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individually and on behalf of similarly situated employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF TULARE

ARMANDO CERVANTES MARTINEZ, individually and on behalf of similarly situated employees,

Plaintiff,

v.

PORTERVILLE CITRUS, INC., a California Corporation; and DOES 1-50, Inclusive,

Defendants.

CASE NO.: PCU318066

CLASS ACTION

[Assigned for all purposes to Hon. Russel Burke, Dept. 19]

DECLARATION OF DANNY YADIDSION IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Date: February 13, 2025
Dept: 19

Judge: Hon. Russel Burke

DECLARATION OF DANNY YADIDSION

I, DANNY YADIDSION, declare as follows:

1. I am an attorney at law, duly licensed and admitted to practice before all courts of the State of California. I am a shareholder of the law firm Labor Law PC and counsel of record for Plaintiff Armando Cervantes Martinez ("Plaintiff" or "Class Representative"), individually and on behalf of similarly situated employees of Defendants Porterville Citrus, Inc. and related entities ("Defendants"). I and my firm are referred to herein as Class Counsel. I have personal knowledge of the facts stated herein, and if called as a witness, I could and would competently testify.

2. All of the matters set forth herein are within my personal knowledge, except those matters that are stated upon information and belief. As to such matters, I believe them to be true. I have represented Plaintiff and the putative Class since the inception of this matter. I submit this declaration in support of the Motion for Preliminary Approval, filed by Plaintiff, on behalf of themselves and other similarly situated employees of Defendant, and without opposition from Defendant. The Parties seek preliminary approval of the Class Action and PAGA Settlement Agreement (the "Settlement Agreement"), a true and correct copy of which is attached hereto as Exhibit 1.

QUALIFICATIONS AND ADEQUACY OF CLASS COUNSEL

3. My firm, Labor Law PC is well qualified to represent the Class. We are experienced employment lawyers and have prosecuted numerous wage-and-hour class actions in California, including claims involving unpaid wages, missed meal and rest periods, wage statement violations, and PAGA penalties. I exclusively practice employment law and am actively litigating several class actions at Labor Law PC. I have litigated numerous wage and hour class actions involving claims such as unpaid wages, failure to provide accurate wage statements, misclassification, waiting time penalties, and unfair competition. In all matters, the cases were handled as effectively as possible and novel issues constantly arose. In a case involving novel wage and hour issues, Judge R. Gary Klausner, US District Judge for the Central District of California, granted class certification of a nationwide class of over 1,000 employees and approved my request to be appointed as class counsel. (*Keith Ernst, et al. v. ZogSports Holdings LLC*, et al., Case No. 2:18-cv-09043-RGK-MRW (C.D. Cal. February 21, 2019). Judge Klausner subsequently granted preliminary and final approval of the

Parties' settlement. In a separate action, on July 14, 2020, the Court granted class certification and approved my request to represent a class of exempt employees whom Plaintiff alleges were misclassified. (*Archer v. Jack Nadel Inc.*, Los Angeles County Superior Court, Case No. 18STCV07761). In addition, I have been appointed as class counsel for purposes of settlement in other class actions including *Troy Richard Whitmark, et al. v. Altman Specialty Plants, Inc.* (San Diego County Superior Court, Case No. 37-2018-00055889-CU-OE-NC), *Antonio Llamas v. Mapfre Insurance & Subsidiaries, et al.* (Alameda County Superior Court, Case No. RG 18931346), *Joyce Patton, et al. v. All-City Management Services, Inc.* (Los Angeles County Superior Court, Case No. BC723958), *Rafael Becerra, Jr. v. Superior Home Design, Inc.* (Los Angeles County Superior Court, Case No. 19STCV17368), *Marie Barraza, et al. v. MOGA Transport, Inc.* (Kern County Superior Court, Case No. BCV-20-103017), *Walter Jimenez v. Bay Cities Partners, Inc.* (Los Angeles County Superior Court, Case No. 20STCV40788), *Carrie Baldwin v. Patagonia, Inc.* (Los Angeles County Superior Court, Case No. 20STCV40245), *Wess Neatherlin, et al. v. Zogsports Holding LLC* (Los Angeles County Superior Court, Case No. 20STCV21901), and *Alex Furtado v. Bamia 2, LLC (*Los Angeles County Superior Court, Case No. 21STCV37585).

4. Throughout my legal career, I have exclusively practiced employment law with a specific focus on litigating wage and hour class actions. Prior to becoming a partner of Labor Law PC, I exclusively practiced employment law for over nine years at defense firms. From approximately December 2011 to September 2018, I exclusively practiced employment law and defended numerous class actions at Jackson Lewis PC in Los Angeles. From June 2009 to December 2011, I exclusively practiced employment law and defended numerous class actions at Lewis Brisbois Bisgaard & Smith LLP in Los Angeles. I graduated from UCLA School of Law in May 2008. During law school, I also learned about litigating wage and hour class actions while I worked at an employment litigation boutique firm (Gleason & Favarote LLP). I have been responsible for numerous wage and hour class actions throughout the State of California, in both state and federal courts. Throughout my legal career, I have been responsible for all facets of class actions from the initial investigation of the allegations through successful resolution. By way of example, shortly prior to leaving Jackson Lewis PC, I successfully prevailed on a motion for class certification on behalf of my clients in a case heavily litigated for over 7.5 years and successfully moved to dismiss a complaint in federal court based on

the federal enclave doctrine. (See *Compton v. American Management Services*, Los Angeles County Superior Court, Case No. BC 448343; *Issac Tafoya v. AECOM, Inc. et al.*, Case No. 2:18-cv-04113-GW-PLA (C.D. Cal. June 15, 2018.)

5. My extensive experience in litigating employment wage and hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses of a case, and generally negotiating fair and reasonable class action settlements. Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the constantly evolving substantive law (at the state and federal level), as well as the procedural law of class action litigation. In this action, I am fully equipped to use the skills and knowledge I have developed through prosecuting and defending wage and hour class actions to fairly and adequately represent the interests of the Class. Therefore, on the account of my resources, experience, and knowledge, I am well qualified to act as class counsel and represent the Plaintiff and the putative class members in this action.

6. For purposes of this motion, the proposed Class consists of: All current and former non-exempt hourly employees who worked for Defendants in the State of California at any time from February 13, 2021 through Preliminary Approval of settlement (the 'Class Period')," as defined in the Parties' Class Action and PAGA Settlement Agreement.

7. I do not believe that I have any conflicts of interest with the Class or the Class Representative. I am not related to the Class Representative. Other than the Class Representative, I am unaware of any other member of the class, and I do not believe I have any conflict with any class members. I have not previously represented Defendants in any matter. I am also not aware of any potential conflict between me, Defendants, Defendants' counsel, or anyone else. I attest that the Parties reached a settlement after extensive, arm's length settlement negotiations.

8. I attest that I have the requisite adequacy to act as Class Counsel and have an absence of conflict. I respectfully submit that I and Labor Law PC are well suited to act as Class Counsel in this action, and we have and will continue to vigorously represent the interests of the Class.

PROCEDURAL HISTORY

9. On February 13, 2025, Plaintiff filed a Class Action Complaint in the Superior Court of California, County of Tulare, Case No. PCU318066, asserting causes of action under the California Labor Code and Business & Professions Code for various wage and hour violations on behalf of

themselves and similarly situated non-exempt employees.

10. On April 23, 2025, Plaintiff filed a First Amended Complaint adding a cause of action under the PAGA, seeking civil penalties for essentially the same underlying California wage and hour claims.

11. On October 24, 2025, the Parties participated in a full-day mediation before experienced wage and hour mediator Honorable David R. Lampe (Ret.). The mediation resulted in a settlement in principle of the class and PAGA claims, which all Parties accepted.

12. On July 7, 2026, the Parties executed the Class Action and PAGA Settlement Agreement.

INVESTIGATION AND DISCOVERY

13. Prior to filing this action, my office conducted an extensive investigation into Plaintiff's claims and Defendant's wage-and-hour policies and practices. This investigation included reviewing Plaintiff's employment history and job duties, and conducting a detailed interview with Plaintiff concerning the nature of the violations and Defendant's policies and procedures.

14. On or about February 12, 2025, Plaintiff submitted a detailed notice to the California Labor and Workforce Development Agency (LWDA) pursuant to Labor Code section 2699.3, outlining the alleged wage-and-hour violations on behalf of themselves and aggrieved employees, including failure to pay all wages owed, failure to provide compliant meal and rest periods, failure to reimburse necessary business expenses, and derivative violations related to inaccurate wage statements and waiting time penalties.

15. During the settlement process, and as part of informal discovery, Defendant provided Plaintiff with putative class data including time and payroll records and other relevant employment information for class members. This allowed Class Counsel to analyze exposure across the class period, evaluate the claims asserted, and calculate potential damages.

16. The discovery and investigation performed enabled Class Counsel to adequately assess the strengths and weaknesses of Plaintiff's claims, evaluate the class-wide impact, and negotiate a settlement that is fair, adequate, and reasonable in light of the risks of continued litigation. Based on our evaluation, the Settlement represents a good recovery for Class Members, especially considering the risks, uncertainties, and delay associated with continued litigation.

SUMMARY OF SETTLEMENT

17. The Parties have entered into a Class Action and PAGA Settlement Agreement incorporated herein as Exhibit 1. Defendant has agreed to pay a non-reversionary Gross Settlement Amount of $320,000.00. The Settlement resolves all claims asserted in the operative complaints on behalf of the settlement class.

18. Settlement Class, defined as all current and former hourly-paid, non-exempt employees who worked for Defendant Porterville Citrus, Inc. in California at any time from February 13, 2021 through preliminary approval of the Settlement. (the "Class Period").

19. Defendant shall provide the Gross Settlement Amount to the Settlement Administrator to fund the Settlement to be paid after the Court grants final approval of the Class Action. The Settlement Administrator shall complete the distribution of the Gross Settlement Amount to the Settlement Class Members, the Named Plaintiff, Class Counsel, and the Settlement Administrator.

20. The amount remaining in the Gross Settlement Amount after the following deduction have been made (called the "Net Settlement Amount") shall be available for distribution to Class Members who do not opt out on a pro rata basis, based on the number of Compensable Workweeks they worked during the Class Period.

21. The $320,000.00 Gross Settlement Amount is inclusive of:

- Individual Settlement Payments to Participating Class Members,
- A PAGA Payment of $50,000.00 (of which $32,500.00 will be paid to the California Labor and Workforce Development Agency and $17,500.00 allocated to PAGA-eligible employees),
- A proposed Class Representative Service Award of up to $10,000.00 to Plaintiff,
- Class Counsel's attorneys' fees in an amount not to exceed $112,000.00 (35% of the Gross Settlement),
- Litigation costs not to exceed $22,000.00, and
- Settlement Administration Costs estimated not to exceed $15,000.00.

22. Settlement payments to Participating Class Members will be distributed pro rata based on the number of Compensable Workweeks worked during the Class Period. No portion of the settlement will revert to Defendant.

23. The Settlement is non-reversionary and provides substantial monetary relief to Class Members while eliminating the risks, burdens, and expense of further litigation. Based on a thorough review of the claims, potential damages, and defenses, and after arm's-length negotiations facilitated by an experienced neutral mediator, Class Counsel believes the Settlement is fair, reasonable, and in the best interests of the Class.

24. The Parties agree that the Settlement Payments will be allocated as follows: ten percent (10%) to wages, for which an IRS Form W-2s shall be issued, ninety percent (90%) shall be allocated to alleged interest and civil penalties, for which IRS Forms 1099-MISC will be issued. The PAGA Payments to PAGA Members will be designated entirely as payments for alleged civil penalties and other non-wage amounts. The portions of the payments allocated to interest and penalties will be paid without tax withholdings and reported accordingly on IRS Form 1099-MISC. The portion allocated to wages will be subject to applicable payroll tax withholdings. The PAGA Payments to PAGA-Eligible Employees will be entirely allocated as civil penalties, paid without tax withholdings, and reported on IRS Forms 1099-MISC as well. Each Participating Class Member and PAGA Member is solely responsible for any taxes owed on their respective settlement payments and is encouraged to consult with a tax advisor regarding the tax consequences of any amount received.

25. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to Participating Class Members' last known mailing addresses no later than fourteen (14) calendar days after Defendant funds the Settlement, which shall occur within thirty (30) calendar days after the Effective Date.

26. Any checks issued to Participating Class Members shall remain valid and negotiable for one hundred eighty (180) days from the date of mailing and shall state so on the face of the check. If a check remains uncashed after 180 days, it will be void, and a stop-payment will be issued. The Settlement Administrator shall then pay the remaining funds to Tulare County Foundation for Ag Education and Youth, the cy pres recipient approved in the Settlement Agreement, unless the Court orders otherwise.

27. The Parties have agreed to a Class Representative Service Payment to Plaintiff of up to Ten Thousand Dollars ($10,000.00). This payment is in addition to Plaintiff's Individual Settlement Payment. If the Court reduces or denies the Service Payment, Plaintiff shall not have the right to

revoke the Settlement, which will remain binding.

28. The Settlement Agreement provides that Class Counsel may seek reimbursement of litigation costs up to $22,000.00, subject to Court approval. The actual costs incurred to date relate to filing fees, mediation expenses, and expert consultation. The total amount of costs incurred, and supporting documentation, will be submitted with Class Counsel's motion for approval of attorneys' fees and costs.

29. Plaintiff and Defendant have agreed that the Settlement Administrator shall be APEX Class Action Administrators, a third-party administrator appointed to handle all aspects of class notice, exclusion and objection tracking, and distribution of settlement payments.

30. The settlement amount was a compromise figure, factoring in the inherent risks related to certification, liability, and damages. Accordingly, considering all of the circumstances of the action and the defenses raised by Defendant against liability and damages, Class Counsel believes that the settlement is fair and reasonable.

31. Within thirty (30) days after filing of the Preliminary Approval Order, or within the time ordered by the court, Defendants shall provide to the SA a list of Class Members and PAGA Members that identifies for each Class Member/PAGA Member, his/her Social Security number, last-known address, and the workweek numbers and other Class Member data confirm qualifying Workweeks Worked and PAGA Workweeks Worked or will forward the start and end date(s) of employment for the SA to calculate the Workweeks Worked and PAGA Workweeks Worked. Defendants agree to consult with the SA as required to provide the list in a format reasonably acceptable for the duties of the SA. The SA will keep the list confidential, use it only for the purposes described herein, take adequate safeguards to protect confidential or private information and return or certify the destruction of the information or continued safeguarding of the information upon completion of the Settlement Administration process. The Class Notice will include information on how Class Members may opt-out of or object to the Settlement and a procedure by which a Class Member may challenge the number of Workweeks Worked identified on his/her Class Notice. The Named Plaintiff will seek approval of language in the Class Notice in the motion for preliminary approval and will seek permission for the Parties in conjunction with the SA to be able to correct immaterial errors on these forms or other mailed materials without approval from the Court, provided

the changes do not alter the preliminary approval by the Court. Once the Court approves the Class Notice, the SA will send it to each Class Member and PAGA Members by First-Class U.S. Mail.

THE STRENGTH OF PLAINTIFF'S CASE IN LIGHT OF THE SETTLEMENT AMOUNT

32. Because the class consists of numerous employees, it was unlikely that the potential monetary claims of individual Class Members would have proved viable without the class-action mechanism. The Settlement Agreement should, thus, be approved in light of two California appellate decisions: *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116.

33. Plaintiff alleges that Defendant underpaid their employees, failed to provide required rest periods, failed to reimburse for work-related expenses, failed to maintain required records, and failed to furnish accurate, itemized wage statements, all in violation of California law. Additionally, Plaintiff alleges that, as a consequence of those violations, Defendant also failed to pay overtime wages and minimum wages, failed to timely pay wages, and failed to pay all wages due to discharged and quitting employees. Plaintiff alleges related violations of California's Business and Professions Code and PAGA Representative Action or Labor Code §§ 2698-2699.5. The merits of Plaintiff's claims is addressed below.

Claim Alleging a Failure to Provide Required Meal Periods

34. Plaintiff alleges that Defendant failed to provide Plaintiff and class members with meal periods, as required under Cal. Lab. Code §§ 226.7, 512, and IWC Wage Orders. Pursuant to California law, "No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes." Cal. Lab. Code §512(a); IWC Wage Orders. Furthermore, for the 30-minute meal period, the employee must be free of all duties. *Id*. If the employee is not relieved of all duty during the meal period, then the meal period shall be considered an "on-duty" meal period and counted as time worked. *Id*. Additionally, "[i]f an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided." IWC Wage Orders.

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35. After evaluating the information provided to Class Counsel by Defendant, including reviewing and analyzing time records provided for the putative Class Members, the information provided by Defendant disclosed numerous potential violations.

36. Defendant denies Plaintiff's allegations and contends that it complied with all meal period laws. If Defendant's contentions are proven true and prevail in trial, the likely outcome of this claim would be no recovery for class members.

37. Class Counsel calculated that Defendant's total exposure on the failure to provide required meal periods claim was approximately $267,306.00. Berger's analysis found a 29.3% potential unique meal break violation rate for shifts over five hours, yielding total meal period premiums, with interest, of $1,336,532. Because litigation risk warranted valuing the claim conservatively rather than at its full theoretical exposure, Class Counsel valued this claim at 20% of Berger's calculated exposure, yielding an adjusted exposure of $267,306.00. In assessing damages, Class Counsel considered litigation risks and applied appropriate discounts. Defendant denied Plaintiff's allegations and calculations.

Claim Alleging a Failure to Provide Required Rest Periods

38. Plaintiff alleged that Defendant failed to provide employees with legally required rest periods in violation of California Labor Code §§ 226.7 and 512, and IWC Wage Orders. California law requires employers to provide employees with a ten-minute paid rest period for every four hours worked or major fraction thereof. If an employer fails to provide a required rest period, the employee is entitled to one additional hour of compensation at the regular rate of pay for each workday the rest period was not provided.

39. Plaintiff alleges that Defendant did not provide Class Members with all legally required rest periods. Defendant's alleged violation of the rest period law would trigger consequent liability under Cal. Lab. Code Section 226.7 because Defendant failed to pay Plaintiff and Class Members who were not provided with a statutorily required rest period one additional hour of compensation at each employee's regular rate of pay for each workday that a rest period was not provided.

40. Defendant denied Plaintiff's allegations. Defendant's position is that it complied with rest period law and its policies include provisions in compliance with California law. If Defendant's

contentions are proven true and prevail in trial, the likely outcome of this claim would be no recovery for class members.

41. Class Counsel calculated that Defendant's total exposure on the failure to provide required rest periods claim was approximately $838,644.00. Berger's analysis assumed an 81.4% violation rate for each and every shift worked by Class Members during the Class Period, yielding total rest period premiums of $4,193,220.00. Because litigation risk warranted valuing the claim conservatively rather than at its full theoretical exposure, Class Counsel valued this claim at 20% of Berger's calculated exposure, yielding an adjusted exposure of $838,644.00. In assessing damages, Class Counsel applied appropriate discounts based on the risks of prevailing on the merits. Defendant denied Plaintiff's allegations and disputed the damages calculations.

Claims Alleging Failure to Pay Overtime and Minimum Wages

42. Plaintiff alleged that Defendant failed to pay Plaintiff and other class members' minimum wages and overtime premium wages for all hours worked as a result of a variety of Defendant's company policies and practices, including its policy and practice of rounding hours worked and its policy and practice of auto-deducting "meal period" time from Plaintiff and other class members' daily hours worked regardless of whether a legally compliant meal period was provided. Accordingly, due to Defendant's policies and practices, Plaintiff and other class members were underpaid for some hours, not paid any wages whatsoever for other hours, and not paid minimum wages for all hours worked or overtime wages premium wages for all overtime hours worked.

43. Defendant denies Plaintiff's allegations and contends that it complied with all applicable minimum wage laws and regulations and all applicable overtime laws. If Defendant's contentions are proven true and prevail in trial, the likely outcome of this claim would be no recovery for the class members.

44. Class Counsel retained a damages expert to look through the documentation that was available to Class Counsel from the formal and informal discovery that occurred in this case. Based on an analysis of the documents that were provided, Class Counsel estimated Defendant's maximum total exposure for failure to pay overtime premium wages at approximately $48,967.00.

45. Based on an analysis of the documents that were provided, Class Counsel estimated Defendant's maximum total exposure for failure to pay minimum wages at approximately

$1,249,304.00. As such, Plaintiff estimated Defendant's total exposure for unpaid minimum wages and unpaid overtime at approximately $1,298,271.00.

46. In light of the foregoing analysis, however, Class Counsel took into consideration, when assessing damages under these causes of action, the chances of prevailing on the merits and applied appropriate discounts. Defendant denied Plaintiff's allegations and calculations.

Claim Alleging Failure to Pay All Wages Due to Discharged and Quitting Employees

47. Labor Code Section 203 provides that if an employer willfully fails to pay an employee all wages due at termination or within 72 hours of resignation, then that employee's wages shall continue as a penalty until paid for a period of up to thirty (30) days from the date they were due. Because class members stopped working for Defendant but again were not paid their full compensation for the reasons discussed above, class members did not receive all wages due upon termination of employment.

48. Defendant argued that, under Labor Code Section 203, employers are only obligated to pay waiting time penalties if they "willfully" fail to pay wages due and owing at the time of termination or resignation. As Title 8, California Code of Regulations, Section 13520 states:

> A willful failure to pay wages within the meaning of Labor Code Section 203 occurs when an employer intentionally fails to pay wages to an employee when those wages are due. However, a good faith dispute that any wages are due will preclude imposition of waiting time penalties under Section 203.
>
> A "good faith dispute" that any wages are due occurs when an employer presents a defense, based in law or fact, which, if successful, would preclude any recovery on the part of the employee. The fact that a defense is ultimately unsuccessful will not preclude a finding that a good faith dispute did exist. Defenses presented which, under all the circumstances, are unsupported by any evidence, are unreasonable, or are presented in bad faith, will preclude a finding of a "good faith dispute."

49. Moreover, during the relevant period, Defendants have systematically and knowingly failed to pay agreed-to or contract wages to Plaintiff and members of the putative class upon discharge or resignation, in violation of California Labor Code sections 200-244. Pursuant to California Labor Code sections 201 and 202, employers are required to promptly pay all wages due to discharged or

resigning employees at the time of termination or resignation, including wages, bonuses, commissions, and accrued vacation or other benefits as specified in employment contracts or agreements. Despite the existence of enforceable agreements delineating these compensation terms, Defendants have consistently failed to fulfill their legal obligations, resulting in financial hardship and harm to Plaintiff and the putative class.

50. Defendant maintains that because it had viable defenses in both law and fact, waiting time penalties cannot be awarded and, in any case, such penalties are subject to a three (3)-year limitations period under Labor Code Section 203(b). If Defendant's contentions are proven true and prevail in trial, the likely outcome of this claim would be either no recovery for the class members, or a significantly reduced recovery.

51. Class Counsel retained a damages expert to look through the documentation that was available to Class Counsel from the formal and informal discovery that occurred in this case. Based on an analysis of the documents that were provided, Class Counsel estimated Defendant's maximum total exposure for waiting time penalties at $594,971.00 based on an estimated 95 Class Members who separated from their employment with Defendant between February 13, 2022 through the date of mediation. In light of the foregoing analysis, however, Class Counsel took into consideration, when assessing damages under this cause of action, the chances of prevailing on the derivative causes of action, as well as the additional hurdles of prevailing under this cause of action, and applied the appropriate discounts. In particular, Plaintiff would have to prove that Defendant's actions were "willful" under the meaning of Labor Code Section 203 to recover this substantial penalty. Defendant denied Plaintiff's allegations and calculations.

Claim Alleging Failure to Furnish Accurate Itemized Wage Statements

52. Plaintiff also alleged a cause of action under Labor Code Section 226(a). That section states that an employer must provide an accurate itemized wage statement twice a month or each time wages are paid, whichever is more frequent. Pursuant to Section 226(a), a compliant wage statement must include nine (9) specifically enumerated pieces of information. Failure of an employer to provide complete information as required by any one or more of these items will trigger liability for the employer. Cal. Lab. Code § 226(e)(2)(B).

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53. An employers' failure to comply with the specific requirements of Section 226(a) entitles employees to recover the greater of all actual damages or fifty dollars ($50.00) for the initial pay period in which a violation occurs and one hundred dollars ($100.00) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars ($4,000.00). Cal. Lab. Code § 226(e).

54. Defendant contends that Labor Code Section 226(e) penalties are not automatic. Rather, the employee must show (1) that he or she "suffered injury" from the employer's failure to provide compliant wage statements, *see Elliot v. Spherion Pacific Work, LLC* (2008) 572 F.Supp.2d 1169, 1181 (applying California law) (holding employee was not entitled to penalties because no injury was shown), and (2) Defendant's noncompliance was "knowing and intentional." Finally, because the damages for this cause of action are penalties, the statute of limitations only runs from one (1) year prior to the filing of the original complaint. See Cal. Code Civ. Proc. § 340.

55. Plaintiff argued that the paystubs were facially defective because they failed to provide timely, accurate, and itemized wage statements in writing showing each employee's gross wages earned, total hours worked, all deductions made, net wages earned, the name and address of the employing legal entity and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate.

56. If Defendant's contentions are proven true and Defendant prevails at trial, the likely outcome of this claim would be no recovery for the class members.

57. Class Counsel estimated Defendant's maximum exposure for failure to furnish accurate itemized wage statements under Labor Code § 226(e) at approximately $1,440,000.00. This estimate is based on an assumed 21,717 pay periods worked by approximately 360 Class Members during the relevant penalty period, with an average violation value of $100.00 per pay period. Class Counsel relied on payroll records and wage statements produced during informal discovery and applied this statutory penalty formula. Defendant denied Plaintiff's allegations and disputed the calculation methodology.

Claim Alleging Failure to Reimburse Business Expense

58. Plaintiff also alleged a cause of action under California Labor Code Section 2802, which requires an employer to indemnify its employees for all necessary expenditures or losses

incurred in direct consequence of the discharge of their duties. Specifically, Labor Code § 2802(a) states that an employer must reimburse an employee for "all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties."

59. The statute is designed to prevent employers from shifting business expenses onto employees. Employers are required to reimburse employees for any reasonable and necessary expenses, including expenses related to the use of personal devices for work purposes. See *Cochran v. Schwan's Home Serv., Inc.* (2014) 228 Cal.App.4th 1137, 1144 (holding that employers must reimburse employees for work-related use of personal cell phones, even if the employee did not incur an extra charge).

60. Plaintiff contended that Defendant failed to reimburse necessary business expenses in violation of Labor Code § 2802, by requiring employees to use their personal cell phones for work-related purposes without compensation. Specifically, Plaintiff alleged that she was regularly required to use his personal phone for work communications, including contacting co-workers and managers, without reimbursement. This failure to reimburse necessary business expenses was alleged to be part of a broader, systemic practice affecting similarly situated employees throughout California.

61. Defendant argued that Plaintiff's claims under Labor Code § 2802 is barred, in whole or in part, because at all relevant times, Defendant reimbursed Plaintiff for the reasonable costs of expenses incurred in the discharge of Plaintiff's duties and/or did not otherwise require Plaintiff to bear such costs.

62. If Defendant's contentions are proven true and Defendant prevails at trial, the likely outcome of this claim would be no recovery for the Class Members.

63. Class Counsel estimates that Defendant's maximum total exposure for failure to reimburse business expenses is approximately $390,575.00, assuming $25 per month incurred by each Class Member as unreimbursed expenses.

<u>Claim Alleging Unfair Business Practices</u>

64. Plaintiff pleaded this cause of action in order to augment his other causes of action and aid in their prosecution. Business and Professions Code Section 17208 extends the statute of limitations on Plaintiff's wage claims, which qualify as unfair business practices, to four (4) years rather than the three (3) years provided by statute.

65. Defendants have engaged in unfair and unlawful business practices by systematically and knowingly failing to pay agreed-to or contract wages to Plaintiff and members of the putative class, in violation of California Labor Code sections 200-244 and Bus & Prof. Code §17200, et seq.

66. Pursuant to California Labor Code sections 204, 218.5, and others, employers are required to pay all wages due to employees as agreed upon in employment contracts or agreements, including wages, bonuses, commissions, and other compensation. Despite the existence of clear and enforceable agreements delineating these compensation terms, Defendants have consistently disregarded their legal obligations, causing financial hardship and harm to Plaintiff and the putative class members. This conduct not only constitutes breaches of contractual obligations but also violates the unfair competition provisions under California Business and Professions Code section 17200.

Alleged PAGA Penalties

67. The Labor Code Private Attorneys General Act ("PAGA"), codified at Labor Code Section 2699 *et seq*., allows Plaintiff to obtain civil penalties on behalf of themselves and other class members for Defendant's violation of any provision of the Labor Code enumerated by Labor Code Section 2699.5. Where civil penalties are provided for in the statute, those civil penalties are recoverable; where no civil penalties are recoverable, Labor Code Section 2699(f) establishes civil penalties of one hundred dollars ($100.00) for each aggrieved employee per pay period for the initial violation and two hundred dollars ($200.00) for each aggrieved employee per pay period for each subsequent violation. Cal. Lab. Code § 2699(f)(2). Pursuant to Labor Code Section 2699(i), seventy-five (75) percent of the penalties recovered must be allocated to the Labor and Workforce Development Agency ("LWDA"), with the remaining twenty-five (25) percent allocated to the affected employees. The limitations period for all PAGA penalties is one (1) year prior to the filing of the operative complaint. Defendant's alleged violations of, *inter alia*, Labor Code Sections 203, 226(a), 226.7, 510 and 1194 all give rise to potential PAGA penalties under Section 2699.

68. Defendants have violated California Labor Code sections 200-244 by systematically and knowingly failing to pay agreed-to or contract wages to Plaintiff and members of the putative class. Pursuant to California Labor Code sections 2698-2699.5, also known as the Private Attorneys General Act (PAGA), employees may bring representative actions on behalf of themselves and other aggrieved employees for violations of the Labor Code, including failure to pay wages as agreed upon

in employment contracts or agreements. Despite the existence of enforceable agreements delineating wages, bonuses, commissions, and other compensation terms, Defendants have consistently disregarded their legal obligations, causing financial harm to Plaintiff and the putative class members.

69. PAGA penalties are not mandatory, but permissive. Labor Code Section 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." See also *Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision).

70. PAGA penalties are also derivative of Plaintiff's substantive claims, and accordingly, Plaintiff's PAGA claims are subject to the same defenses as the underlying claims on which they are based. Finally, following the analysis set forth in *Amaral v. Cintas Corp*. (2008) 163 Cal. App. 4th 1157, it could be argued that PAGA penalties only may be awarded at the rates obtainable for initial violations under the applicable statutes, because Defendant was not notified of the alleged violations. *Id*. at 1208- 1209.

71. Class Counsel estimates PAGA exposure during the PAGA Period. at approximately $1,085,900.00. Consistent with a non-stacked approach, assessing a single civil penalty per pay period rather than separately stacking penalties for each category of violation (unpaid wages, overtime, meal-period violations, rest-period violations, wage-statement violations, and unreimbursed business expense violations) that may have occurred during that pay period, Class Counsel calculated PAGA exposure as $100 multiplied by the 10,859 total PAGA pay periods identified in Berger's analysis during the Class Period.

72. After calculating a maximum PAGA penalty exposure of $1,085,900.00, as set forth above, Class Counsel then applied discounts in light of the countervailing arguments with regard to each cause of action, and in light of the Court's power to award a "lesser amount than the maximum civil liability." Based on the totality of that analysis, Class Counsel believes that the contemplated PAGA payment of $50,000.00 is fair, reasonable, and appropriate. Defendant denied Plaintiff's PAGA allegations and estimated penalty calculations.

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Summary

73. The foregoing discussion has sought to explain how the settlement amount is adequate in light of the merits of Plaintiff's case, taking into account the legal basis for each of Plaintiff's causes of action, the evidence that Class Counsel gathered in support of those causes of action, and Defendant's legal and factual arguments that worked to derogate from the strength of Plaintiff's case.

74. Class Counsel had to apply appropriate discounts in light of the facts and law as discussed above. Defendant argued several defenses, including that Defendant was complying with all applicable laws, and therefore was not liable to Plaintiff and the class at all. This settlement, like most others, was the product of compromise. Because of these and other risks, a recovery of $320,000.00 under the Settlement Agreement is an excellent result. The proposed settlement before the Court amounts to approximately 5.41% of Defendant's maximum estimated damage exposure for the asserted claims.

THE RISKS, EXPENSE, AND LIKELY DURATION OF FURTHER LITIGATION, AS WELL AS THE RISK OF MAINTAINING CLASS ACTION STATUS THROUGH TRIAL

75. The next *Clark/Kullar* recognized factor in determining whether or not a class action settlement is fair and reasonable takes into consideration the "risks and expenses of attempting to establish and collect on [Plaintiff's] claims by pursuing litigation." *Clark v. American Residential Services, LLC* (2009) 175 Cal. App. 4th 785, 800. Specifically, courts should keep in mind the risks and expenses posed by further litigation, especially in the class-action context, and the risk of non-certification (and decertification), where determining the adequacy of class action settlements.

76. Further litigation of this case posed real risks for a number of reasons. First, there were the risks of unfavorable rulings on the merits of the various indeterminate legal issues outlined in the previous section. Almost every cause of action at issue was subject to some unique indeterminacy of its own, and the derivative causes of action were thus subject to a double indeterminacy, both their own and those of the causes of action on which they were based.

77. Class Counsel maintained that there were several legal and factual questions at issue in the case that could best be decided on a class wide basis. Class Counsel contended that the same relevant policies and practices applied to all class members and therefore common questions obtained

and were likely to predominate over individual inquiries. Defendant disputed these contentions and insisted that the *Brinker* decision called into question the certifiability of cases such as this one. Defendant also argued that its policies were compliant with the law, while Plaintiff disputed that the policies were lawful, and argued the lawfulness of such policies would give rise to common questions amenable to certification. Thus, the parties had set positions on the propriety of certifiability and liability that did not admit of an easy resolution.

78. Finally, it is always preferable to reach a relatively early resolution of a dispute because, in addition to what has already been said, such resolutions save time and money that would otherwise go to litigation. Most cases settle sooner or later. If this case ended up settling after further litigation, the settlement amount would have taken into account the additional costs incurred, and there might have been less available for class members. This is not just an abstract contention. The parties were moving into the phase of this litigation where they would have had to conduct further formal discovery and investigation to establish liability for trial. Discovery disputes would have been in the offing. The parties were also aware that a class action trial would be a complicated and expensive proceeding, and then there was the likelihood of a long, drawn-out appeals process. In contrast, the settlement provides real benefits for class members in the immediate future. The benefits are not insignificant for anyone, especially given the current economic climate. Consequently, the risk and expense of further litigation outweighed any benefit that might have been gained otherwise.

NOTICE TO AND REACTION OF CLASS MEMBERS TO THE PROPOSED SETTLEMENT

79. The notification procedure set forth in the Settlement Agreement provides the greatest likelihood that each and every class member will receive the Class Notice (the "Notice"), attached to the Settlement Agreement as Exhibit A. Under the Settlement Agreement, the Settlement Administrator, within 14 days of receiving the Class List and Data from Defendant, will mail the Notice to the Settlement Class Members, by First Class United States mail, in both English and Spanish.

80. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of any Settlement Class Member, if any envelopes with Notices are returned. The Settlement Administrator will take reasonable steps to ensure that the Notice is sent to

all Settlement Class Members and for any returned notices, the Settlement Administrator will re-mail a new Notice to any Class Member for whom an updated address is located. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip- tracing or other searching using the name, address and/or Social Security number of the Settlement Class Member involved, and shall then perform a re-mailing if another mailing address is identified by the Settlement Administrator. Most, if not all, class members thus are likely to receive the Notice Packet.

81. The Notice itself fully apprises class members of the nature of the lawsuit, the claims involved, the terms of the settlement, and their options and rights thereunder. The Notice provides a specific procedure for seeking exclusion from the Class and for lodging objections to the settlement. In the Notice, class members also will receive Class Counsel's contact information, so that Class Members can speak to attorneys conversant with the legal and factual issues involved in this case. These efforts will be taken to ensure that class members receive the Class Notice and are well informed about the settlement, and to enable a favorable response rate.

82. All class members will benefit because defendants who have been sued are generally more likely to comply with the law in the future. Settlement Class Members will have the opportunity, should they disagree with their number of individual Qualifying Workweeks and/or the date of their separation from Defendant's employment stated in their individualized Notice, to provide documentation and/or an explanation to show contrary Qualifying Workweeks and/or a corrected date of separation from Defendant's employment. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted, and Defendant shall provide any documentation it has to support its position. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments and/or PAGA Payments, and the Settlement Administrator's determination as to these issues shall be binding upon the Settlement Class Member and the Parties. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to attempt to resolve the disputes without the necessity of involving the Court.

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83. Class Members who wish to exclude themselves from this Settlement must submit a written Request for Exclusion to the Settlement Administrator within forty-five (45) days after the date the Notice was postmarked (the "Exclusion Period"). The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of any Settlement Class Member, if any envelopes with Notices are returned. The Settlement Administrator will take reasonable steps to ensure that the Notice is sent to all Settlement Class Members and for any returned notices, the Settlement Administrator will re- mail a new Notice to any Class Member for whom an updated address is located. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by lawful use of skip-tracing, or other search using the name, address and/or Social Security number of the Settlement Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. In the event that another mailing address is identified, the Settlement Administrator shall re-mail a new copy of the Notice within three (3) business days of the date a Notice is returned as undeliverable. With the exception of PAGA Class Members, who will receive their share of the PAGA Payment and be bound by the Settlement Agreement's release of any and all claims under the PAGA regardless of their opt-out status, any Settlement Class Member who timely requests exclusion will not be entitled to any recovery under the settlement and will not be bound by the terms of the settlement or have any right to object, appeal or comment thereon. Any written request to opt-out must be signed by each such person opting out. All Class Members who do not timely and properly notify the Claims Administrator of their desire to opt-out of the Settlement shall become bound by all determinations of the Court, the Stipulation and Judgment.

84. The Notice shall state that Settlement Class Members who wish to object to the Settlement must mail, fax or email their written statement of objection to the Settlement Administrator ("Opt-Out Request" or "Objection") by the Exclusion Period. The date on the proof of service or time stamp shall be deemed the exclusive means for determining that an Opt-Out Request was served timely. The Opt-Out Request must be signed by the Settlement Class Member and include full name of the Settlement Class Member; the dates of employment of the Settlement Class Member; a clear and concise statement of the basis for each specific objection and any accompanying legal support therefor; and whether the Settlement Class Member intends to appear at the Final

Approval/Settlement Fairness Hearing. The Settlement Administrator will reach out to any objector who has failed to include the required information and give them a chance to provide the information needed to perfect their objection. Settlement Class Members who submit a timely Opt-Out Request prior to the Exclusion Period will have a right to appear at the Final Approval/Settlement Fairness Hearing in order to have their objections heard by the Court. The Court will hear from any Class Member who attends the Final Approval Hearing and asks to speak regarding his or her objection without the need to file a written objection or notice of appearance. Written objections will not be presumptively invalidated if the objections do not comply with all requirements, other than timeliness. At no time shall any of the Parties or their counsel seek to solicit Settlement Class Members to file or serve written objections to the Settlement or appeal from the Order and Final Judgment. Settlement Class Members who submit a Request for Exclusion are not entitled to object to the Settlement.

CONCLUSION OF THE CLARK/KULLAR ANALYSIS

85. Class Counsel believes that the settlement is fair, reasonable, and adequate. Class Counsel conducted a thorough investigation of the subject wage-and-hour practices and engaged in non-collusive, arm's-length negotiations in order to reach a settlement. Defendant has agreed to pay fair value to settle Plaintiff's claims given the existence of legal uncertainty of Plaintiff's claims, and the Defendant's initial belief that they were in complete compliance with the law. From Class Counsel's substantial experience with wage-and-hour class action lawsuits, Class Counsel believes that this case could not have settled on better terms under the circumstances. Request therefore is made that the settlement be granted preliminary approval so that those persons whom it was intended to benefit shall be afforded the opportunity to determine its adequacy for themselves.

REQUEST FOR ATTORNEY'S FEES

86. The Settlement Agreement provides that Class Counsel may request attorneys' fees in an amount not to exceed 35% of the Gross Settlement Amount, which totals $112,000.00. In addition, Class Counsel may request reasonable litigation costs not to exceed $22,000.00. These requests are subject to Court approval, and any amounts not approved will be redistributed to the Net Settlement Fund for the benefit of the Class.

87. My firm and I took this case on a contingent-fee basis against a business represented by a reputable defense firm. When we take contingent cases, we must pay careful attention to the

economics involved or one bad case can destroy years of work. Accordingly, when we take contingency cases, we anticipate that we shall, if successful, receive a fee that exceeds our normal hourly rate; otherwise, the risk is often too great to bear. Even when we work long hours, the number of hours in a day is limited. Because of this, when we take on one particular matter, we are unable to take on other matters. When Class Counsel became involved in this case, we realized the time commitment that it would entail, and we were forced to turn down matters that we otherwise should have been able to handle. In sum, this case claimed a significant portion of Class Counsel's time and attention throughout its pendency.

88. The requested fee is reasonable for the services provided to class members and for the benefits they are to receive. Indeed, even with a modest multiplier under the lodestar theory, see *Bihun v. AT&T Information System* (1993) 13 Cal.App.4th 976, 997, Class Counsel's fees would still be justified. Class Counsel will more fully brief the Court on its lodestar in the motion for final approval, if necessary.

PAGA NOTICE

89. Pursuant to the PAGA requirements, our office has uploaded the proposed settlement and accompanying filings to the LWDA website.

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct. Executed this 6th day of August 2026 in Santa Monica, California.

Respectfully Submitted,

DATED: August 6, 2026 **LABOR LAW PC**

Danny Yadidsion

By: Danny Yadidsion, Esq.
Paige Taylor, Esq.
Attorney for Plaintiff
ARMANDO CERVANTES MARTINEZ,
individually and on behalf of similarly situated employees

EXHIBIT - 1

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between ARMANDO CERVANTES MARTINEZ ("Plaintiff") and PORTERVILLE CITRUS, INC. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. <u>DEFINITIONS</u>.

1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Defendant pending in Superior Court of the State of California, County of Tulare, Case No. PCU318066.

1.2. "Administrator" means Apex Class Action Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

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 Preliminary Approval of the Settlement.

1.4. "Aggrieved Employee" means a person employed by Defendant in California and classified as a non-exempt employee who worked for Defendant during the PAGA Period.

1.5. "Class" means all non-exempt hourly employees who are employed or have been employed by Defendant in the State of California between February 13, 2021, through Preliminary Approval of settlement.

1.6. "Class Counsel" means Labor Law PC.

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.8. "Class Data" means Class Member-identifying information in Defendant's possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member 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 Class Members.

1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

1.12. "Class Period" means the period from February 13, 2021 through Preliminary Approval of settlement.

1.13. "Class Representative" means the named Plaintiff in the Complaint in the Action seeking Court approval to serve as Class Representative.

1.14. "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of Tulare.

1.16. "Defense Counsel" means Rebecca Hause-Schultz and Stella Tran, Fisher & Phillips LLP.

1.17. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.18. "Final Approval" means the Court's order granting final approval of the Settlement.

1.19. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.20. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.21. "Gross Settlement Amount" means three hundred twenty thousand dollars ($320,000.00) which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Taxes, Class Representative Service Payment and the Administrator's Expenses.

1.22. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.23. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

1.24. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.25. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i)

1.26. "LWDA PAGA Payment" means the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.27. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.28. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.29. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.30. "PAGA Period" means the period from February 13, 2024 through Preliminary Approval of settlement.

1.31. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.32. "PAGA Notice" means Plaintiff's letter to Defendant and the providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.33. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount.

1.34. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.35. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.36. "Released Class Claims" means the claims being released as described in Paragraph 5 below.

1.37. "Released PAGA Claims" means the claims being released as described in Paragraph 5 below.

1.38. "Released Parties" means: Defendant and each of its 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.

1.39. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.40. "Response Deadline" means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Settlement, or (b) email or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional seven (7) calendar days beyond the Response Deadline has expired.

1.41. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.42. "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

2.1. On or about February 13, 2025, Plaintiff filed a Class Action Complaint alleging wage and hour causes of action against Defendant in Tulare County Superior Court, Case No. PCU318066. On April 23, 2025, Plaintiff filed a First Amended Complaint to include a PAGA cause of action against Defendant.

2.2. Defendant denies and disputes any and all of Plaintiff's claims.

2.3. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave written notice to Defendant and the LWDA by sending the PAGA Notice.

2.4. On October 24, 2025, the Parties participated in an all-day mediation presided over by Honorable David R. Lampe, which led to this Agreement to settle the Action.

2.5. Prior to mediation and negotiating the Settlement, Plaintiff received, through informal discovery, documents, testimony and other information, to investigate their claims and allegations to make an informed decision regarding settlement. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.6. The Court has not granted class certification.

3. MONETARY TERMS.

3.1. <u>Gross Settlement Amount</u>. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay three hundred and twenty thousand dollars ($320,000.00) and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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: Class Representative Service Payment to the Class Representative of not more than ten thousand dollars ($10,000.00), in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be $112,000.00 and a Class Counsel Litigation Expenses Payment of not more than $22,000.00. Defendant will not oppose requests for these payments provided they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed $15,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment, which the Administrator shall calculate by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.5. Tax Allocation of Individual Class Payments. Twenty Percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty Percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.6. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class

Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.7. To the LWDA: PAGA Penalties in the amount of $50,000.00 to be paid from the Gross Settlement Amount to the LWDA.

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

Gross Settlement Amount:	$320,000.00
Requested Class Representative Service Payments:	$10,000.00
Requested Class Counsel Fees Payment:	$112,000.00
Requested Class Counsel Litigation Expenses Payment:	$22,000.00
Administrator Expenses Payment:	$15,000.00
PAGA Penalties:	$50,000.00
Net Settlement Amount	$111,000.00

3.2.9. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.10. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.11. In consideration for Plaintiff's release of claims, Plaintiff will receive a separate settlement amount of fifty thousand dollars ($50,000.00), to be reported on IRS 1099 Form, separate from the Total Gross Settlement payment.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Pay Periods and Aggrieved Employee Pay Periods. Based on a review of its records through the date of mediation, Defendant estimates that Class Members worked a total of 58,450 workweeks, and Aggrieved Employees worked a total of 21,124 PAGA Pay Periods.

4.2. Class Data. Not later than fourteen (14) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than thirty (30) days after the entry of the Court's final approval of the settlement agreement, or the resolution of any related appeals, whichever is later.

4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less 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 Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. 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 a Class Member Address Search for all other Class Members 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 Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the designated *cy pres* beneficiary, the Tulare County Foundation for Ag Education and Youth, subject to the requirements of California Code of Civil Procedure Section 384, subd. (b), thereby leaving no unpaid residue. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended *cy pres* Recipient.

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge 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 Complaints and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaints, Plaintiff's PAGA Notice, [or ascertained during the Action and released under 5.2, 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 Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now know or believe to be true but 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 relinquished 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 Participating Class Members Who Are Not Aggrieved Employees: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Complaint and ascertained in the course of the Action including, but not limited to: 1) failure to pay wages for all hours worked; 2) failure to pay overtime wages; 3) failure to provide lawful meal periods and pay meal period premiums; 4) failure to provide lawful rest/recovery periods and pay rest period premiums; 5) failure to reimburse business expenses; 6) failure to furnish timely and accurate wage statements; 7) failure to pay all compensation due during employment and upon discharge; 8) unfair, unlawful, or fraudulent business practices; and 9) violations of California Labor Code § 2698. Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, 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 Complaints and the PAGA Notice and ascertained in the course of the Action including, but not limited to: 1) failure to pay wages for all hours worked; 2) failure to pay overtime wages; 3) failure to provide lawful meal periods and pay meal period premiums; 4) failure to provide lawful rest/recovery periods and pay rest period premiums; 5) failure to reimburse business expenses; 6) failure to furnish timely and accurate wage statements; 7) failure to pay all compensation due during employment and upon discharge; 8) unfair, unlawful, or fraudulent business practices; and 9) violations of California Labor Code § 2698.

5.4 Mutuality of Release: In consideration for the releases provided by Plaintiff and Class Members, and the terms set forth in this Agreement, the Released Parties, and each of them, on behalf of themselves and their respective predecessors, successors, and assigns, hereby fully and forever release and discharge Plaintiff and Plaintiff's respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns from any and all known or unknown claims and causes of action. This includes, but is not limited to, any claims arising out of or related to Plaintiff's employment with Defendant or the separation of that employment.

6. MOTION FOR PRELIMINARY APPROVAL.

6.1 <u>Plaintiff's Responsibilities</u>. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class 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 Class 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 Class Members and/or the proposed *cy pres*; and the nature and extent of any financial relationship with Plaintiff, Class 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 Class Members, the Administrator and/or the proposed *cy pres*; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary

PAGA documents; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the *cy pres* Recipient.

6.2 Responsibilities of Counsel. The parties agree to take all actions reasonably necessary to effectuate this agreement and perform their obligations including the review and approval of settlement documents, such that there are no substantial delays in seeking preliminary approval, final approval, or administration of this settlement. Class Counsel is responsible for expeditiously drafting, finalizing, and filing the Motion for Preliminary Approval no later than thirty (30) days after the full execution of the Parties' Memorandum of Understanding and obtaining a prompt hearing date for the Motion for Preliminary Approval. The parties are responsible for appearing in Court when necessary to advocate in favor of the Motion for Preliminary Approval. Class Counsel is further responsible for delivering the Court's Preliminary Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class 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 Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class 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. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected APEX Class Action Administrators to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action 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 Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as **Exhibit A**. Before mailing Class Notices, the Administrator shall update Class Member 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 Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Pay Periods, and Requests for Exclusion will be extended an additional seven (7) days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class 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 Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever is later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional seven (7) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Pay Periods. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional seven (7) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Pay Periods and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator by email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus an additional seven (7) days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 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.

7.8.1 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 Class Member calls, and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel only containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Pay

Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received to be provided to Defense Counsel only.

7.8.4 Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Pay Periods.

7.8.5 Administrator's Declaration. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class 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 Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES, ESCALATOR CLAUSE AND RIGHT TO WITHDRAW

8.1 Class Pay Periods and Aggrieved Employee Pay Periods. Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 411 Class Members and 58,450 Total Workweeks during the Class period and (2) there were 355 Aggrieved Employees who worked 21,124 Pay Periods during the PAGA Period.

8.2 Escalator Clause. If, when the Class Notice is prepared for distribution following preliminary approval of the Settlement, the aggregate number of Class Members exceeds the estimate of 411 Class Members by more than 12 %, then, Defendant agrees to increase the Gross Settlement Amount on a pro-rata basis equal to the increase in number of employees and/or workweeks relative to the estimates.

8.3 Defendant's Right to Withdraw. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

9. MOTION FOR FINAL APPROVAL. Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval. Class 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 Final Approval.

9.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.3 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.

9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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.

9.5 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 Class Members), 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 Final Approval and entry of Judgment. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class 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.

10. 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 a proposed amended judgment.

11. ADDITIONAL PROVISIONS.

11.1 No Admission of Liability, Class Certification or 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 Defendant that any of the allegations in the Operative Complaints have merit or that Defendant has any liability for any claims asserted, nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. 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).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant 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, or (6) Court filings necessary to effectuate the Settlement. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant 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 Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members. Nothing in this agreement shall prevent the Plaintiff from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Plaintiff has a reasonable cause to believe is unlawful.

11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, 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.

11.6 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.

11.7 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.

11.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant 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.

11.9 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 representatives, and approved by the Court.

11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.11 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.

11.12 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.

11.13 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.

11.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant, including Class 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 shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

11.15 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.

11.16 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.

11.17 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:

Danny Yadidsion (SBN 260282)
E-Mail: danny@laborlawpc.com
Paige Taylor (SBN 288009)
Labor Law P.C.
100 Wilshire Blvd, Suite 700
Santa Monica, California 90401
Telephone: (310) 494-6082

To Defendant :

Rebecca Hause-Schultz (SBN 292252)
E-Mail: rhause-schultz@fisherphillips.com
Stella Tran (SBN 359625)
E-Mail: stran@fisherphillips.com
FISHER & PHILLIPS LLP
621 Capitol Mall, Suite 2400
Sacramento, California 95814
Telephone: (916) 210-0400
Facsimile: (916) 210-0401

11.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), 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.

11.19 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: May ___, 2026 05 / 29 / 2026

PLAINTIFF AND CLASS REPRESENTATIVE

By: ______________________________
Armando Cervantes Martinez

DATED: May 29, 2026

LABOR LAW P.C.

By: ______________________________

Danny Yadidsion
Paige Taylor
Attorneys for Plaintiff ARMANDO CERVANTES MARTINEZ

DATED: July 7, 2026

FISHER & PHILLIPS LLP

By: ______________________________

Rebecca Hause-Schultz
Stella Tran
Attorneys for Defendant PORTERVILLE CITRUS, INC.

DATED: Jul 7, 2026

PORTERVILLE CITRUS, INC.

By: Stewart Fleeman
Stewart Fleeman
Executive Director - Finance

EXHIBIT - A

NOTICE OF CLASS ACTION SETTLEMENT

SUPERIOR COURT OF THE STATE OF CALIFORNIA,
COUNTY OF TULARE

ARMANDO CERVANTES MARTINEZ, individually and on behalf of the putative class,	) Case No.: PCU318066
	) CLASS ACTION
Plaintiff,	
	) Assigned for All Purposes To:
vs.	) Hon. Russel Burke
	) Dept.: 19
PORTERVILLE CITRUS, INC., a California corporation; and DOES 1-50, Inclusive,	) **NOTICE OF CLASS ACTION SETTLEMENT**
Defendants.	)

THIS IS AN IMPORTANT COURT APPROVED NOTICE. READ CAREFULLY.

If You Worked For Porterville Citrus, Inc. as an hourly or non-exempt employee in the State of California at any time between February 13, 2021 through [date of Preliminary Approval].

You May Be Entitled to Participate in a Class Action Settlement.

The Tulare County Superior Court approved this notice. This is not an advertisement. You are not being sued. Your legal rights are affected, whether you act or not.

PLEASE READ THIS NOTICE.

- Plaintiff Armando Cervantes Martinez sued Porterville Citrus, Inc. on behalf of himself, other similarly situated employees, and aggrieved employees, alleging wage-and-hour violations, including failure to pay wages for all hours worked, failure to pay overtime wages, failure to provide meal periods, failure to provide rest periods, failure to reimburse business expenses, failure to furnish timely and accurate wage statements, failure to pay all compensation due during employment and upon discharge, unfair business practices, and PAGA penalties. The First Amended Complaint asserts those causes of action.
- The Court has preliminarily approved the Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant. The Settlement affects all current and former hourly-paid, non-exempt employees employed by Defendant in California at any time during the Class Period.
- If the Court grants final approval of the Settlement, you could receive money from the settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

DO NOTHING	**Stay in this Lawsuit. Receive a payment. Release certain claims.** By doing nothing, you will collect a settlement award as detailed below. However, you give up certain rights to sue Defendants separately for the legal claims raised in this Lawsuit, which are being released as part of the settlement.
OBJECT TO THE SETTLEMENT	**Stay in this Lawsuit. May give up certain rights.** If you object to the Settlement, you will remain a member of the Class, and if the Court disagrees with your objections and approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object.
ASK TO BE EXCLUDED	**Get out of this Lawsuit. Receive only an Individual PAGA Payment. Release only certain claims related to PAGA.** If you ask to be excluded from the Settlement, you will only receive an individual PAGA Payment and not receive any other payments from the Settlement award. You will give up certain rights to sue the Company Defendant under PAGA for claims incurred during the PAGA Period. However, you keep any rights to individually sue Defendants separately for the legal claims raised or that could have been raised in this Lawsuit.

- Regardless of the option you choose, you will not be retaliated against for exercising any of your rights, detailed above.
- Your options are explained in this notice. To object to the Settlement or ask to be excluded, you must act before [Response Deadline- forty-five (45) days after sent to Class Members via First Class U.S. mail].
- If you have any questions, please read on or contact Class Counsel or the Settlement Administrator, using the contact information listed below.

BASIC INFORMATION

1. Why did I get this notice?

   You are not being sued. Plaintiff sued Defendant in a class and representative action on behalf of employees like you. The Company Defendant's records show that you worked for the Company Defendant in California as an hourly employee at some point between February 13, 2021 through the date of Preliminary Approval. This notice explains that the Court has given preliminary approval to a settlement in a conditionally certified class and representative action lawsuit that may affect you.

The Court has determined that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable. Any final determination of those issues will be made at the final fairness hearing. You have legal rights and options that you may exercise as part of this Settlement.

This Notice explains the Action, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. <u>What is this lawsuit about?</u>

The Lawsuit is about Plaintiff's allegations that Defendants failed to provide Plaintiff and other hourly, non-exempt employees with legally compliant overtime wages, all wages due to discharged and quitting employees, and minimum wage. Plaintiff further alleges that Defendants also failed to timely pay wages, failed to maintain required records and furnish accurate, itemized wage statements in violation of applicable California and Federal laws, including the California's Labor Code, California's Unfair Competition Laws, and PAGA.

No court or fact finder has made any determinations as to Plaintiff's allegations or Defendants' defenses to those allegations.

Throughout the litigation, Defendants have denied — and continue to deny — the factual and legal allegations in the case and has maintained that it has valid defenses to the claims. Plaintiff and Defendants concluded that any further litigation will be protracted and expensive for all parties. Plaintiff and Defendants have already spent time, energy, and resources litigating this case, and, unless the settlement is agreed to, will have to continue to devote time, energy and resources to the litigation of the claims asserted in this Action. Plaintiff and Defendants have voluntarily agreed to the terms of a negotiated settlement to avoid the burden and expense of continued litigation. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the Lawsuit or that the Lawsuit can or should proceed as a class action or PAGA action.

3. <u>What is a class action and who is involved?</u>

In a class and representative action lawsuit such as this, a person called the "Class Representative" (in this case Armando Cervantes Martinez) sues on behalf of other people whom he or she believes have similar claims. The people together are a "Class" or

"Class Members." The Class Representative is also called the Plaintiff. The company sued (in this case, Porterville Citrus, Inc.) are called the Company Defendants. In class action litigation, one Court resolves the issues for everyone in the Class in one lawsuit, except for those people who choose to exclude themselves from the Class.

4. Why is this Lawsuit a class action?
As part of the Settlement, Plaintiff and Defendants agreed to conditionally certify the Class with respect to all of the claims Plaintiff alleged against Defendants as a class and representative action, for settlement purposes only and to ask the Court to approve the Settlement. The Court has not ruled on the merits of these claims, and the decision to conditionally certify the agreed-upon Class for settlement purposes should not be viewed as a prediction or agreement that Plaintiff or the Class would ultimately prevail on the merits of the action.

5. What are the terms of the proposed Settlement?

The major terms of the Settlement are as follows:

1. Defendants have agreed to pay $320,000.00 to settle the claims made in this Lawsuit.
2. Plaintiff Martinez has agreed to release all of his claims in the Lawsuit against Defendants.
3. Plaintiff seeks the following deductions from the $320,000.00 Gross Settlement Amount:
    a. Up to 35% of the Gross Settlement Amount (i.e., $112,000.00) for Class Counsel's attorneys' fees.
    b. Up to $22,000.00 for reimbursement of Class Counsel's litigation costs.
    c. A Service Award of up to $10,000.00 to Plaintiff, for filing the Lawsuit, performing work in connection with the Lawsuit, a general release of claims, and undertaking the risks of filing the Lawsuit.
    d. Up to $15,000.00 to cover the costs of the Settlement Administrator.
    e. Up to $50,000.00 for PAGA Payment. From this amount, 75% of the PAGA Payment (i.e., $37,500.00) will be paid to California's Labor and Workforce Development Agency (the "LWDA"). The remaining 25% of the PAGA Payment (i.e., $12,500.00), will be allocated to the PAGA Settlement Fund, and will be distributed to all members of the Class, including those who submit Requests for Exclusion, in proportion to their Individual PAGA Payment Amounts.

If the Court approves each of the requested deductions from the Gross Settlement Amount, the Parties estimate there will be $111,000.00 remaining. The remaining funds will be referred to as the "Net Settlement Amount." The Individual Payment Amount for each Class Member will be calculated by the Settlement Administrator using the Class Information provided by the Company Defendant, as follows. Individual Settlement Payments shall be each Participating Claimant's *pro rata* portion of the Class Settlement Fund (for Participating Class Members), based on his or her number of Workweeks Worked. Workweeks Worked means the number of weeks in which any amount of work was performed by a Participating Claimant during the Class Period, based on the Company Defendant's records. The Settlement Administrator will divide the Net Settlement Amount by the total Workweeks worked by all Participating Class Members to arrive at the *pro rata* share per Workweek. Each Participating Class Member's individual Workweeks Worked will then be multiplied by that pro rata share per Workweek to determine his or her estimated Individual Payment Amount.

Your estimated Individual Payment Amount is listed in Section 8 of this Notice. Each Class Member's Individual Settlement Payment will represent wages and penalties allocated using the following formula: 20% allocated to wages for which IRS Forms W-2 will be issued, 80% allocated to interest for which IRS Forms 1099-MISC will be issued. Participating Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

Additionally, the Individual PAGA Payment Amount, payable to each Class Member, including those who submit a Request for Exclusion, will be calculated by the Settlement Administrator using the Class Information provided by the Company Defendant as follows. Individual PAGA Payment Amounts shall be each Class Member's *pro rata* portion of the PAGA Settlement Fund, based on his or her number of PAGA Workweeks Worked. The PAGA Period is defined as the period from February 13, 2024 through the date of Preliminary Approval of settlement. The Settlement Administrator will divide each Class Member's PAGA Workweeks Worked by the total PAGA Workweeks Worked for all Class Members, resulting in a PAGA Workweek Ratio for each Class Member. Each Class Member's PAGA Workweek Ratio will then be multiplied by the PAGA Settlement Fund to determine his or her Individual PAGA Payment Amount.

Your estimated Individual PAGA Payment Amount is listed in Section 9 of this Notice. Each Class Member's Individual PAGA Payment Amount will represent non-wage penalties and will be reported, if required, on an IRS Form 1099 provided to each Class Member. Class Members should consult their tax advisors concerning the tax consequences of any payments they receive under the Settlement.

WHO IS IN THE CLASS?

6. Am I part of this Class?
   The "Class" includes: all current and former hourly-paid or non-exempt employees who worked for the Company Defendant in the State of California at any time between February 13, 2021 through Preliminary Approval of settlement. (the "Class Period").

7. I'm still not sure if I am included.
   If you still are not sure whether you are included in the Class, you can get free help by contacting Apex Class Action LLC, the "Settlement Administrator", at the designated phone number for this matter, at (800) 355-0700 or by calling or writing the lawyers representing the Class in this case ("Class Counsel") at the phone number or address listed in Section 21.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class, or ask to be excluded from the Settlement. These options are further explained below, including any dates by which you need to take any actions.

8. What is my approximate Individual Payment Amount?
According to payroll records maintained by the Company Defendant, the total number of weeks you worked in California for the Company Defendant as an hourly/non-exempt employee, during the Class Period is _______ workweeks.

Based on information provided above, anticipated court-approved deductions, and preliminary per-workweek value, it is estimated your share of the Settlement will be $_________, less applicable taxes and withholdings.

You do not need to do anything further to receive your Individual Settlement Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 18, below, of any changes to your mailing address for timely payment.

Settlement Payment checks returned as undeliverable, unclaimed, and/or uncashed 180 days after issuance and delivery to Class Members shall be delivered to either Tulare County Foundation for Ag Education and Youth as a *cy pres* beneficiary.

9. What is my approximate Individual PAGA Payment?
According to payroll records maintained by the Company Defendant, the total number of weeks you worked in California for the Company Defendant as an hourly/non-exempt employee, during the PAGA Period is ________ workweeks.

Based on the information provided above, anticipated court-approved deductions, and preliminary calculations of PAGA Workweeks Worked, it is estimated your Individual PAGA Payment will be $___________, less applicable taxes and withholdings.

You do not need to do anything further to receive your Individual PAGA Payment, other than ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 21, below, of any changes to your mailing address for timely payment.

Disputing Your Payment Amount
If you believe your Workweeks Worked and/or estimated Individual Payment Amount shown above is not correct, you may provide documentation and/or an explanation

showing contrary information directly to the Settlement Administrator by the Response Deadline. Your dispute must: (1) contain the case name and number of the Lawsuit; (2) contain your full name, address, telephone number, and last four digits of your Social Security number; (3) contain a clear statement explaining that you wish to dispute the number of Workweeks Worked calculated for you and also state the number of Workweeks Worked that you contend is correct; and (4) attach documentation demonstrating that you were not credited with the correct number of Workweeks Worked. The Settlement Administrator will attempt to resolve any dispute based upon the Company Defendant's records and any information you provide. Any disputes not otherwise resolved by the Settlement Administrator will be resolved by the Court. Any such dispute must be mailed to the Settlement Administrator no later than [DATE – forty-five (45) days after sent to Class Members via First Class U.S. mail].

10. What rights am I releasing if I participate in the Settlement?
If the Court grants final approval of the Settlement and you do not opt out of the Settlement, you will be deemed to have released Defendants from all claims, rights, demands, liabilities, and causes of action that were alleged or reasonably could have been alleged based on the facts in Plaintiff's letter to the LWDA or the operative complaint (the "Operative Complaint") and the PAGA administrative remedy exhaustion letter ("PAGA Notice"), ("Released Claims"). These Released Class Claims, "Released Class Claims" include but are not limited to: (a) failure to pay wages for all hours worked, including alleged minimum-wage violations under Labor Code sections 1194 and 1197; (b) failure to pay overtime wages under Labor Code sections 510 and 1194; (c) failure to provide lawful meal periods and pay meal-period premiums under Labor Code sections 512 and 226.7; (d) failure to provide lawful rest periods and pay rest-period premiums under Labor Code section 226.7; (e) failure to reimburse necessary business expenses under Labor Code section 2802; (f) failure to furnish timely and accurate wage statements under Labor Code section 226; (g) failure to pay all compensation due during employment and upon discharge under Labor Code sections 201, 202, and 203; (h) unfair, unlawful, or fraudulent business practices under Business and Professions Code section 17200 et seq.; and (i) penalties under the Private Attorneys General Act, Labor Code sections 2698 et seq.). "Released Claims" includes all types of relief available for the above-referenced claims, including, without limitation, any claims for damages, restitution, losses, civil and statutory penalties, fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages. The Final Judgment shall expressly provide that it covers and based on the doctrines of res judicata and/or collateral estoppel bars as a matter of law each and every Class Member from asserting any Settled Claims in the future, except for Class Members who have timely opted out of the Settlement.

11. What rights am I releasing regardless of whether I participate in the Settlement?

In addition to those rights discussed in Section 10, if the Court grants final approval of the Settlement, you will be deemed to have released Defendants from all PAGA Released Claims. "Released PAGA Claims" during the PAGA Period. The Released PAGA Claims include but are not limited to PAGA penalties that were alleged, or reasonably could have been alleged in the operative Complaint and the PAGA Notice based on the facts, allegations, assertions and claims in the operative Complaint and PAGA Notice, including, (a) failure to pay wages for all hours worked, including alleged minimum-wage violations under Labor Code sections 1194 and 1197; (b) failure to pay overtime wages under Labor Code sections 510 and 1194; (c) failure to provide lawful meal periods and pay meal-period premiums under Labor Code sections 512 and 226.7; (d) failure to provide lawful rest periods and pay rest-period premiums under Labor Code section 226.7; (e) failure to reimburse necessary business expenses under Labor Code section 2802; (f) failure to furnish timely and accurate wage statements under Labor Code section 226; (g) failure to pay all compensation due during employment and upon discharge under Labor Code sections 201, 202, and 203; and (h) unfair, unlawful, or fraudulent business practices under Business and Professions Code section 17200 et seq. "Released PAGA Claims" includes all types of relief available for the above-referenced claims, including, without limitation, any claims for civil penalties, attorneys' fees, costs, and declaratory relief. The Final Judgment shall expressly provide that it covers and based on the doctrines of res judicata and/or collateral estoppel bars Plaintiff, LWDA, the State of California, and any other representative, proxy, or agent thereof, including but not limited to any and all PAGA Members from prosecuting "Released PAGA Claims" that arose during the PAGA Period.

The release of the PAGA Released Claims shall apply whether or not you participate in the Settlement. Under this release, the right of the LWDA to investigate the PAGA Released Claims is not released, but the PAGA Released Claims does include a release of claims for penalties by a Class Member under the PAGA.

12. How do I object to the Settlement?

If you would like to object to the Settlement, you must **not** submit a request for exclusion (i.e., you must not opt out), otherwise your exclusion will be processed and you will be ineligible to object. To object, you must mail or fax a written statement of objection (the "Notice of Objection") to the Settlement Administrator at the address in Section 18 below. Any Notice of Objection must contain the following: (1) the case name and number of the Action; (2) the name, address, telephone number, and last four digits of the Social Security number of the person objecting to the Settlement; (3) a clear statement indicating that the individual seeks to object to the Settlement; (4) the specific legal and/or factual reason(s) in support of the objection; (5) a statement of whether the objector intends to appear at the Final Fairness Hearing and whether he or she is represented by counsel; and (6) the individual's signature. You must mail or fax any Notice of Objection to the Settlement Administrator, and it must be sent/postmarked no later than [DATE - sixty (60) days after sent to Class Members via First Class U.S. mail]. You may appear in person at the Final Fairness and Approval Hearing to present any oral objections, even if you do not submit a timely Notice of Objection.

13. Why would I ask to be excluded?
You have the right to exclude yourself from the Class (and the Settlement). If you exclude yourself from the Class — sometimes called "opting-out" of the Class — you will not get any portion of your Individual Payment Amount. However, you may then be able to sue or continue to sue Defendants for your own claims, if permitted by law. If you exclude yourself, you will still receive your Individual PAGA Payment Amount and will be legally bound by the Court's disposition of this Lawsuit with respect to the PAGA Released Claims (as discussed in Section 11, above).

14. How do I ask to be excluded from the Class?
If you are a member of the Class described above and would like to exclude yourself from the Class ("opt-out"), you, or your authorized representative, need to submit a written statement requesting exclusion from the Class (the "Request for Exclusion") to the Settlement Administrator at the address in Section 18 below. The Request for Exclusion must contain the following: (1) the case name and number of the Lawsuit; (2) the name, address, telephone number, and last four digits of the Social Security number of the person requesting the exclusion; (3) a clear statement indicating that the Class Member seeks to exclude himself or himself from the Settlement; and (4) the Class Member's signature. Your request for exclusion statement should state as follows: "I have received the Notice of Class, Collective, and Representative Action Settlement in the case *Armando Cervantes Martinez v. Porterville Citrus, Inc., et al.* and I desire to be excluded from the Settlement." The statement must be signed by you or your authorized representative and must be faxed or postmarked on or before [DATE - sixty (60) days after sent to Class Members via First Class U.S. mail]. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. If you submit a Request for Exclusion that is not postmarked or faxed by [DATE - sixty (60) days after sent to Class Members via First Class U.S. mail], your Request for Exclusion will be rejected, and you will be included in the Class.

Any Class Member who requests to be excluded from the Class will not be entitled to any portion of his or her Individual Payment Amount and, aside from releasing the PAGA Released Claims and receiving his or her Individual PAGA Payment Amount, will not be bound by the Settlement or have any right to object, appeal, or comment thereon. Class Members who fail to submit a valid and timely request for exclusion on or before [DATE - sixty (60) days after sent to Class Members via First Class U.S. mail] will be bound by all terms of the Settlement and any final disposition entered in this Class Action if the Settlement is approved by the Court. If more than ten percent (10%) of the Class Members opt out of the Settlement, Defendants will have, in its sole discretion, the option to terminate the Settlement.

Do not submit both a Request For Exclusion and an Objection. If you submit both, the request for exclusion will be valid, and you will be excluded from the Class.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?
The Court decided that Labor Law PC are qualified to represent you and all Class Members. The law firm is called "Class Counsel" in the context of this case. The law firm's attorneys are experienced in handling similar cases against other employers. However, you may hire your own attorney at your own expense if you choose to do so.

16. How will the lawyers be paid?
As part of the Settlement with Defendants, Class Counsel has requested 35% of the Gross Settlement Amount (currently equal to $112,000.00) in attorneys' fees, plus costs not to exceed $22,000.00, to be paid from the Gross Settlement Amount to compensate Class Counsel for their work on this matter. You will not have to pay Class Counsel's fees and costs from your Individual Settlement Payment.

17. How will the Plaintiff be paid?
As part of the Settlement with Defendants, Class Counsel has requested a Service Award payment of up to $10,000.00 to be paid to Plaintiff, for his efforts in this matter during initial investigation, discovery, mediation and the like, while serving as the Class Representative and taking on the burden and risks of litigation.

18. Who is handling the Settlement Administration process?

Apex Class Action LLC
18 Technology Dr. Ste. 164
Irvine, CA 92618
Phone: (800) 355-0700

19. When is the Final Fairness and Approval Hearing and do I have to attend? The Final Fairness and Approval Hearing has been set for [DATE], at [TIME] a.m. in Department 19 of Tulare County Superior Court, located at Hall of Justice 1100 Anacapa Street, CA 93101. Once the Court grants Preliminary Approval, the hearing date and time will be provided in the Final Notice sent to Class Members. You do not need to attend the hearing to be a part of the Settlement. However, if you wish to object to the Settlement, you may appear at the hearing. Please note that the hearing may be continued without further notice to the Class.

20. When will I get money after the hearing?

The Court will hold a hearing on [DATE to be determined], to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. To check on the progress of the Settlement, contact the Settlement Administrator or Class Counsel at the phone number or address listed in Section 21.

If the Court approves the Settlement and if you do not validly opt out, your Individual Settlement Payment (set forth in Section 8 above) and your Individual PAGA Payment (set forth in Section 9 above) will be distributed after Defendant funds the Settlement. Specifically, within thirty (30) calendar days after the Effective Date (the date the Court's Final Judgment becomes final and no longer subject to appeal), Defendant will deposit the full $320,000 Gross Settlement Amount with the Settlement Administrator. The Settlement Administrator will then issue payments to Class Members within fifteen (15) calendar days after funding.

Please note: If any objections or appeals are filed, the Effective Date will be delayed until those are resolved, and this will also delay distribution.

GETTING MORE INFORMATION

21. Are more details available?

This Notice only summarizes the Lawsuit, the Settlement, and related matters. For more information, the pleadings and other records in this Lawsuit, including copies of the Operative Complaint and Settlement Agreement, may be examined at any time during regular business hours at the office of the Clerk of the Superior Court of the State of California for Tulare, located at Hall of Justice 1100 Anacapa Street, CA 93101.

To access the Tulare County court docket, visit the Superior Court of California, County of Tulare website at **https://www.tulare.courts.ca.gov/** and click "Online Services" in the main navigation, then select "Case Index Search." This will take you to the court's Online Portal. Tulare's Case Search is not open to anonymous public search — you must create a free account or log in before you can search. First-time users should click "Register" to set one up. Once logged in, use the case search tool and enter the case number, PCU318066, to pull up the case. After initiating the search, review the case details and docket entries provided. If you need further assistance or encounter issues, contact the Tulare County Superior Court Civil Division at (559) 730-5000, or visit the court in person at the above- mentioned address.

Any questions regarding this Class Notice or the Lawsuit may be directed to the Settlement Administrator at the below address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel at the address, telephone number or email address set forth below. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

Settlement Administrator:
Apex Class Action LLC
18 Technology Dr. Ste. 164
Irvine, CA 92618
Info@apexclassaction.com
Phone: 1-800-355-0700

Class Counsel:
Danny Yadidsion
LABOR LAW PC
100 Wilshire Blvd., Suite 700
Santa Monica, California 90401
Telephone: (310) 494-6082
Danny@LaborLawPC.com

PLEASE DO NOT CALL OR WRITE TO THE JUDGE OR TO THE COURT OR CLERK OF THE COURT, OR TO ANY OF DEFENDANTS' MANAGERS, SUPERVISORS, OR DEFENDANTS' ATTORNEYS WITH QUESTIONS.

PROOF OF SERVICE
STATE OF CALIFORNIA
COUNTY OF TULARE
[C.C.P., §1013(a)]

ARMANDO CERVANTES MARTINEZ v PORTERVILLE CITRUS, INC., et al.

Tulare County Superior Court Case Number: PCU318066

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 100 Wilshire Blvd, Suite 700, Santa Monica, CA 90401. My email address is Carl.Espinosa@laborlawpc.com.

On **August 06, 2026**, I served the following document(s):

- **PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF THE CLASS ACTION AND PAGA SETTLEMENT**
- **DECLARATION OF DANNY YADIDSION IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**
- **DECLARATION OF ARMANDO CERVANTES MARTINEZ IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**
- **DECLARATION OF SEAN HARTRANFT IN SUPPORT OF MOTION FOR PRELIMINARY OF CLASS ACTION SETTLEMENT**

On the following:

Attorneys for Defendant Porterville Citrus, Inc.
Rebecca Hause-Schultz, Esq.,
Stella Tran, Esq.,
FISHER & PHILLIPS LLP
621 Capitol Mall, Suite 2400
Sacramento, CA 95814
Telephone: (916) 210-0408
rhause-schultz@fisherphillips.com
stran@fisherphillips.com

California Labor and Workforce Development Agency
Via the LWDA portal
https://dir.govfa.net/311

(XX) (BY LWDA PORTAL) I uploaded the document to the California Labor and Workforce Development Agency portal at https://dir.govfa.net/311.

( ) (BY MAIL) I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

( ) (BY FEDERAL EXPRESS) I caused said envelope(s) to be sent by Federal Express [Priority Overnight] to the offices of the addressee(s).

(XX) (BY ELECTRONIC MAIL) Per Orange County Local Rules requiring mandatory e-filing, California Rules of Court, and CCP, I delivered such documents by electronic mail. My email address is Carl.Espinosa@laborlawpc.com.

( ) (BY FACSIMILE) I caused said document(s) to be transmitted by telecopier at approximately am/pm to the addressee(s) whose facsimile machine telephone numbers are indicated below. The above-described transmission was reported as complete without error by a transmission report issued by the facsimile transmission machine upon which the said transmission was made immediately following the transmission.

Executed on **August 06, 2026**

(X) (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Carl Espinosa	/s/ Carl Espinosa
Print Name	Signature