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14 and all Aggrieved Employees

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF MADERA**

ENRIQUE BARAJAS, on behalf of himself
and all other aggrieved employees,

Plaintiff,

v.

VLOT CALF RANCH, INC., a California
corporation; CASE VLOT, an individual;
AND DARCY VLOT, an individual; and
DOES 1 through 100, inclusive,

Defendants.

Case No.: MCV087569
[Hon. Michael J. Jurkovich, Dept. 411B]

**DECLARATION OF JOHN A. VAN HOOK
IN SUPPORT OF PLAINTIFF'S MOTION
FOR APPROVAL OF REPRESENTATIVE
PAGA SETTLEMENT**

Date: May 5, 2025
Time: 8:30 a.m.
Dept.: DBOS (200 W. 4th St.)

I, John A. Van Hook, declare as follows:

2. I am the owner of the Van Hook Law Firm. Along with my co-counsel Adrian Byrne of The Byrne Law Group, I have represented Plaintiff throughout this litigation. I make this declaration in support of Plaintiff's Motion for Approval of Representative PAGA Settlement (the "Motion").

5. The time period covered by this representative settlement pursuant to the Private Attorneys General Act (“PAGA”) is November 30, 2020, through January 23, 2025 (the “PAGA Period”). I am informed and believe that VCR’s records reflect approximately 215 non-exempt employees who worked a total of approximately 9,697 biweekly pay periods during the PAGA Period.

6. On November 30, 2021, Plaintiff filed a notice with the Labor and Workforce

1 Development Agency (the “LWDA Notice”), describing Plaintiff’s potential claims under PAGA,
2 and their supporting facts and theories. The PAGA Notice defined the allegedly aggrieved
3 employees as all of Defendants’ hourly employees in California since November 30, 2020, and
4 asserted various wage and hour claims, including for unpaid straight and overtime wages, meal
5 and rest period violations, failure to pay wages at termination, failure to provide accurate wage
6 statements, record-keeping violations, and failure to reimburse business expenses, among other
7 violations.

8 7. Following the filing of Plaintiff’s LWDA Notice, the Parties began to discuss
9 possible resolution. To that end, on or about February 8, 2022, the Parties entered into a tolling
10 agreement, tolling the limitations period on all of Plaintiff’s employment claims, including his
11 individual claims and any representative PAGA claims.

12 8. In early 2022, Defendants produced Plaintiff’s own time and payroll records, as
13 well as a large sampling of time and payroll records for potentially aggrieved employees during
14 the PAGA Period. The Parties’ settlement discussions were unsuccessful, however, and Plaintiff
15 terminated the tolling agreement effective June 13, 2022.

16 9. On July 11, 2022, Plaintiff formally initiated arbitration proceedings of his
17 individual claims.

18 10. Plaintiff initially waited to file his representative PAGA lawsuit given the highly
19 anticipated *Viking River* case that was pending before the U.S. Supreme Court. After the U.S.
20 Supreme Court’s *Viking River* decision, and the subsequent California Supreme Court decision in
21 *Adolph v. Uber*, Plaintiff’s counsel concluded that an individual arbitration agreement did not
22 deprive Plaintiff of standing to pursue a representative PAGA case. Accordingly, on August 15,
23 2022, Plaintiff filed this representative PAGA lawsuit in Madera County Superior Court.
24 Consistent with the guidance from appellate and trial court decisions in the wake of *Viking River*
25 and *Adolph v. Uber*, the Parties stipulated to stay the PAGA lawsuit pending the resolution of the
26 individual arbitration, which the Court granted.

27 11. On December 19, 2022, the Parties participated in a full day, private mediation with
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1 Mark Peters, Esq., a prominent San Francisco-area employment and class/PAGA mediator. The
2 Parties attempted to resolve both Plaintiff's individual claims pending in the arbitration, as well as
3 the representative PAGA claims pending in this action. The Parties were not able to reach any
4 resolution through the mediation.

5 12. Following this unsuccessful mediation, the Parties resumed litigation of Plaintiff's
6 individual arbitration. The Parties conducted substantial discovery regarding Plaintiff's wage and
7 hour claims. This discovery included multiple sets of written discovery propounded by each side.
8 In addition, Defendants deposed Plaintiff for a full day, and Plaintiff deposed Case Vlot, presented
9 as VCR's person most knowledgeable witness, for a full day.

10 13. These depositions, written discovery, and document productions related not only to
11 Plaintiff's individual claims in the arbitration, but also to issues directly relevant to the
12 representative PAGA claims, including Plaintiff's legal theories and supporting evidence for wage
13 and hour liability, as well as VCR's policies and procedures relating to timekeeping and payroll,
14 meal and rest periods, and reimbursement of business expenses.

15 14. Plaintiff's individual claims in arbitration were ultimately resolved. Plaintiff
16 prevailed on some of his claims through Plaintiff's motion for summary adjudication, and the
17 Parties resolved the remaining claims. As part of this resolution, the arbitrator awarded Plaintiff's
18 counsel with attorney's fees and litigation costs only for the work and costs directly relating to the
19 individual arbitration. The arbitrator excluded fees and costs for activities that were determined to
20 be part of the representative PAGA action. For example, the arbitrator awarded Plaintiff \$1,000
21 out of a total of \$5,000 for Plaintiff's share of the first mediation fee, determining that the
22 remaining \$4,000 should be apportioned to the PAGA action.

23 15. In addition, as part of this order, the arbitrator approved my billing rate of \$650.00
24 per hour, in effect at that time, finding that the rates requested by my co-counsel and myself were
25 "well in line (and even below) what is charged by comparable counsel." Accordingly, for purposes
26 of this Motion and calculating my lodestar, I use my hourly rate of \$650.00.

27 16. On or about April 22, 2024, the litigation of the PAGA representative action
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1 resumed in this Court, following a stipulation and order to lift the stay pending the arbitration.

2 17. Once the PAGA litigation resumed, Plaintiff served additional sets of written
3 discovery on Defendants, including a request for a list of the names and contact information of
4 allegedly aggrieved employees. The Parties engaged in meet and confer efforts regarding this
5 discovery, and ultimately agreed to postpone these discovery disputes so the Parties could attempt
6 a second private mediation.

7 18. The Parties agreed to participate in a second private mediation to resolve the
8 representative PAGA claims, this time with Judge Patrick O'Hara (Ret.), an experienced mediator
9 and former Tulare County Superior Court judge. There were no individual claims remaining in the
10 case, so the mediation focused solely on the representative PAGA claims.

11 19. In January 2025, in addition to the discovery that had already been conducted,
12 Defendants provided information specifically related to the representative PAGA claims,
13 including data regarding the number of aggrieved employees and pay periods at issue during the
14 PAGA Claim Period, and an updated sampling of timekeeping and payroll records for allegedly
15 aggrieved employees, as well as additional documents regarding Defendants' relevant policies and
16 practices.

17 20. I personally reviewed and analyzed, in detail, Defendants' production of
18 timekeeping and payroll records, including the 2022 and 2025 productions. Based on this review
19 and analysis, it appeared that Defendants' meal period practices had significantly improved during
20 the pendency of this litigation. These improvements included fewer short and/or late meal periods,
21 fewer shifts exceeding 10 hours without a second meal period, and an increased frequency of meal
22 period premium payments made to employees. Defendants' 2025 production also showed that
23 Defendants had begun to properly pay overtime to their irrigators and had paid irrigators back
24 overtime.

25 21. The Parties participated in a full-day mediation with Judge Patrick O'Hara (Ret.)
26 on January 20, 2025. Although the case did not settle at the mediation, the Parties ultimately
27 accepted a mediator's proposal outlining the primary settlement terms.

22. The Parties then negotiated a long-form settlement agreement, which was fully executed on or about March 20, 2025. A true and correct copy of the PAGA Settlement Agreement is attached as **Exhibit 1** to this declaration, including **Exhibit 1-A**, the Notice to be sent to aggrieved employees with their settlement payments.

23. As required by PAGA, concurrently with the filing of this Motion, I will submit the PAGA Settlement Agreement and moving papers to the LWDA for its review.

Overview of Settlement Terms

24. The PAGA Settlement Agreement provides that Defendants will pay a total of \$275,000 (the “Gross Settlement Amount”), as a non-reversionary settlement fund to settle the representative PAGA claims in this action. The “Aggrieved Employees” for purposes of the PAGA Settlement are Defendants’ non-exempt employees that worked in California at any time during the PAGA Period, i.e., between November 30, 2020, through January 23, 2025. From the Gross Settlement Amount of \$275,000, the following amounts will be paid, subject to this Court’s approval:

- Plaintiff’s counsel’s attorney’s fees of 1/3 of the Gross PAGA Settlement Fund (\$91,666.00) in connection with the PAGA claims;
- Plaintiff’s counsel’s out-of-pocket litigation expenses of \$8,000.00 arising out of the PAGA claims (including Plaintiff’s share of the two mediation fees);
- PAGA settlement administration expenses of \$4,250.00; and
- An enhancement payment of \$10,000.00 to Plaintiff for serving as representative of the Aggrieved Employees.
- This results in an estimated Net PAGA Settlement Fund of \$161,084.00.

25. As required by the applicable PAGA provisions, 75% of the Net PAGA Settlement Fund will be paid to the LWDA and the remaining 25% of the Net PAGA Settlement Fund will be distributed among the Aggrieved Employees on a pro-rata basis according to their pay periods during the PAGA Period. We note that this PAGA settlement is governed by the pre-amended PAGA provisions. On June 27, 2024, the California Legislature passed two bills

1 reforming various provisions of PAGA, Assembly Bill 2288 and Senate Bill 92. However, the
2 amendments were only applicable to civil actions brought on or after June 19, 2024. As a result,
3 this case and this settlement are subject to the original legal landscape for PAGA cases.

4 26. Defendants' data provided in advance of the January 20, 2025, mediation reflects
5 approximately 215 non-exempt employees who worked a total of approximately 9,697 pay
6 periods during the PAGA Period. To avoid the dilution of this PAGA Settlement, the Parties
7 agreed to end the settlement as of the settlement date – January 23, 2025 – rather than extending
8 the settlement period through the date of court approval. Recognizing that the final headcount
9 and pay period figures may change somewhat, the Parties agreed that the 9,697 pay periods shall
10 be subject to a 10% buffer, meaning that no additional consideration shall be necessary if the
11 total number of weekly pay periods covered by the PAGA Settlement is not greater than 10,667.
12 If the total number of pay periods is greater than the 10% buffer, then the Gross PAGA
13 Settlement Amount shall be increased by a pro-rata amount for those pay periods greater than
14 10,667.

15 27. Payments will be made to the Aggrieved Employees by check to their last known
16 home address, and Aggrieved Employees will not be required to submit a claim form or take any
17 other steps to receive their payment. As this is a PAGA-only settlement, non-PAGA claims (such
18 as underlying claims for alleged unpaid wages or statutory penalties) of other Aggrieved
19 Employees are not being released by virtue of the PAGA Settlement.

20 28. Subject to the Court's approval, the settlement administration, including
21 calculation and issuance of payments, will be performed by Phoenix Settlement Administrators
22 ("Phoenix"), a nationally recognized settlement administrator. Attached as **Exhibit 2** to this
23 Declaration is a true and correct copy of Phoenix's quote in the amount of \$4,250 for
24 administration of the PAGA Settlement. I have worked with Phoenix to administer several class
25 and PAGA settlements, and have always found its pricing to be competitive, and its
26 administration services to be competent and professional.

27 29. The PAGA Settlement Agreement releases Defendants and the defined Released
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Parties from PAGA penalties for “all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice and ascertained in the course of the Action including, but not limited to: (1) Failure to Pay Overtime Wages; (2) Failure to Provide Meal Periods; (3) Failure to Authorize and Permit Rest Periods; (4) Civil Penalties for Failure to Timely Pay Wages at Termination and Failure to Pay Continuing Wages Penalty; (5) Failure to Provide Accurate Itemized Wage Statements; (6) Civil Penalties for Failure to Pay Wages Timely During Employment; (7) Civil Penalties for Failure to Keep Complete and Accurate Records; (8) Civil Penalties for Failure to Reimburse Business Expenses; (9) Civil Penalties for Violation of IWC Wage Order 14., and; (10) any claims under the Private Attorney General Act of 2004.”

30. Within 30 days of the Court’s order approving the settlement, Defendants will fund the settlement.

31. Within 14 days of funding of the settlement, the Settlement Administrator shall:

- Distribute a total of 25% of the Net PAGA Fund to the Aggrieved Employees, along with an explanatory letter, translated into English and Spanish (the English version is attached hereto as Exhibit 1-A).
- Distribute 75% of the Net PAGA Fund to the LWDA.
- Distribute Plaintiff’s counsel’s fees and costs, as approved by the Court.
- Distribute enhancement payment to Plaintiff, as approved by the Court.
- Pay itself for services as Settlement Administrator, as approved by the Court.

Counsel’s Qualifications and Opinion of Settlement

32. The following is a brief description of my legal background. I have been practicing law in the State of California for roughly 25 years and I have practiced labor and employment law almost exclusively for more than 20 years.

33. I graduated from Harvard Law School in 1999 and was admitted to the California State Bar in December 1999. I began to practice employment law almost exclusively in May 2003, upon joining Seyfarth Shaw LLP as an Associate in its Los Angeles Labor and

1 Employment Department. I worked at Seyfarth Shaw until 2006, and returned to Seyfarth in
2 2008 as Senior Counsel, again handling wage and hour class actions, FLSA collective actions,
3 and representative PAGA actions, among other employment litigation. I also provided clients
4 with employment advice and counsel, including on wage and hour issues.

5 34. From 2006 through 2008, I was in-house counsel for Prospect Medical Holdings,
6 Inc., based in Los Angeles. As in-house counsel for Prospect Medical, my responsibilities
7 included managing and directly handling employment litigation, providing advice on
8 employment policies, procedures and personnel decisions, handling union matters, among other
9 legal responsibilities.

10 35. From 2012 until June 2019, I was a member of the Labor and Employment
11 Department of McGuireWoods LLP. My practice at McGuireWoods focused on handling wage
12 and hour class actions, FLSA collective actions, and representative PAGA actions, in addition to
13 providing clients with employment law advice. I handled approximately 80 class and PAGA
14 representative actions during my career as a defense attorney.

15 36. In June 2019, I left McGuireWoods in order to start my own practice focusing on
16 representing workers in employment litigation, including wage and hour, class and PAGA
17 representative actions.

18 37. Since starting my own practice, I have been the lead/co-lead attorney in numerous
19 class actions and/or PAGA representative actions, including cases (like this one) involving
20 agricultural industry employers.

21 38. The settlement of \$275,000 equates to a gross settlement of approximately **\$28.36**
22 per pay period. In my opinion, and based on my experience settling PAGA cases, this is an
23 excellent result for the State of California and the aggrieved employees. There were numerous
24 risks, uncertainties, and defenses that were properly considered in valuing and discounting the
25 potential PAGA penalties in this case.

26 39. Plaintiff faced risk that he would not be able to prove some or all of his claims on
27 the merits, or that violations would be found for only some of the allegedly aggrieved employees
28 and pay periods. Defendants' 2022 and 2025 productions of timekeeping and payroll data
reflected that Defendants had significantly improved meal period practices, resulting in a

1 significantly lower rate of apparent meal period violations. As a result, we reasonably discounted
2 the maximum theoretical penalties based on the likelihood that Plaintiff could prove a lower
3 violation rate, particularly for the more recent years during the PAGA Period.

4 40. This case also faced risks and uncertainties in how penalties would be calculated
5 (including potential “stacking” of penalties). Perhaps the biggest risk factor in this case was the
6 court’s discretion to reduce the amounts of PAGA penalties, even if liability were determined.
7 Given the court’s wide latitude to discount PAGA penalties, it is very difficult to predict the
8 realistic amount of PAGA penalties in the event Plaintiff prevailed. This is particularly true
9 where, as here, the Defendants have appeared to improve compliance in several respects. It is
10 certainly possible that a Court might further discount the amount of penalties based on
11 Defendants’ apparent voluntary remedial measures.

12 **Attorney’s Fees and Costs**

13 41. My hourly rate for employment matters is \$650. This rate has been approved by
14 numerous courts and arbitrators in comparable litigation. As noted above, it was approved by the
15 arbitrator in Plaintiff’s individual arbitration.

16 42. I use billing software to accurately and contemporaneously track my billable time.
17 I have kept accurate records of my billable time devoted to this representative PAGA action. I
18 separately recorded by billable time devoted to the arbitration, and do not include these
19 arbitration hours in these calculations. Certain tasks were relevant to both the representative
20 PAGA claims and the arbitration, such as the first mediation, and I apportioned my time between
21 these matters.

22 43. In litigating and settling this PAGA representative action, I expended 92.4 hours
23 of billable time, for a lodestar of \$60,060.00. This does not including additional billable work
24 that will likely be performed, including the anticipated hearing on this Motion and work relating
25 to the administration of the settlement. This also does not include the hours billed by my co-
26 counsel, Adrian Byrne, on this matter. His billable hours are described in his concurrently filed
27 declaration.

28 44. From the outset of the case to the present, prosecution of this action has involved
significant financial risk. Mr. Byrne and I undertook this matter on a contingent basis, investing

significant time, resources, and out-of-pocket costs, with no guarantee of recovery, and at the expense of other work that we could have performed.

45. In litigating this case, I incurred out of pocket litigation costs. These costs were reasonably necessary to successfully litigate and resolve this case.

46. The following is a summary of the out-of-pocket litigation costs I personally advanced in the litigation and settlement of this PAGA action. The first mediation related to both the representative PAGA action and arbitration. \$1,000 of the \$5,000 that I paid on behalf of Plaintiff was reimbursed through the individual arbitration, so we request reimbursement of the remaining \$4,000. The second mediation (and \$3,000 fee paid by Plaintiff) related exclusively to the representative PAGA action as the individual arbitration had already resolved.

Cost Type	Amount
PAGA notice to LWDA	\$75.00
Complaint filing	\$540.49
Additional court filings	\$233.00
1 st Mediation fee (Plaintiff's portion minus amount reimbursed through arbitration)	\$4,000.00
2 nd Mediation fee (Plaintiff's portion)	\$3,000.00
Postage	\$8.66
Estimated additional filing fees (including filing fee for PAGA approval motion)	\$150.00
Costs total	\$8,007.15

47. Plaintiff is seeking reimbursement of \$8,000.00 in litigation costs.

Plaintiff's Request for PAGA Representative Enhancement

48. At every stage of this matter, which has lasted approximately **3.5 years**, Mr. Barajas has provided invaluable assistance to myself and co-counsel. Mr. Barajas appeared for a full day of deposition and assisted in preparing written discovery requests and responses. He also actively participated in two full-day mediations. His participation in these depositions and

1 mediations repeatedly required him to take time off from work without pay, a real burden for a
2 low-paid, hourly employee such as Mr. Barajas. Throughout this matter, Mr. Barajas was
3 responsive and available to discuss case strategy, answer questions, and help identify witnesses
4 and relevant documents. Without Mr. Barajas's efforts, and his courage to step forward on behalf
5 of his former co-workers, we would not have been able to reach this outcome.

6 49. Given the extent of Mr. Barajas' contributions to this case and to this settlement,
7 and based on my experience settling PAGA and class action cases, I believe that the requested
8 enhancement of \$10,000 is fair, reasonable and fully justified.

9 **Conclusion**

10 50. For all the reasons set forth in Plaintiff's Motion and as described herein, I
11 strongly support this settlement and Plaintiff's Motion.

12 51. I declare under penalty of perjury under the laws of the State of California that the
13 foregoing is true and correct. Executed on April 9, 2024.

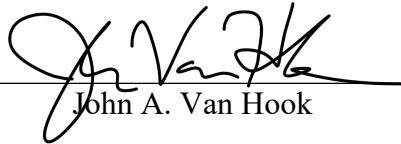
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16 John A. Van Hook

Exhibit 1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (the “Agreement”) is made by and between Enrique Barajas (“Plaintiff”), on one hand, and Vlot Calf Ranch, Inc., Case Vlot, and Darcy Vlot (collectively, “Defendants”), on the other hand. Plaintiff and Defendants are referred to collectively as the “Parties.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations pursuant to the Private Attorneys General Act, California Labor Code § 2698, *et seq.* against Defendants pending in Superior Court of the State of California, County of Madera, Case No. MCV087569.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral, third party the Parties have agreed to appoint to administer the Settlement, subject to the Court’s approval.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Approval of the Settlement.
- 1.4. “Aggrieved Employee” means a person employed by Defendants in California and classified as a non-exempt employee who worked for Defendants during the PAGA Period.
- 1.5. “Plaintiff’s Counsel” means Van Hook Law Firm and The Byrne Law Group.
- 1.6. “Plaintiff’s Counsel Fees Payment” and “Plaintiff’s Counsel Litigation Expenses Payment” mean the amounts allocated to Plaintiff’s Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.7. “Aggrieved Employee Data” means Aggrieved Employee-identifying information in Defendants’ possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Period Pay Periods.
- 1.8. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee’s mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.9. “PAGA Settlement Notice” means the NOTICE OF PAGA REPRESENTATIVE ACTION SETTLEMENT, to be mailed to Aggrieved Employees in English and

Spanish. The English language version is attached as **Exhibit A** and incorporated by reference into this Agreement.

- 1.10. "PAGA Representative" means Enrique Barajas, the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as PAGA Representative.
- 1.11. "PAGA Representative Service Payment" means the payment to the PAGA Representative for initiating the Action and providing services in support of the Action.
- 1.12. "Court" means the Superior Court of California, County of Madera.
- 1.13. "Defense Counsel" means Alden J. Parker and Christina M. Anton, Fisher & Phillips LLP.
- 1.14. "Effective Date" means the date by when the following has occurred: (a) the Court enters a Judgment on its Order Granting Approval of the PAGA Settlement.
- 1.15. "PAGA Settlement Approval" means the Court's order granting approval of the PAGA Settlement.
- 1.16. "PAGA Settlement Approval Hearing" means the Court's hearing on the Motion for Approval of the PAGA Settlement.
- 1.17. "Gross Settlement Amount" means two hundred five hundred thousand dollars (\$275,000.00) which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay the LWDA PAGA Payment, payments to the Aggrieved Employees, Plaintiff's Counsel Fees, Plaintiff's Counsel Expenses, PAGA Representative Service Payment and the Administrator's Expenses.
- 1.18. "Judgment" means the judgment entered by the Court based upon the Approval of the Settlement.
- 1.19. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i)
- 1.20. "LWDA PAGA Payment" means the 75% of the Net Settlement Amount paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.21. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Service Payment, Plaintiff's Counsel Fees Payment, Plaintiff's Counsel Litigation

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Expenses Payment, and the Administration Expenses Payment. The remainder is to

Plaintiff Initials: _____
Defendants Initials: CV _____
 CV _____
 DV _____
 DV _____

be paid as Individual PAGA Payments and LWDA PAGA Payment.

- 1.22. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.23. “PAGA Period” means the period from November 30, 2020 through January 23, 2025.
- 1.24. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.25. “PAGA Notice” means Plaintiff’s letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.26. “Released PAGA Claims” means the claims being released as described in Paragraph 5 below.
- 1.27. “Released Parties” means: Defendants and each of their subsidiaries, parents, managing agents, employees, former employees, servants, consultants, agents, directors, officers, independent contractors, Representative, insurance carriers, reinsurers, and attorneys (and their servants, agents, employees, former employees, directors, officers, independent contractors, Representative, consultants, insurance carriers and attorneys of any such subsidiaries, or parents), and all persons acting by, through, under or in concert with any of them, and each of its respective heirs, successors, and assigns.
- 1.28. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS

- 2.1. On August 15, 2022, Plaintiff filed a representative action complaint in the Madera County Superior Court, entitled *Enrique Barajas v. Vlot Calf Ranch, Inc. et al.*, Case No. MCV087569, asserting the following predicted violations: (1) failure to pay overtime wages; (2) failure to provide meal periods; (3) failure to authorize and permit rest periods; (4) failure to timely pay wages at termination and failure to pay continuing wages penalty; (5) failure to provide accurate itemized wage statements; (6) failure to pay wages timely during employment; (7) failure to keep complete and accurate records; (8) failure to reimburse business expenses; and (9) violations of IWC Wage Order 14 (the “Complaint”).
- 2.2. On November 9, 2022, the Parties stipulated to stay the Action pending the arbitration of Plaintiff’s individual claims.
- 2.3. On December 12, 2022, the Court granted the Parties’ Joint Stipulation to Stay Proceedings Pending the Outcome of Arbitration.

Plaintiff Initials: _____
Defendants Initials: CV _____
CV _____
DV _____
UV

- 2.4. Following the resolution of Plaintiff's individual claims, the Parties stipulated to lift the stay of the Action on April 19, 2024.
- 2.5. On April 22, 2024, the Court granted the Parties' Joint Stipulation to Lift Stay of PAGA Action Following Arbitration of Individual Claims.
- 2.6. On January 20, 2025, the Parties attended mediation with respected mediator, the Honorable Patrick O'Hara (Ret.). The Parties did not resolve the Action on that day. However, approximately three days later, the Parties were able to reach resolution.
- 2.7. Defendants deny the allegations in the Complaint, deny any failure to comply with the laws identified in the Complaint and deny any and all liability for the causes of action alleged.
- 2.8. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice on November 30, 2021.
- 2.9. The Parties, Plaintiff's Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided, Defendants promise to pay two hundred seventy-five thousand dollars (\$275,000.00) and no more as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.
 - 3.2.1. To Plaintiff: PAGA Representative Service Payment as approved by the Court, which shall not exceed Ten Thousand Dollars (\$10,000.00). Defendants will not oppose Plaintiff's request for a PAGA Representative Service Payment that does not exceed this amount. Plaintiff will seek Court approval for any PAGA Representative Service Payments as part of his motion for approval of the Settlement. If the Court approves a PAGA Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. If the Court approves a lesser amount, the Parties agree the Settlement Agreement shall still be fully enforceable. The Administrator will pay the

Plaintiff Initials: _____
 Defendants Initials: CV
CV
DV
DV

PAGA Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the PAGA Representative Service Payment.

- 3.2.2. To Plaintiff's Counsel: A Plaintiff's Counsel Fees Payment as approved by the Court, which shall not exceed \$91,666.00, or approximately 1/3 of the Gross Settlement Amount; and a Plaintiff's Counsel Litigation Expenses Payment as approved by the Court, which shall not exceed \$8,000.00. Defendants will not oppose requests for these payments provided they do not exceed these amounts. Plaintiff will seek Court approval for Plaintiff's Counsel Fees Payment and Litigation Expenses Payment as part of his motion for approval of the Settlement. If the Court approves a Plaintiff's Counsel Fees Payment and/or a Plaintiff's Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. If the Court approves a lesser amount, the Parties agree the Settlement Agreement shall still be fully enforceable. Released Parties shall have no liability to Plaintiff's Counsel or any other Plaintiff's counsel arising from any claim to any portion any Plaintiff's Counsel Fee Payment and/or Plaintiff's Counsel Litigation Expenses Payment. The Administrator will pay the Plaintiff's Counsel Fees Payment and Plaintiff's Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Plaintiff's Counsel assumes full responsibility and liability for taxes owed on the Plaintiff's Counsel Fees Payment and the Plaintiff's Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy between or among Plaintiff's Counsel regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$4,250.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment less than \$4,250.00, the Administrator will retain the remainder in the Net Settlement Amount. If the Court approves a lesser amount, the Parties agree the Settlement Agreement shall still be fully enforceable.
- 3.2.4. To Each Participating Aggrieved Employee: An Individual PAGA Payment calculated by (a) dividing the Net Settlement Amount by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Pay Periods.
- 3.2.5. Tax Allocation of Individual PAGA Payments. 100% of each Aggrieved Employees Individual PAGA Payment will be allocated to settlement of claims for penalties (the "Non-Wage Portion"). The Non-Wage Portion are not subject to wage withholdings and will be reported on IRS 1099 Forms. Aggrieved Employees assume full responsibility and liability for any employee taxes owed on their Individual PAGA Payment.

Plaintiff Initials: _____
Defendants Initials: CV
 CV
 DV
 DV

3.2.6. Estimated Net Settlement Amount. Based on the foregoing, the Parties estimate the Net Settlement Amount to be calculated as follows:

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Gross Settlement Amount:	\$275,000.00
Requested PAGA Representative Service Payment:	\$10,000.00
Requested Plaintiff's Counsel Fees Payment:	\$91,666.00
Requested Plaintiff's Counsel Litigation Expenses	\$8,000.00
Reimbursement:	
Administrator Expenses Payment:	\$ 4,250.00
Net Settlement Amount	\$161,084.00

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 215 Aggrieved Employees who worked a total of 9,697 PAGA Pay Periods. Should the actual number of Aggrieved Employee Pay Periods during the PAGA Period exceed 9,697 by more than ten percent (10%), then the Gross Settlement Amount shall be increased on a pro rata basis at for Pay Periods above the 10% cushion. For example, if the Aggrieved Employee Pay Periods exceed 9,967 by 16%, Defendants shall owe an additional amount equal to 6% of the Gross Settlement Amount.
- 4.2. Aggrieved Employee Data. Not later than fourteen (14) days after the Court grants Approval of the Settlement, Defendants will deliver the Aggrieved Employee Data for Aggrieved Employees during the PAGA Period to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee's privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement.
- 4.3. Funding of Gross Settlement Amount. Defendants shall fund the Gross Settlement Amount within thirty (30) days of the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendants fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Plaintiff's Counsel Fees Payment, the Plaintiff's Counsel Litigation Expenses Payment, and the PAGA Representative Service Payment. Disbursement of the Plaintiff's Counsel Fees Payment, the Plaintiff's Counsel Litigation Expenses Payment and the PAGA Representative Service Payment shall not precede disbursement of Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less

Plaintiff Initials: _____
Defendants Initials: _____

than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees who qualify as Aggrieved Employees (including those for whom PAGA Notice was returned undelivered. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all other Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks, plus any interest accrued thereon, shall be submitted to the State Controller's Unclaimed Property Fund, such that there is no remainder.
- 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, Plaintiff, Aggrieved Employees, and Plaintiff's Counsel will release claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. Plaintiff, on behalf of himself, any former and/or present spouse, representative, agents, attorneys, heirs, administrators, successors, and assigns generally, releases and discharges Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, [or ascertained during the Action and released under 6.2, below]. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but

Plaintiff Initials: _____

Defendants Initials: _____

agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

- 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

- 5.2 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present Representative, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice and ascertained in the course of the Action including, but not limited to: (1) Failure to Pay Overtime Wages; (2) Failure to Provide Meal Periods; (3) Failure to Authorize and Permit Rest Periods; (4) Civil Penalties for Failure to Timely Pay Wages at Termination and Failure to Pay Continuing Wages Penalty; (5) Failure to Provide Accurate Itemized Wage Statements; (6) Civil Penalties for Failure to Pay Wages Timely During Employment; (7) Civil Penalties for Failure to Keep Complete and Accurate Records; (8) Civil Penalties for Failure to Reimburse Business Expenses; (9) Civil Penalties for Violation of IWC Wage Order 14., and; (10) any claims under the Private Attorney General Act of 2004.

6. MOTION FOR ORDER APPROVING SETTLEMENT.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement, including: (i) a draft of the notice, and memorandum in support, of the Motion for Approval of PAGA Settlement that includes a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Approval of PAGA Settlement; (iii) a draft proposed PAGA Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees; and the nature and extent of any financial relationship with Plaintiff, Plaintiff's Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees and the Administrator; (v) a signed declaration from each Plaintiff's Counsel firm

Plaintiff Initials: _____

Defendants Initials: _____

6.2 Responsibilities of Counsel. Plaintiff's Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Approval of PAGA Settlement no later than thirty (30) days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Approval; and for appearing in Court to advocate in favor of the Motion for Approval. Plaintiff's Counsel is responsible for delivering the Court's Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Approval and/or the supporting declarations and documents, Plaintiff's Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Approval or conditions Approval on any material change to this Agreement, Plaintiff's Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

7.4 Notice to Aggrieved Employees.

Plaintiff Initials: _____
 Defendants Initials: CV
CV
DV

- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the PAGA Data, the Administrator will send to all Aggrieved Employees identified in the Aggrieved Employee Data, via first-class United States Postal Service (“USPS”) mail, the PAGA Notice with Spanish translation substantially in the form attached to this Agreement as **Exhibit A**. Before mailing PAGA Notices, the Administrator shall update Aggrieved Employee addresses using the National Change of Address database.
- 7.4.3 Not later than three (3) business days after the Administrator’s receipt of any PAGA Notice returned by the USPS as undelivered, the Administrator shall re-mail the PAGA Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct an Aggrieved Employee Address Search, and re-mail the PAGA Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the PAGA Notice to Aggrieved Employees whose PAGA Notice is returned by the USPS a second time.
- 7.4.4 If the Administrator, Defendants or Plaintiff’s Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Aggrieved Employee Data and should have received PAGA Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Aggrieved Employees.
- 7.5 Requests for Exclusion (Opt-Outs). Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, all Aggrieved Employees are deemed to release the claims identified in Paragraph 5 of this Agreement and are eligible for an Individual PAGA Payment and cannot request exclusion from the Settlement.
- 7.6 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
- 7.6.1 Email Address and Toll-Free Number. The Administrator will establish and maintain and monitor an email address and a toll-free telephone number to receive Aggrieved Employee calls, and emails.
- 7.6.2 Final Compliance Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Plaintiff’s Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to Plaintiff’s Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all

Plaintiff Initials: _____
Defendants Initials: _____

payments required under this Agreement. Plaintiff's Counsel is responsible for filing the Administrator's declaration in Court.

8. MOTION FOR PAGA SETTLEMENT APPROVAL. Not later than sixteen (16) court days before the calendared PAGA Settlement Approval Hearing, Plaintiff will file in Court, a Motion for Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Settlement Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than five (5) business days prior to filing the Motion for Approval. Plaintiff's Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Approval.

- 8.1 Duty to Cooperate. If the Court does not grant Approval or conditions Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Approval. The Court's decision to award less than the amounts requested for the PAGA Representative Service Payment, Plaintiff's Counsel Fees Payment, Plaintiff's Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 8.2 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 8.3 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Plaintiff's Counsel Fees Payment and Plaintiff's Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Aggrieved Employees waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 8.4 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Settlement Approval and entry of Judgment. An appellate decision to vacate, reverse, or modify the

Plaintiff Initials: _____

Defendants Initials: _____

Court's award of the PAGA Representative Service Payment or any payments to Plaintiff's Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

9. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability, Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted, nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If for any reason the Court does grant Approval or enter Judgment, Defendants reserve all available defenses to the claims in the Action. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 Confidentiality Prior to Approval. Prior to Court approval of the Settlement, Plaintiff, Plaintiff's Counsel, Defendants and Defense Counsel separately agree that each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; (5) in response to an inquiry or subpoena issued by a state or federal government agency, (6) Court filings necessary to effectuate the Settlement, or (7) required submissions to the LWDA. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Plaintiff's Counsel, Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Plaintiff's Counsel's communications with Aggrieved Employees in accordance with Plaintiff's Counsel's ethical obligations owed to Aggrieved Employees.

10.3 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement

Plaintiff Initials: _____
Defendants Initials: _____
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DV
DV

between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

- 10.4 Attorney Authorization. Plaintiff's Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.5 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.7 No Tax Advice. Neither Plaintiff, Plaintiff's Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their Representative, and approved by the Court.
- 10.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.10 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 10.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.12 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

Plaintiff Initials: _____
Defendants Initials: CV
 CV
 DV
 DV

- 10.13 Use and Return of PAGA Data. Information provided to Plaintiff's Counsel pursuant to Cal. Evid. Code § 1152, and all copies and summaries of the PAGA Data provided to Plaintiff's Counsel by Defendants, including PAGA Data provided through the Administrator, in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff and Plaintiff's Counsel shall destroy, all paper and electronic versions of PAGA Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Plaintiff's Counsel for the return, rather than the destructions, of PAGA Data.
- 10.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.15 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.16 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

John A. Van Hook (SBN 205067)
Van Hook Law Firm
14156 Magnolia Blvd, Suite 200
Sherman Oaks, California 91423
Telephone: (310) 592-5884
Email: john@vanhooklawfirm.com

Adrian Byrne (SBN 304020)
The Byrne Law Group
8605 Santa Monica Blvd. Suite 48497
West Hollywood, California 90069
Telephone: (800) 805-4002
Email: adrian@thebyrnelawgroup.com

To Defendants:

Alden J. Parker (SBN 196808)
Christina M. Anton (SBN 340329)
FISHER & PHILLIPS LLP

Plaintiff Initials: _____
Defendants Initials: _____
CV
CV
DV
DV

621 Capitol Mall, Suite 2400
Sacramento, California 95814
Telephone: (916) 210-0400
Facsimile: (916) 210-0401
Email: aparker@fisherphillips.com
Email: canton@fisherphillips.com

10.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign or Adobe Sign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: _____

Plaintiff Enrique Barajas

Dated: Mar 20, 2025

Case Vlot
Case Vlot (Mar 20, 2025 11:15 PDT)

Case Vlot, President
Defendant Vlot Calf Ranch, Inc.

Dated: Mar 20, 2025

Case Vlot
Case Vlot (Mar 20, 2025 11:11 PDT)

Defendant Case Vlot

Dated: Mar 20, 2025

Darcy Vlot
Darcy Vlot (Mar 20, 2025 11:09 PDT)

Defendant Darcy Vlot

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Plaintiff Initials: _____
Defendants Initials: CV

621 Capitol Mall, Suite 2400
Sacramento, California 95814
Telephone: (916) 210-0400
Facsimile: (916) 210-0401
Email: aparker@fisherphillips.com
Email: canton@fisherphillips.com

10.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign or Adobe Sign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: mar 19, 2025 _____

E. Barajas
Enrique Barajas (Mar 19, 2025 18:52 PDT)
Plaintiff Enrique Barajas

Dated: _____

Case Vlot, President
Defendant Vlot Calf Ranch, Inc.

Dated: _____

Defendant Case Vlot

Dated: _____

Defendant Darcy Vlot

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Plaintiff Initials: E.B.
Defendants Initials: _____

APPROVED AS TO FORM:
GROUP

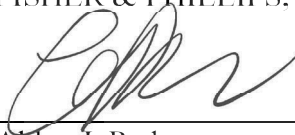
VAN HOOK LAW FIRM/ THE BYRNE LAW

Dated: _____

John Van Hook
Adrian Byrne
Attorneys for Plaintiff

FISHER & PHILLIPS, LLP

Dated: March 20, 2025 _____



Aiden J. Parker
Christina M. Anton
Attorneys for Defendants

APPROVED AS TO FORM:
GROUP

VAN HOOK LAW FIRM/ THE BYRNE LAW

Dated: March 20, 2025



John Van Hook
Adrian Byrne
Attorneys for Plaintiff

FISHER & PHILLIPS, LLP

Dated: _____

Alden J. Parker
Christina M. Anton
Attorneys for Defendants

Plaintiff Initials: JS
Defendants Initials: _____

EXHIBIT A

**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF LOS MADERA**

ENRIQUE BARAJAS, on behalf of himself and all
other aggrieved employees,

Plaintiff,

vs.

VLOT CALF RANCH, INC., a California corporation;
CASE VLOT, an individual; AND DARCY VLOT, an
individual; and DOES 1 through 100, inclusive,

Defendants.

CASE NO. MCV087569

**NOTICE OF PAGA
REPRESENTATIVE ACTION
SETTLEMENT**

TO: All current and former hourly-paid or non-exempt individuals employed by Vlot Calf Ranch, Inc. within the State of California at any time between November 30, 2020 through January 23, 2025 (the “Aggrieved Employees”).

**YOU ARE PROVIDED THIS NOTICE IN CONNECTION WITH A PRIVATE ATTORNEYS
GENERAL ACT SETTLEMENT**

A settlement (“Settlement”) has been reached in the lawsuit referenced above, pending in the Superior Court of California, County of Madera (“Court”) titled *Enrique Barajas v. Vlot Calf Ranch, Inc. et al.*, Case No. MCV087569 (the “Case”). The Court has approved the Settlement, which will provide each Aggrieved Employee a payment calculated, in part, based on the number of weeks worked by each Aggrieved Employee as set forth in this notice.

Here is a summary of the Settlement and the basis for your payment. If you have any questions, please contact the Settlement Administrator, _____.

1. GENERAL INFORMATION

The Court approved a settlement of the representative action claims asserted by Plaintiff Enrique Barajas (“Plaintiff”) in the Case pursuant to the California Labor Code Private Attorneys General Act (“PAGA”). Defendants, Vlot Calf Ranch, Inc., Case Vlot, and Darcy Vlot (collectively, “Defendants”), deny all of Plaintiff’s allegations and claims in this action. By approving this Settlement, the court has not ruled on the merit of any of Plaintiff’s allegations or claims, or Defendants’ defenses.

You are receiving the enclosed payment because Defendants’ records reflect that you were employed by Defendants within the State of California and were hourly-paid or classified as non-exempt between November 30, 2020 through January 23, 2025 (the “PAGA Period”).

2. YOUR PAYMENT INFORMATION

According to Defendants' payroll records, you are an Aggrieved Employee who worked for Defendants for approximately _____ pay periods during the PAGA Period. Only pay periods worked by you during the PAGA Period as an employee of Defendants may be considered compensable under the Settlement. Based on this information, your share of the Settlement is \$ _____. This check will remain valid for 180 days after issuance.

Defendants respect your right to participate in this Settlement and will take no adverse action against you should you cash your check received through the Settlement

WHAT THIS NOTICE CONTAINS

BACKGROUND

INFORMATION.....X

1. Why did I get this notice?
2. What is this lawsuit about?
3. Why is this a representative action?
4. Why is there a settlement?
5. How do I know if I am part of the Settlement?
6. I'm still not sure if I am included.

THE SETTLEMENT.....X

7. What relief does the Settlement provide to the Aggrieved Employees?

PAYMENT TO THE AGGREIVED

EMPLOYEES.....X

8. How can I get a payment?
9. If I receive a settlement payment will I have to pay taxes on it?
10. No retaliation or discrimination

THE LAWYERS IN THIS CASE AND THE REPRESENTATIVE PLAINTIFF.....X

11. Do I have a lawyer in this case?
12. How will the lawyers be paid?
13. Will the Representative Plaintiff receive any compensation for his efforts in bringing and maintaining this Case?

RELEASE OF ALL CLAIMS.....X

14. What am I giving up obtaining relief under the Settlement?

ADDITIONAL INFORMATION.....X

15. How do I get more information?
16. What if my address or other information has changed?

BACKGROUND INFORMATION

1. Why did I receive this notice?

You received this Notice because a Settlement has been reached in this Case. According to Defendants' available records you are an Aggrieved Employee are eligible for the relief detailed below.

This Notice explains the nature of the Case, the general terms of the proposed Settlement, and your legal rights and obligations. To obtain more information about the Settlement, including information about how you can see a copy of the Settlement Agreement, see Section 15 below.

2. What is this lawsuit about?

The Case alleges that Defendants failed to pay overtime wages to irrigators, failed to provide meal periods, failed to authorize and permit rest periods, failed to timely pay wages at termination and failed to pay continuing wages penalty, failed to provide accurate itemized wage statements, failed to pay wages timely during employment, failed to keep complete and accurate records, failed to reimburse business expenses, and violated the IWC Wage Order 14.

Defendants deny Plaintiff's allegations in their entirety. Defendants contend that they complied with California law, including paying all wages, providing all meal periods, providing all rest and recovery

periods, providing accurate wage statements, paying all wages due at termination or resignation, kept complete and accurate records, provided all necessary business expenses, and complied with IWC Wage Order 14. Defendants contend that their affirmative defenses to this action may otherwise prevent or limit Plaintiff's claims.

The issuance of this Notice is not an expression of the Court's opinion on the merits or the lack of merits of the Representative Plaintiff's claims in the Case.

For information about how to learn about what has happened in this Case to date, please see Section 23 below.

3. Why is this a representative action?

In a representative action lawsuit, a "Representative Plaintiff" sued on behalf of other people who allegedly have similar claims. For purposes of this proposed Settlement, one court will resolve the issues for all Aggrieved Employees. The parties sued in this case, Vlot Calf Ranch, Inc., Case Vlot, and Darcy Vlot are called the Defendants.

4. Why is there a settlement?

The Representative Plaintiff made claims against Defendants. Defendants deny that they have done anything wrong or illegal and admits no liability. **The Court has not decided whether the Representative Plaintiff or the Defendants should win in this Case. Instead, both sides agreed to a Settlement.** That way, both sides avoid the cost of a trial, and the Aggrieved Employees will receive payment now rather than years from now, if at all.

5. How do I know if I am part of the Settlement?

The Court has decided that everyone who fits the following description is a Aggrieved Employees for purposes of the proposed Settlement: All current and former individuals employed by Defendants within the State of California and paid hourly at any time during the period between November 30, 2020 through January 23, 2025.

6. I'm still not sure if I am included.

If you are still not sure whether you are included, you can write to the Settlement Administrator for help. The address for the Settlement Administrator is [TPA ADDRESS]

THE SETTLEMENT

7. What relief does the Settlement provide to the Aggrieved Employees?

Defendants have agreed to fund a settlement with a maximum value of \$275,000. This settlement amount will be used to pay the claims of the Aggrieved Employees, and the following amounts requested by Plaintiff and subject to Court approval: the cost of providing notice to the Aggrieved Employees and administering the Settlement (up to \$_____); to pay any awards by the Court for attorneys' fees (up to \$_____), and costs (up to \$_____) to Representative Plaintiff's counsel; and any services award the Court awards to the Representative Plaintiff (up to \$_____). The estimated Net Settlement Amount to be used to pay the claims of Aggrieved Employees is approximately \$_____.

Your estimated Settlement Payment is stated on the Pay Period Dispute Form included with this Notice. Your estimated payment was calculated using Defendant's payroll and employee records. Individual Settlement Payments will be calculated and apportioned as follows:

- (a) The “Net Settlement Amount” shall be calculated by subtracting the payments to Plaintiff’s Counsel, the Representative Plaintiff, and the Settlement Administrator, from the Maximum Settlement Amount.
- (b) The Net Settlement Amount will be divided up and paid to Participating Aggrieved Employees on a pro-rata basis based on each Participating Aggrieved Employee’s total number of “Individual Pay Periods” divided by the aggregate Individual Pay Periods of all Participating Aggrieved Employees according to the following formula:
1. For each Participating Aggrieved Employee, Defendants will calculate the total number of pay periods that the individual worked for Defendants during the PAGA Period.
 2. The “Individual Settlement Payment” for each Participating Aggrieved Employee will equal the individual’s Individual Pay Periods divided by the aggregate Individual Pay Periods for all Participating Aggrieved Employees multiplied by the Net Settlement Amount.

PAYMENT TO THE AGGRIEVED EMPLOYEES

8. How can I get a payment?

The enclosed check is your share of the settlement. Because this calculation was approved by the Court, the amount of your payment is final and cannot change.

9. If I receive a settlement payment will I have to pay taxes on it?

Please note that no taxes were withheld from your payment, so it will be your responsibility to pay any taxes that may be due. You should consult with your own tax accountant with regard to any questions that you may have concerning any taxes that may be due.

10. No retaliation or discrimination.

Defendants respect your right to participate in this lawsuit and will take no adverse action against you should you accept payment under the Settlement.

THE REPRESENTATIVE PLAINTIFF

11. How will the lawyers be paid?

Defendants have agreed to pay Plaintiff’s Counsel’s attorney’s fees up to \$_____ and costs of up to \$_____ for their services in litigating the Case. You will not be required to pay any attorneys’ fees or costs.

12. Will the Representative Plaintiff receive any compensation for his efforts in bringing and maintaining this Case?

The Representative Plaintiff will request a service award of up to \$_____ for his services as the representative and his efforts in bringing and maintaining this action. The Court will make the final decision as to the amount to be paid to the Representative Plaintiff.

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RELEASE OF ALL CLAIMS

13. What am I giving up obtaining relief under the Settlement?

Per the Court's final judgment in this case, all people covered by the settlement have released any and all claims for civil penalties under PAGA arising from Defendants' alleged failure to pay overtime wages to irrigators, failure to provide meal periods, failure to authorize and permit rest periods, failure to timely pay wages at termination and failure to pay continuing wages penalty, failure to provide accurate itemized wage statements, failure to pay wages timely during employment, failure to keep complete and accurate records, failure to reimburse business expenses, and violation of the IWC Wage Order 14, between November 30, 2020 through January 23, 2025. This means that you are not able to pursue a PAGA lawsuit against Defendants based on such claims. This is not a settlement of your individual right to bring claims outside of PAGA, unless you have already signed a release with Defendants regarding the issues outlined above.

The Released Parties include Defendants and each of their subsidiaries, parents, managing agents, employees, former employees, servants, consultants, agents, directors, officers, independent contractors, representatives, insurance carriers, reinsurers, and attorneys (and their servants, agents, employees, former employees, directors, officers, independent contractors, representatives, consultants, insurance carriers and attorneys of any such subsidiaries, or parents), and all persons acting by, through, under or in concert with any of them, and each of their respective heirs, successors, and assigns.

ADDITIONAL INFORMATION

14. How do I get more information?

To see a copy of the Settlement Agreement, the Court's Approval Order, and/or the Complaints filed in the Case, please visit the Superior Court of California, County of Madera's Office during regular business hours at 200 S G St., Madera, California 93637.

You can also telephone or send an email to the Administrator using the contact information listed below:

[INSERT TPA INFORMATION HERE]

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE.

Exhibit 2



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CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Aggrieved Members	225
Opt Out Rate	N/A
Opt Outs Received	
Total Aggrieved Claimants	225
Subtotal Admin Only	\$4,250.00

Not-to-Exceed Total \$4,250.00

For 225 Aggrieved Members

Pricing Good for Scope of Estimate Only

February 24, 2025

Case: Barajas v. Vlot Calf Ranch, Inc., PAGA Administration

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Adrian Byrne

Firm: Byrne Law Group

Contact Number: 800.805.4002

Email: adrian@thebyrnelawgroup.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on **225** Aggrieved Members. Class data **Must** be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item	Estimate
Programming Manager	\$125.00	2		\$250.00
Programming Database & Setup	\$125.00	2		\$250.00
Toll Free Setup*	\$53.84	1		\$53.84
Call Center & Long Distance	\$2.00	13		\$26.00
NCOA (USPS)	\$100.00	1		\$100.00
			Total	\$679.84

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Check & Postage

Project Action	Rate	Hours/Units	Line Item	Estimate
Notice Packet Formatting	\$125.00	1		\$125.00
Data Merge & Duplication Scrub	\$0.50	225		\$112.50
Notice and Check Packet	\$2.00	225		\$450.00
Estimated Postage (up to 1 oz.)*	\$0.69	225		\$155.25
			Total	\$842.75

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



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CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	2	\$100.00
Skip Tracing Undeliverables	\$2.00	34	\$67.50
Remail Notice Packets	\$2.00	34	\$67.50
Estimated Postage	\$0.69	34	\$23.29
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$358.29

Database Programming

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	1	\$125.00
Case Manager	\$95.00	1	\$95.00
Total			\$220.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	2	\$250.00
Disbursement Review	\$125.00	2	\$250.00
Programming Manager	\$95.00	1	\$95.00
QSF Bank Account & EIN	\$50.00	1	\$50.00
Check Run Setup & Printing	\$125.00	2	\$250.00
Total			\$895.00

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



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CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations				
Project Action:	Rate	Hours/Units	Line Item Estimate	
Case Supervisor	\$125.00	2	\$250.00	
Remail Undeliverable Checks (Postage Included)	\$1.50	43	\$64.13	
Case Associate	\$55.00	2	\$110.00	
Reconcile Uncashed Checks	\$65.00	2	\$130.00	
Conclusion Reports	\$100.00	1	\$100.00	
Case Manager Conclusion	\$75.00	1	\$75.00	
Final Reporting & Declarations	\$100.00	1	\$100.00	
QSF Annual Tax Reporting * (State Tax Reporting Included)	\$425.00	1	\$425.00	
Total			\$1,254.13	

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$4,250.00



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CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.