall be notified as follows:
 - A. Within 21 calendar days after entry of an order preliminarily approving this Settlement Agreement is provided by the Court or Plaintiff, Defendants Fruition and RCR will provide the Settlement Administrator with a class list (in electronic format) including the full names, last known addresses, social security numbers, dates of employment, Class Workweeks and PAGA Pay Periods for each Aggrieved Employee and Settlement Class Member. The class list shall contain a breakdown of both Class Workweek counts, Fruition/RCR Class Workweek, and CLM Workweek counts.
 - B. Within seven (7) days from receipt of the class list information, the Settlement Administrator shall: (i) run the names of all Settlement Class Members and Aggrieved Employees through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class Members and Aggrieved Employees; (ii) update the addresses of any Settlement Class Member or Aggrieved Employee for whom an updated address was found through the NCOA search; and (iii) mail the Notice Packet to each Settlement Class Member or Aggrieved Employee in English and Spanish at their last known address or at the updated address found through the NCOA search, and retain proof of mailing.
 - C. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline (defined below) shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member or Aggrieved Employee immediately, and in any event within three (3) business days of obtaining the updated address.

- D. **Opt-Out/Request for Exclusion Procedures.** Any Settlement Class Member who wishes to opt-out of the Settlement must complete and mail or fax a Request for Exclusion (defined below) to the Settlement Administrator within 45 calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").
 - i. The Request for Exclusion must: (1) contain the name, address, and last four digits of the Social Security Number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the class settlement; (3) be signed by the Settlement Class Member; and (4) be faxed or postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion fails to comply with items (1), (2), or (4), it will not be deemed a valid Request for Exclusion from this settlement. . The date of the postmark on the Request for Exclusion, shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement (although the PAGA settlement and release provisions will apply to each such individual, and such individual shall be entitled to their share of the PAGA Amount) or have any right to object, intervene, appeal, or comment thereon. Any Settlement Class Member who does not submit a Request for Exclusion is automatically deemed a Participating Settlement Class Member.
- E. **Objections.** Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendants' counsel as well as filing them with the Court). Defendants' counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendants' counsel and Class Counsel shall have ten (10) days to respond. To be valid, any objection must: (1) contain the objecting Settlement Class Member's full name and current address; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) objections must be postmarked on or before the Response Deadline.
- F. Challenges to Participating Member Payment Calculations. Each Notice Packet mailed to a Settlement Class Member or Aggrieved Employee's shall disclose the amount of the Settlement Class Member's or Aggrieved Employee's estimated Participating Member Payment as well as the number of Class Workweeks and the number of PAGA Pay Periods. Settlement Class Members and Aggrieved Employees will have the opportunity, should they disagree with of the number Class Workweeks and PAGA Pay Periods stated in their Notice Packet, to challenge the calculations. In order to challenge the calculations included in the Notice Packet, the Settlement Class Member or Aggrieved Employee must provide documentation and/or an explanation evidencing

the correct number of Class Workweeks and/or PAGA Pay Periods that the Settlement Class Member or Aggrieved Employee believes they should have been credited with. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. The Settlement Administrator shall provide a copy of the challenge and any supporting documentation to counsel for the Parties within five (5) days of receipt.

- G. **Dispute Resolution.** The Settlement Administrator shall have the responsibility of resolving all disputes that arise during the settlement administration process, including, without limitation, disputes (if any) regarding the calculation of Settlement Class Member's or Aggrieved Employee's Participating Member Payment, the allocation of W-2 wages, and the number of Class Workweeks and PAGA Pay Periods. Where the information submitted by Defendants from their records differ from the information submitted by the Settlement Class Member or Aggrieved Employee, the Settlement Administrator shall request a conference call between the Settlement Administrator, Class Counsel, and Defendants' counsel to discuss and resolve the dispute. In advance of the conference call, the Settlement Administrator shall email copies of all available information to all counsel. After consulting with the Parties to determine whether an adjustment is warranted, the Settlement Administrator will finally determine the eligibility for an amount of any Participating Member Payment. Such determination shall be binding upon the Settlement Class Member, Aggrieved Employee, and the Parties.
- 8. <u>Final Approval Process</u>. Following preliminary approval and the close of the Response Deadline under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:
 - A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
 - B. Approving Plaintiff's application for Settlement Administrator's fees and expenses, Plaintiff's Class Representative Service Award, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the PAGA Penalties; and
 - C. Entering judgment pursuant to California Rule of Court 3.769.
- 9. Non-Admission. Defendants deny that they have engaged in any unlawful activity, that they have failed to comply with the law in any respect, that they have any liability to anyone under the claims asserted in the Action, and that but for this settlement a class should not be certified in this Action. Nothing in this Settlement Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendants. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. The Parties have entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement.

If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code section 1152.

- 10. Fruition/RCR's Right to Withdraw: Fruition and RCR shall have the right to terminate this Settlement if more than ten percent of Settlement Class Members assigned to Fruition and/or RCR timely opt-out of the Settlement, as determined by the Administrator. If Fruition and RCR exercise their right to terminate this Settlement, they shall be solely liable for the costs incurred by the Settlement Administrator, up to a maximum of \$7,990.00. Fruition and RCR must exercise their right to terminate the settlement in a writing to Class Counsel within 21-days of receiving the final exclusion list from the Settlement Administrator.
- 11. No Public Comment: The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement. Class Counsel agrees to refrain from publicizing this Settlement in any manner, including on a website, social media, or other platform, except as necessary to: (i) comply with a lawfully issued subpoena; (ii) describe qualifications as counsel; (iii) or discuss this Settlement with a Settlement Class Member. The Parties and their respective counsel shall refrain from soliciting any person affected by this Settlement from opting out, objecting, or appealing the Judgment.
- 12. <u>Amendments or Modifications</u>. The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by the Parties or their representatives, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.
- 13. <u>Notices</u>. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery or by e-mail at the addresses of the Parties' representatives set forth below, or such other addresses as the Parties may designate in writing from time to time:

If to Defendant CLM: Andrea M. Chapman

Zena M. Sin-Zaragoza CHAPMAN LAW, P.C. 401 Clovis Ave., S uite 201

Clovis, CA 93612

If to Defendants Fruition or RCR: Michael J. Conway II,

SAGASER, WATKINS & WIELAND, PC

5260 North Palm Avenue, Suite 400

Fresno, California 93704

If to Plaintiff: Daniel J. Brown, Esq.

STANSBURY BROWN LAW, PC

2610 1/2 Abbot Kinney Blvd.

Venice, CA 90291

dbrown@stansburybrownlaw.com

- 14. **Entire Agreement**. This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.
- 15. <u>Counterparts</u>. This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.
- 16. Failure to Obtain Final Approval. If the court fails to grant either preliminary or final approval, the Parties shall be restored to their positions at the time of the execution of this Settlement Agreement, which shall include but not be limited to, all funds paid by Defendants shall be returned to Defendants, with the exception that if any settlement administration costs are due and payable, Plaintiff and Defendants agree to split those costs. If the Court does not preliminarily or finally approve the settlement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in good faith to modify the Agreement and satisfy the Court's concerns. However, no Party shall be obligated to consent to any material change (including but not limited to changes to the Gross Settlement Amount or the releases set forth herein) in the Agreement, whether or not such material change is caused or requested by the Court. The Parties shall have the continuing obligation to seek both preliminary approval of the settlement consistent with the terms set forth herein, until the Effective Settlement Date occurs. Such obligation shall only cease upon the written consent of all Parties.

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[SIGNATURES ON FOLLOWING PAGE]

EXECUTION BY PARTIES AND COUNSEL

Date: 7/23/2025	Barron Mendoza fo
	Plaintiff Ramon Mendoza Arroyo
Date:	on habilf of
	, on behalf of Defendant Contract Labor Management, Inc.
Date:	
	, on behalf of Defendant Fruition Sales
Date:	
Annuoved es to Form.	, on behalf of Defendant Rising "C" Ranches, Inc.
Approved as to Form:	
7/15/2025 Date:	SAGASER, WATKINS & WIELAND, PC
	Michael J. Conway II Counsel for Defendant Fruition Sales and Rising C Ranches, Inc.
Date:	CHAPMAN LAW, P.C.
	Andrea M. Chapman
	Zena M. Sin-Zaragoza Counsel for Defendant Contract Labor
	Management, Inc.
Date: 07/28/25	STANSBURY BROWN LAW, PC
	Daniel J. Brown Counsel for Plaintiff and Class

EXECUTION BY PARTIES AND COUNSEL

Date:	
	Plaintiff Ramon Mendoza Arroyo
Date:	Cesar Mora
	Cesar Mora , on behalf of Defendant Contract Labor Management, Inc.
Date:	
	Defendant Fruition Sales, on behalf of
Date:	
	, on behalf of Defendant Rising "C" Ranches, Inc.
Approved as to Form:	,
Date:	SAGASER, WATKINS & WIELAND, PC
	Michael J. Conway II Counsel for Defendant Fruition Sales and Rising C Ranches, Inc.
Date: 07/25/2025	CHAPMAN LAW, P.C.
Date:	Zena W. Sin-Zaragoza Andrea M. Chapman Zena M. Sin-Zaragoza Counsel for Defendant Contract Labor Management, Inc. STANSBURY BROWN LAW, PC
	Daniel J. Brown Counsel for Plaintiff and Class

EXECUTION BY PARTIES AND COUNSEL

Date:	
	Plaintiff Ramon Mendoza Arroyo
Date:	
	on behalf of Defendant Contract Labor Management, Inc.
Date: 7/15/25	En Christman
	Described Fruition Sales, on behalf of
Date: 7/15/25	Ric Christman
Approved as to Form:	, on behalf of Defendant Rising "C" Ranches, Inc.
approved as to rotm.	
Date:	SAGASER, WATKINS & WIELAND, PC
	Michael J. Conway II Counsel for Defendant Fraction Sales and Ris C Ranches, Inc.
Dote:	CHAPMAN LAW, P.C.
	Audrea M. Chapenan Zyna M. Sin-Zaragoza Counsel for Defendant Contract Labor Management, Inc.
Nate:	STANSBURY BROWN LAW, PC
	Deniel J. Brown

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT

Ramon Mendoza Arroyo v. Contract Labor Management, Inc., et al.
Tulare County Superior Court
Case No.: VCU310071

To: All current and former non-exempt employees of CLM who performed work for Contract Labor Management, Inc. directly, and/or for Fruition Sales and/or Rising C Ranches, Inc. in California at any time from June 17, 2020, through September 5, 2024 (the "Class Period").

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

Why should you read this Notice?

The Court has granted preliminary approval of a proposed settlement (the "Settlement") in the matter of *Ramon Mendoza Arroyo v. Contract Labor Management, Inc., et al.*, Tulare County Superior Court, Case No. VCU310071 (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this Notice carefully.

You may be entitled to money from this Settlement. Defendants Contract Labor Management Inc.'s ("CLM") records show that you were employed by CLM as a non-exempt employee by CLM to perform work for CLM, Defendant Fruition Sales, and/or Defendant Rising C Ranches, Inc. (RCR, collectively with CLM and FS, "Defendants") in California at any time from June 17, 2020 through September 5, 2024 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound to the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Ramon Mendoza Arroyo ("Plaintiff") brought this Action against Defendants seeking to assert claims on behalf of a class of all current and former non-exempt employees of CLM who performed work directly for CLM or were assigned by CLM to perform work for FS, and/or RCR in California at any time from June 17, 2020, through September 5, 2024 (the "Settlement Class Members"). Plaintiff is known as the "Class Representative," and his attorneys, who also represent the interests of all Settlement Class Members, are known as "Class Counsel."

The Action alleges that Defendants: (i) failed to pay employees all earned minimum and overtime wages; (ii) failed to provide all legally required meal and rest periods; (iii) failed to reimburse for necessary business expenses; (iv) failed to provide accurate and itemized wage statements; (v) failed to timely pay all wages due or final wages due upon separation of employment; and (vi) engaged in unlawful business practices as a result of the above-mentioned alleged violations, among other things and, as a result, are also liable for various statutory and civil penalties under the California Private Attorneys General Act ("PAGA").

Defendants deny that they have done anything wrong. Defendants also deny that they owe Settlement Class Members any wages, restitution, penalties, damages, or other amounts. Accordingly, the Settlement is a compromise of disputed claims and should not be considered an admission of liability on the part of Defendants, by whom all liability is expressly denied.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendants, the risk of the Court not allowing the case to proceed as a class action, the risk of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

The Court has not ruled on Plaintiff's claims. In granting preliminary approval of the Settlement, the Court has

determined only that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable. A final determination on whether the Settlement is fair, adequate, and reasonable will be made at the Final Approval hearing.

Your decision about whether to participate in the Settlement will not affect your employment. California law and Defendants' policies strictly prohibit unlawful retaliation. Defendants will not take any adverse action against or otherwise target, retaliate, or discriminate against any Settlement Class Member because of his or her decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiff/Settlement Class:

STANSBURY BROWN LAW, PC

Daniel J. Brown dbrown@stansburybrownlaw.com 2610 ½ Abbot Kinney Blvd. Venice, California 90291 Tel: (323) 204-3124 www.stansburybrownlaw.com Attorneys for Defendant Contract Labor Management, Inc.:

CHAPMAN LAW, P.C.

Andrea M. Chapman Zena M. Sin-Zaragoza 401 Clovis Ave., Suite 201 Clovis, CA 93612 Tel: 559-257-2822 http://chapmanlaw-ca.com

Attorneys for Defendants Fruition Sales and Rising "C" Ranches, Inc.:

SAGASER, WATKINS & WIELAND, PC

Michael J. Conway II 5260 North Palm Avenue, Suite 400 Fresno, California 93704 Tel: (559) 421-7000 www.sagaserlaw.com

What are the terms of the Settlement?

Defendants have agreed to pay \$195,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Action, including payments to Settlement Class Members, Class Counsel's attorneys' fees and expenses, Settlement administration costs, and the Class Representative's Service Award.

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

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Settlement Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for up to thirty-five percent of the Gross Settlement Amount, which is currently estimated at \$68,250.00 as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$20,000.00 in verified costs incurred in connection with the Action.

<u>Settlement Administration Costs.</u> The Court has approved Apex Settlement Administrators to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$7,990.00 from the Gross Settlement Amount to pay the settlement administration costs.

<u>Class Representative Service Award.</u> Class Counsel will ask the Court to award the Class Representative a Service Award in the amount of \$5,000.00 to compensate him for his service and extra work provided on behalf of the Settlement Class Members.

Payment to State of California. The Parties have agreed to allocate \$5,000.00 towards the Settlement of the PAGA claims in the Action. \$3,750.00 will be paid to the State of California Labor and Workforce Development Agency ("LWDA"), representing its 75% share of the PAGA civil penalties. The remaining \$1,250.00 will be allocated to Aggrieved Employees (Settlement Class members who were employees of CLM who performed work for Contract Labor Management, Inc. directly, and/or for Fruition Sales and/or Rising C Ranches, Inc. in California at any time from May 24, 2023, through September 5, 2024 (the "PAGA Period")), as part of the Net Settlement Amount described below.

<u>Calculation of Settlement Class Members' Individual Participating Member Payments</u>. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the "Net Settlement Amount," which will be distributed to all Settlement Class Members who do not submit a valid and timely request for exclusion ("Participating Settlement Class Members") (described below). The Net Settlement Amount is estimated at approximately \$90,010.00, and will be divided as follows:

- (i) \$1,250.00 of the Net Settlement Amount has been designated as the "PAGA Amount" and will be distributed to each Aggrieved Employee based on the proportionate number of PAGA Pay Periods (defined as any calendar week during the PAGA Period in which an Aggrieved Employee worked at least one shift performing work for CLM directly, and/or for Fruition and/or RCR) that he or she worked during the PAGA Period (May 24, 2023, through September 5, 2024). Settlement Class Members cannot opt out of the PAGA portion of the settlement, and will receive their portion of the PAGA Amount regardless of their decision to opt out of the class settlement.
- (ii) The remainder of the Net Settlement Amount will be distributed to each Participating Settlement Class Member based on the proportionate number of Class Workweeks (defined as any calendar week during the Class Period in which a Settlement Class Member performed work for Contract Labor Management, Inc. directly, and/or for Fruition Sales and/or Rising C Ranches, Inc.) that he or she worked during the Class Period (from June 17, 2020, through September 5, 2024).

<u>Payment of the Settlement</u>. If the Court grants final approval of the Settlement, individual Participating Member Payments will be mailed to all Settlement Class Members for their portion of the PAGA Amount regardless of whether they submit a Request for Exclusion. In addition, Participating Settlement Class Members will receive additional compensation as part of their individual Participating Member Payments comprised of their portion of the Net Settlement Amount as described above.

Allocation and Taxes. For tax purposes, each Participating Member Payment shall be treated as follows: 10% as "wages," for which an IRS Form W-2 will be issued; and 90% as non-wages, for which an IRS Form 1099 will be issued. Settlement Class Members are responsible for the proper income tax treatment of the individual Participating Member Payments. The Settlement Administrator, Defendants and their counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class Members should consult with their tax advisors concerning the tax consequences and treatment of awards they receive under the Settlement.

Class Release. If the Court approves the Settlement, each Participating Settlement Class Member (on behalf of themselves and their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns), will fully release and discharge Defendants Contract Labor Management Inc, Fruition Sales, and Rising "C" Ranches, Inc.; their present and former parents, subsidiaries, affiliated entities, commonly owned or controlled entities, owners, board members, officers, directors, trustees, shareholders, members, partners, employees, clients, agents, insurers, attorneys, representatives, heirs, executors, administrators, successors and assigns; and any individual or entity to whom liability for the Released Class Claims and/or Released PAGA claims, defined below, could be assigned under any theory of law, including but not limited to pursuant to Labor Code §558.1, or on a joint-employer, alter-ego, or other liability theory (the "Released Parties") from all claims not assertable under PAGA that Plaintiff alleged, or could have alleged, by reason of or in connection with any matter or fact set forth in the Action during the Class Period ("Released Class Claims"). Without limiting the foregoing, the Released Class Claims shall include: (1)

all claims relating to unpaid wages (including minimum, overtime, straight-time, piece, or other form of wages); all claims related to the timeliness of wage payments (whether regular or final wages); all claims related to the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; all claims relating to the failure to provide compliant meal, rest, and recovery periods; all claims relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all claims relating to the provision of wage statements, including the accuracy or substance of wage statements; all claims relating to the failure to maintain accurate employment records; all claims relating to the failure to reimburse necessary business expenses; and all claims relating to unfair business practices resulting from any of the foregoing; (2) All claims arising under California Labor Code §§201, 202, 203, 204, 205, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2802; 8 C.C.R. §11090, Sections 3, 4, 7, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395; California Business and Professions Code §§17200-17208; California Civil Code §§3287 and 3289; California Code of Civil Procedure §1021.5; and related claims under the applicable provisions of the Fair Labor Standards Act (29 U.S.C. §§201, et seq.); and, (3) All remedies associated with any of the claims described herein, including but not limited to compensatory, consequential, incidental, liquidated, punitive, statutory penalties, civil penalties, restitution, interest, costs, attorneys' fees, or injunctive and/or other equitable relief. The release extends to the limits of the Class Period.

PAGA Release. Plaintiff and Aggrieved Employees, regardless of whether they opt out of the Settlement Class, on behalf of themselves; their respective past and present representatives, agents, attorneys, heirs, administrators, successors, and assigns; and, the State of California (including any office or agency thereof), will release and discharge the Released Parties from all claims assertable under PAGA that Plaintiff alleged, or could have alleged, by reason of or in connection with any matter or fact set forth in the Action or any notices issued by Plaintiff to the LWDA and/or set forth in the Action during the PAGA Period. Without limiting the foregoing, Released PAGA Claims shall include: (1) All claims for remedies recoverable under PAGA relating to unpaid wages (including minimum, overtime, straighttime, piece, or other form of wages); all claims for remedies recoverable under PAGA related to the timeliness of wage payments (whether regular or final wages); all claims for remedies recoverable under PAGA related to the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; all claims for remedies recoverable under PAGA relating to the failure to provide compliant meal, rest, and recovery periods; all claims for remedies recoverable under PAGA relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all claims for remedies recoverable under PAGA relating to the provision of wage statements, including the accuracy or substance of wage statements; all claims for remedies recoverable under PAGA relating to the failure to maintain accurate employment records; all claims for remedies recoverable under PAGA relating to the failure to reimburse necessary business expenses; all claims for remedies recoverable under PAGA for failing to permit and authorize Aggrieved Employees to exercise the use of their accrued paid sick leave days pursuant to Labor Code §245.5; and, all claims for remedies recoverable under PAGA for failing to provide legally mandated disclosures and/or written notices regarding the terms of employment pursuant to Labor Code §2810.5; (2) All claims for remedies recoverable under PAGA arising under, or due to a violation of, California Labor Code §§201, 202, 203, 204, 205, 210, 218.5, 218.6, 226, 226.2, 226.3, 226.7, 246.5, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2802, and 2810.5; 8 C.C.R. §11090, Sections 3, 4, 7, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395; and, other default remedies under PAGA pursuant to Labor Code §2699; and, (3) All remedies associated with any of the claims described herein, including but not limited to civil penalties, costs, attorneys' fees, or injunctive and/or other equitable relief. The release extends to the limits of the PAGA Period.

<u>Limitations on Release of Class and PAGA Claims</u>. The releases described above are limited to liability arising from work Settlement Class Members performed on behalf of Fruition, RCR, and/or CLM, directly. To that end, the parties intend this release to fully discharge FS and RCR from all liability to Settlement Class Members for the Released Class/PAGA Claims. However, the release shall not discharge CLM from any liability that it may have to Settlement Class Members which arises out of work Settlement Class Members performed on behalf of CLM for entities/persons other than FS, RCR, and/or CLM, directly.

<u>Conditions of Settlement.</u> The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of a Judgment.

How can I claim money from the Settlement?

<u>Do Nothing</u>. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of Class Workweeks you worked during the Class Period, and the proportionate number of PAGA Pay Periods you worked during the PAGA Period, as stated in this Notice. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

<u>Dispute Information in Notice of Participating Member Payment</u>. Your award is based on the proportionate number of Class Workweeks you worked during the Class Period and the proportionate number of PAGA Pay Periods you worked during the PAGA Period. The information contained in Defendant CLM's records regarding each of these factors, along with your estimated individual Participating Member Payment, is listed below. If you disagree with the information listed below, you may submit a dispute, along with any supporting documentation, to <ADMINISTRATOR CONTACT INFO>. Any disputes, along with supporting documentation, must be postmarked no later than <RESPONSE DEADLINE>. DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

The Settlement Administrator will determine whether any adjustments are warranted, and if so, will consult with the Parties and make a determination as to whether an adjustment will be made.

According to Defendant CLM's records:

- (a) you worked ____ Class Workweeks between June 17, 2020, through September 5, 2024 for Defendants; and
- (b) you worked PAGA Pay Periods between May 24, 2023, through September 5, 2024 for Defendants.

Based on the above, your individual Participating Member Payment is estimated at \$_____. The lowest Participating Member Payment to a Settlement Class Member is estimated at \$_____. The highest Participating Member Payment to a Settlement Class Member is estimated at \$_____.

Exclude Yourself from the Class Portion of the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself from the class portion of the settlement by making a request for exclusion, and sending it to the Settlement Administrator postmarked no later than <RESPONSE DEADLINE>>. The request for exclusion must: (1) contain your name, address, telephone number; (2) contain a statement that you wish to be excluded from the class settlement; and (3) be signed by you. If the Request for Exclusion fails to comply with items (1) or (2), it will not be deemed a valid request for exclusion from this Settlement, except a request for exclusion not containing your telephone number will be deemed valid.

Send the request for exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely request for exclusion, shall, upon receipt by the Settlement Administrator, not be a Settlement Class Member. If you exclude yourself, you will still receive your portion of the PAGA Amount if you are an Aggrieved Employee.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may timely submit a written objection directly to the Settlement Administrator at <INSERT ADMINISTRATOR CONTACT INFO>>. Your written objection must include your name, address, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection, together with any evidence in support of your objection. Written objections must be postmarked on or before <<RESPONSE DEADLINE>>.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Participating Settlement Class Members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <\Final APPROVAL HEARING DATE/TIME>>, in Department 07 of the Tulare County Superior Court, located at 221 S. Mooney Blvd., Visalia, California 93291. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, the Service Award to the Class Representative, the Settlement Administrator's costs, and the amount related to the PAGA civil penalties. You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. The easiest way to read the Settlement Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at <<<SETTLEMENT ADMINISTRATOR URL>>>. You can also telephone or send an email to Class Counsel using the contact information listed above, or consult the Superior Court website by going to https://www.tulare.courts.ca.gov/ and looking up the case number (Case No. VCU310071). You may also inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Tulare County Superior Court, located at 221 S. Mooney Blvd., Visalia, California 93291, during regular court hours. The Settlement Agreement is attached as Exhibit A to the Declaration of Daniel J. Brown in Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement, filed on CATE PRELIMINARY APPROVAL MOTION FILED>>>.

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

REMINDER AS TO TIME LIMITS

The deadline for submitting a Request for Exclusion, a written objection, or any dispute is **<<RESPONSE**DEADLINE>>. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON </PRELIMINARY APPROVAL DATE>>.

1/31/25, 7:19 PM matrix

LAFFEY MATRIX

History

Case Law

See the Matrix

Contact us

Home

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/24- 5/31/25	1.080182	\$258	\$473	\$581	\$839	\$948	\$1141
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406
6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389

www.laffeymatrix.com/see.html

1/31/25, 7:19 PM matrix

6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., DL v. District of Columbia, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

^{*} $\ddot{\imath}_{\xi}$ ½Years Out of Law School $\ddot{\imath}_{\xi}$ ½ is calculated from June 1 of each year, when most law students graduate. $\ddot{\imath}_{\xi}$ ½1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $\ddot{\imath}_{\xi}$ ½4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier $\ddot{\imath}_{\xi}$ ½1-3" from June 1, 1996 until May 31, 1999, would move into tier $\ddot{\imath}_{\xi}$ ½4-7" on June 1, 1999, and tier $\ddot{\imath}_{\xi}$ ½8-10" on June 1, 2003.

^{**} The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

Unbilled Charges

Stansbury Brown Law, PC

All Dates

TRANSACTION DATE	TRANSACTION TYPE	NUM POSTING (Y/N)	STING (Y/N) MEMO/DESCRIPTION		BALANCE
0238 Mendoza-Arroyo,	Ramon v Contract Labor M	gmt			
05/07/2024	Billable Expense Charge	No	Certified Mail	7.40	7.40
05/16/2024	Billable Expense Charge	No	FedX	71.10	78.50
05/19/2024	Billable Expense Charge	No	FEDEX608812629	71.10	149.60
05/23/2024	Billable Expense Charge	No	PAGA Fee	75.00	224.60
05/27/2024	Billable Expense Charge	No	Certified Mail	22.92	247.52
05/28/2024	Billable Expense Charge	No	Printing Notice	20.00	267.52
05/28/2024	Billable Expense Charge	No	Printing PAGA Ltr	22.25	289.77
06/20/2024	Billable Expense Charge	No	File Summons and Complaint Tulare	54.00	343.77
06/20/2024	Billable Expense Charge	No	Filing Fee Summons and Complaint Tulare	1,435.00	1,778.77
07/06/2024	Billable Expense Charge	No	Serve Documents E447451	74.50	1,853.27
07/11/2024	Billable Expense Charge	No	Proof of Service - Accepted	8.00	1,861.27
07/11/2024	Billable Expense Charge	No	Proof of Service - Accepted	2.95	1,864.22
07/17/2024	Billable Expense Charge	No	Notice and Acknowledgment of Receipt - Civil (POS-015) - Accepted	8.00	1,872.22
07/17/2024	Billable Expense Charge	No	Notice and Acknowledgment of Receipt - Civil (POS-015) - Accepted	2.95	1,875.17
07/30/2024	Billable Expense Charge	No	Complaint: Amended - Accepted	8.00	1,883.17
07/30/2024	Billable Expense Charge	No	Complaint: Amended - Accepted	2.95	1,886.12
10/03/2024	Billable Expense Charge	No	Demand for Jury - Accepted	153.50	2,039.62
10/03/2024	Billable Expense Charge	No	Demand for Jury - Accepted	12.50	2,052.12
10/03/2024	Billable Expense Charge	No	Case Management Statement (CM-110) - Accepted	3.50	2,055.62
10/03/2024	Billable Expense Charge	No	Case Management Statement (CM-110) - Accepted	8.00	2,063.62
10/04/2024	Billable Expense Charge	No	Stipulation and Order - Accepted	23.50	2,087.12
10/04/2024	Billable Expense Charge	No	Stipulation and Order - Accepted	8.60	2,095.72
02/07/2025	Billable Expense Charge	No	Mediation	8,000.00	10,095.72
02/28/2025	Billable Expense Charge	No	153 pgs Mediation docs 2/22	38.25	10,133.97
04/25/2025	Billable Expense Charge	No	Notice: Other - Accepted	8.00	10,141.97
04/25/2025	Billable Expense Charge	No	Notice: Other - Accepted	3.50	10,145.47
Total for 0238 Mendo	za-Arroyo, Ramon v Contra	act Labor Mgmt		\$10,145.47	
TOTAL				\$10,145.47	





Thank you for your Proposed Settlement Submission

1 message

no-reply@formassembly.com <no-reply@formassembly.com> To: assistant@stansburybrownlaw.com

Mon, Jul 28, 2025 at 3:32 PM

07/28/2025 03:32:03 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 07/28/2025 03:32:03 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1030221-24

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm