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Attorneys for Plaintiffs, FRANSISCA CARRANZA and UBALDO CRUZ, as individuals and on behalf of all similarly situated employees,

SUPERIOR COURT OF THE STATE OF CALIFORNIA

THE COUNTY OF SISKIYOU

YREKE COURTHOUSE

FRANSISCA CARRANZA AND UBALDO
CRUZ, as individuals and on behalf of all
similarly situated employees,

Plaintiff,

v.

SEUS FAMILY FARMS., INC.; and DOES 1
through 50, inclusive,

Defendants.

Case No. 23CV04726

**JOINT STIPULATION OF
REPRESENTATIVE PAGA ACTION
SETTLEMENT AND RELEASE**

Assigned for all purposes to:
Department 2

Complaint filed: May 30, 2023

Trial date: Not yet set

1 **JOINT STIPULATION OF REPRESENTATIVE PAGA ACTION**

2 **SETTLEMENT AND RELEASE**

3 IT IS HEREBY STIPULATED, by and among Plaintiffs FRANSISCA CARRANZA
4 AND UBALDO CRUZ, on behalf of themselves, the State of California and the PAGA Members,
5 on the one hand, and Defendant SEUS FAMILY FARMS, INC., on the other hand, and subject
6 to the approval of the Court, that the above-captioned action is hereby being compromised and
7 settled pursuant to the terms and conditions set forth in this Joint Stipulation of Representative
8 PAGA Action Settlement and Release (the “Settlement”).

9 **1. DEFINITIONS**

10 Capitalized terms used in this Settlement shall have the meanings set forth below:

11 1.1. “Action” means the putative class and PAGA action entitled *Fransisca Carranza*
12 *and Ubaldo Cruz v. Seus Family Farms, Inc.*, pending in the Superior Court of the State of
13 California, County of Siskiyou, and designated as Case No. 23CV04726.

14 1.2. “Approval Date” means the date on which the Court grants approval of the
15 Settlement.

16 1.3. “Approval Hearing” means the hearing held on the motion for approval of the
17 Settlement.

18 1.4. “Court” means the Superior Court of the State of California for the County of
19 Siskiyou.

20 1.5. “Defendant’s Counsel” means Kimberly A. Lucia, Andrew Ducart, and Savanna
21 M. Corr of Boutin Jones Inc.

22 1.6. “Defendant” mean Seus Family Farms, Inc.

23 1.7. “Effective Date” means the date that the Gross Settlement Amount is fully funded.

24 1.8. “Final Judgment” means the Court’s entry of an order of judgment in this Action
25 following the Court’s approval of the Settlement.

26 1.9. “Gross Settlement Amount” means the total amount to be paid by Defendant as
27 provided by this Agreement. The Gross Settlement Amount is One Hundred Thousand Dollars
28 (\$100,000.00).

1 1.10. "LWDA Payment" means the portion of the payment from the Gross Settlement
2 Amount to be paid to the LWDA under the Settlement Agreement.

3 1.11. "LWDA" shall mean the California Labor and Workforce Development Agency.

4 1.12. "Net Settlement Amount" means the amount from the Gross Settlement Amount
5 that is available for distribution as Settlement Shares to PAGA Members and the LWDA Payment
6 after deduction for (i) the Representative Plaintiffs' Payment(s) (ii) Plaintiffs' Counsel Fees and
7 Expenses Payment, and (iii) the Settlement Administrator's fees and expenses.

8 1.13. "PAGA" means the Private Attorneys General Act of 2004, California Labor Code
9 Section 2698 *et seq.*

10 1.14. "PAGA Member" means each current and former non-exempt employee of
11 Defendant in California at any time during the PAGA Period.

12 1.15. "PAGA Notice" means the letters sent by Plaintiffs to Defendant and the LWDA
13 on May 11, 2023, as well as the amendment to that letter sent on June 27, 2023, attached hereto
14 as Exhibit A to this Agreement.

15 1.16. "PAGA Period" means the period from May 11, 2022 to the Approval Date.

16 1.17. "PAGA Released Claims" mean all claims, demands, rights, liabilities and causes
17 of action for penalties under PAGA against the Released Parties, which were alleged or could
18 have reasonably been alleged based on PAGA Notice and Complaint filed in this Action, that
19 arose during the PAGA Period, including but not limited to claims for civil penalties for violations
20 of Labor Code sections 201, 202, 203, 204, 206, 210, 221, 226, 226.3, 226.7, 510, 512, 1174,
21 1774.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, and applicable Wage Orders of the
22 Industrial Welfare Commission, and all related claims for attorneys' fees and costs.

23 1.18. "PAGA Settlement Group Information" means information regarding PAGA
24 Members that Defendant will in good faith compile from their records and provide to the
25 Settlement Administrator. PAGA Settlement Group Information shall be provided as a Microsoft
26 Excel spreadsheet and shall include: each PAGA Member's full name; last known address; social
27 security number; and the total number of pay periods each PAGA Member worked for Defendant
28 during the PAGA Period. The number of pay periods worked shall be calculated using

1 Defendant's payroll data during the PAGA Period. Because social security numbers are included
2 in the PAGA Settlement Group Information, the Settlement Administrator shall maintain the
3 PAGA Settlement Group Information in confidence; access shall be limited solely to counsel for
4 Defendant, as well as those who work for the Settlement Administrator with a need to use the
5 PAGA Settlement Group Information as part of the administration of the Settlement, and
6 transmission shall be through use of a secure, password-protected file. If any or all of the PAGA
7 Members' data is unavailable to Defendant, Defendant will so inform Plaintiffs' Counsel prior to
8 the date on which Defendant are required to submit the PAGA Members' data to the Settlement
9 Administrator and the Parties will make their best efforts to reconstruct or otherwise agree upon
10 the PAGA Members' data prior to when it must be submitted to the Settlement Administrator. If
11 the Parties are unable to agree, the dispute will be resolved by the Settlement Administrator.

12 1.19. "Parties" means Plaintiffs and Defendant collectively; and "Party" shall mean any
13 Defendant or Plaintiff, individually.

14 1.20. "Pay Periods" shall mean the number of pay periods each PAGA Member worked
15 at Seus Family Farms, Inc. as a non-exempt employee in California during the PAGA Period.

16 1.21. "Plaintiff Carranza" means Fransisca Carranza.

17 1.22. "Plaintiff Cruz" means Ubaldo Cruz.

18 1.23. "Plaintiffs' Counsel" means Kevin Mahoney, John A. Young, and Raleigh Dixon
19 of the Mahoney Law Group, APC.

20 1.24. "Plaintiffs" means Plaintiff Carranza and Plaintiff Cruz.

21 1.25. "Released Parties" means Defendant and its parent companies, subsidiaries,
22 related companies, affiliates, dbas, current and former management companies, shareholders,
23 managers, officers, directors, members, agents (including any investment bankers, accountants,
24 insurers, reinsurers, staffing agencies, joint employers, labor contractors, attorneys and any past,
25 present or future officers, directors and employees) predecessors, successors, and assigns or any
26 related entity that was the "employer" of PAGA Members.

27 1.26. "Settlement Administrator" means Phoenix Settlement Administrators.

28 1.27. "Settlement Share" means the portion of the Net Settlement Amount allocable to

each PAGA Member as provided by this Agreement.

1.28. "Settlement" means the Parties' agreement, as detailed herein, to dispose of the Action and all other claims, demands, rights, promises, covenants, actions, suits, causes of action, obligations, debts, expenses, administration costs, damages, penalties fines, interest, injuries, compensation, judgments, orders and liabilities alleged in, arising from, or related to the Action.

2. RECITALS

2.1. Procedural History. On May 11, 2023, Plaintiffs submitted a letter to the LWDA alleging Defendant violated, among other provisions of the California Labor Code and applicable wage law, Labor Code sections 201, 202, 203, 204, 206, 210, 221, 226, 226.3, 226.7, 510, 512, 1174, 1774.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, and applicable Wage Orders of the Industrial Welfare Commission. On May 30, 2023, Plaintiffs filed a lawsuit in the Superior Court of California for the County of Siskiyou as a proposed class action on behalf of all current and former non-exempt California employees of Defendant during the period of May 30, 2019 through the date of final judgment.

In their initial complaint Plaintiffs alleged (1) failure to pay wages, including minimum wages and overtimes wages; (2) failure to pay wages due at separation of employment; (3) failure to provide meal and rest periods; (4) failure to reimburse for necessary business expenditures; (5) failure to issue accurate itemized wage statements; and (6) violation of Business and Professions Code Section 17200 et seq. (unfair competition law). Plaintiffs sought recovery under the California Labor Code, the applicable Industrial Welfare Commission Wage Order, and the California Business & Professions Code. On June 27, 2023, Plaintiffs submitted an amended letter to the LWDA asserting claims under PAGA. In June 2023, Defendant informed Plaintiffs' Counsel of the existence of arbitration agreements which had been executed by Plaintiffs and would bar their ability to bring their claims on a putative class action basis. On July 18, 2023, Plaintiffs filed an amended complaint, which added a cause of action for civil penalties under the PAGA for the same alleged violations of the California Labor Code as alleged in the original Complaint, as well as those set forth in the PAGA Notice.

2.2. Settlement Negotiations. On January 5, 2024, the Parties participated in a full-day

1 private mediation session with mediator Mark LeHocky, Esq. Prior to and during the mediation,
2 Defendant provided Plaintiffs' counsel with the following documents and information: (1)
3 Plaintiffs' entire personnel files; (2) Plaintiffs' time and pay records; (3) Defendant's employee
4 handbooks utilized during the PAGA Period; (4) time records and corresponding payroll records
5 for a twenty-five percent (25%) sample of putative PAGA Members; (5) other relevant
6 documents, including samples of other policy documents. These documents and this information
7 allowed Plaintiffs' Counsel to construct a damages analysis. Based on the information obtained
8 through informal discovery, the Parties reached an agreement in principle to the basic terms of a
9 PAGA settlement agreement at the mediation. The Settlement is the result of an informed and
10 detailed evaluation of the total exposure and potential liability, in relation to the costs and risks
11 associated with continued litigation of the Action. The Parties have engaged in sufficient informal
12 discovery and investigation to assess the relative merits of the claims, defenses, and contentions
13 of the Parties.

14 2.3. Benefits of Settlement to PAGA Members. During the mediation, each side,
15 represented by its respective counsel, recognized the risk of an adverse result in the Action and
16 agreed to settle the Action, and all other matters covered by this Agreement pursuant to the terms
17 and conditions of this Agreement. This Agreement represents a compromise and settlement of
18 highly disputed claims.

19 2.4. No Admissions. Nothing in this Settlement nor the acts to be performed or
20 judgments to be entered pursuant to the terms of the Settlement shall be construed to be an
21 admission by Plaintiffs that their claims do not have merit or by Defendant of any liability or
22 wrongdoing as to Plaintiff, PAGA Members or any other person. Defendant specifically disclaims
23 any such liability or wrongdoing. Defendant denies the allegations in the Action and specifically
24 denies that it has committed any misconduct, statutory or regulatory violation, wrongdoing, or
25 any other actionable conduct of any kind. The Parties have entered into this Settlement with the
26 intention to avoid further disputes and litigation with the attendant inconvenience, expenses and
27 risks. This Settlement and any related court documents or orders are not and may not be cited or
28 admitted as evidence of liability.

1 **3. TERMS OF SETTLEMENT**

2 The Parties agree as follows:

3 3.1. Binding Settlement. This Settlement shall bind the Parties and all PAGA
4 Members, subject to the terms and conditions set forth in this Agreement and the Court's
5 approval.

6 3.2. Gross Settlement Amount. Subject to the terms and conditions of this Agreement
7 and court approval, the Gross Settlement Amount will cover (i) all Settlement Shares to PAGA
8 Members, (ii) the LWDA Payment, (iii) the Representative Plaintiffs' Payment(s), (iv) the
9 Plaintiffs' Counsel Fees and Expenses Payment, and (iv) the Settlement Administrator's fees and
10 expenses. This settlement sum is based on Defendant's representation that the number of total
11 pay periods during the PAGA Period through October 27, 2023, was approximately Two
12 Thousand Eight Hundred (2,800). Defendant shall not be required to pay more than the Gross
13 Settlement Amount as long as the actual number of pay periods during the PAGA Period is no
14 more than ten percent (10%) greater than Defendant's estimate. If the number of pay periods
15 during the PAGA Period is more than 10% higher than 2,800 pay periods worked (i.e., more than
16 3,080 pay periods), Defendant have the option to either: (1) agree to increase the Gross Settlement
17 Amount on a proportional basis (i.e., if the pay period count increases by 12%, then Defendant
18 would agree to increase the Gross Settlement Amount by 2%); or (2) in the alternative, if the total
19 pay periods during the PAGA Period exceeds 3,080 pay periods, then Defendant may choose to
20 adjust the end of the applicable PAGA Period, such that the applicable PAGA Period will include
21 no more than 3,080 pay periods in lieu of paying an increase to the Gross Settlement Amount.
22 Under no other circumstances shall Defendant be required to pay more than the Gross Settlement
23 Amount except as provided for in this section of the Agreement.

24 3.3. Payment to Settlement Administrator. The Settlement Administrator will pay to
25 itself out of the Gross Settlement Amount its reasonable fees and expenses as approved by the
26 Court, and not to exceed five thousand dollars (\$5,000.00).

27 3.4. Payments to LWDA. The Settlement Administrator shall pay the LWDA Payment
28 to the LWDA, which is calculated as 75% of the Net Settlement Amount.

1 3.5. Payment to Plaintiffs' Counsel. Defendant will not oppose Plaintiffs' Counsel's
2 request for a Fees and Expenses Payment in the total, maximum amount of Thirty-three Thousand
3 Three Hundred Thirty-three Dollars and thirty-three cents (\$33,333.33) for attorneys' fees (one-
4 third of the Gross Settlement Amount), and expenses not to exceed twelve thousand dollars
5 (\$12,000.00). The Settlement Administrator will issue to Plaintiffs' Counsel a Form 1099 with
6 respect to the awarded attorneys' fees and costs.

7 3.6. Payment to Plaintiffs. In addition to their Settlement Share, Plaintiff Carranza and
8 Plaintiff Cruz will apply to the Court for a Representative Plaintiffs' Payment of not more than
9 Five Thousand Dollars (\$5,000.00) each, for a total of \$10,000, and Defendant shall not oppose
10 such application. If the Superior Court approves a Representative Plaintiffs' Payment of less than
11 a total of Ten Thousand Dollars (\$10,000.00), the remainder will be retained in the Net Settlement
12 Amount. Tax deductions and withholdings will not be taken from the Representative Plaintiffs'
13 Payment, and instead a Form 1099 will be issued to Plaintiffs with respect to this payment.

14 3.7. Settlement Shares. Subject to the terms and conditions of this Agreement, and after
15 deduction of the LWDA Payment, the Settlement Administrator will allocate Settlement Shares
16 from the Net Settlement Amount to the PAGA Members in proportion to the number of Pay
17 Periods worked for Defendant during PAGA Period. Where required, a Form 1099 will be issued
18 to each PAGA Member for their Settlement Share because the Action sought civil penalties.

19 3.8. Appointment of Settlement Administrator. The Parties have agreed to propose
20 Phoenix Class Settlement Administrator as an acceptable Settlement Administrator to resolve
21 disputes in connection with the calculation of Settlement Shares in accordance with the
22 Settlement; distribute Settlement Shares and other payments due under the Settlement; and
23 otherwise administer the Settlement. The Settlement Administrator's duties will include
24 preparing, printing, and mailing each PAGA Member's Settlement Share; conducting a National
25 Change of Address search and using Accurint and other reasonable and cost-effective skip trace
26 methods to locate any PAGA Member whose Settlement Share was returned by the U.S. Postal
27 Service as non-deliverable, and re-mailing the Settlement Share to the PAGA Member's new
28 address; and otherwise administering the Settlement pursuant to this Agreement.

1 3.9. Release and Waiver of Claims

2
3 3.9.1. Release As To All PAGA Members. As of the Effective Date, all PAGA
4 Members will be deemed to have fully, finally and forever released, settled, compromised,
5 relinquished, and discharged the Released Parties from the PAGA Released Claims during the
6 PAGA Period. This release shall be binding on all PAGA Members, including each of their
7 respective attorneys, agents, executors, representatives, guardians ad litem, heirs, successors, and
8 assigns, and shall inure to the benefit of the Released Parties, who shall have no further or other
9 liability or obligation to any PAGA Member with respect to the PAGA Released Claims, except
10 as expressly provided herein. Plaintiffs on behalf of the State of California and the LWDA will
11 also release all PAGA Released Claims. No release in this Agreement shall become effective until
12 the Gross Settlement Amount is fully funded.

13 3.10. Plaintiff's Release. Plaintiffs and their respective former and present spouses,
14 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release
15 and discharge Released Parties from all claims, transactions, or occurrences that occurred during
16 the their employment with Defendant, including, but not limited to: (a) all claims that were, or
17 reasonably could have been, alleged, based on the facts contained, in the Complaint; (b) all PAGA
18 claims that were, or reasonably could have been, alleged based on facts contained in the
19 Complaint, Plaintiffs' PAGA Notice, or ascertained during the Action; and (c) all claims
20 Plaintiffs' had or may ever have against the Released Parties arising from their employment with
21 Defendant and the termination of such employment, including, but not limited to, claims for
22 expenses, breach of contract, fraud, mental or emotional distress, misrepresentation, attorneys'
23 fees, or any claim for harassment, discrimination, or retaliation under federal or state law.
24 ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to enforce
25 this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits,
26 social security benefits, workers' compensation benefits. Plaintiffs acknowledge that Plaintiffs
27 may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now
28 know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain

1 effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery
2 of them.

3 For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the
4 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

5 A general release does not extend to claims that the creditor or releasing party does not
6 know or suspect to exist in his or her favor at the time of executing the release, and that if
7 known by him or her would have materially affected his or her settlement with the debtor
8 or Released Party.

9 3.11. No Effect on Other Benefits. The payment to PAGA Members will not result in
10 any additional benefit payments (such as 401(k) or bonus) beyond those provided by this
11 Agreement to Plaintiffs or the PAGA Members, and they will be deemed to have waived all such
12 claims, whether known or unknown by them, as part of their release of claims under this
13 Agreement.

14 3.12. Confidentiality Preceding Approval. Prior to filing of the Motion for Settlement
15 Approval, Plaintiffs will not issue any press or other media releases or have any communication
16 with the press or media or anyone other than financial advisors, retained experts, the LWDA and
17 vendors related to settlement administration, regarding the Settlement. If, before the filing of the
18 Motion for Settlement Approval, Plaintiffs or their attorneys disclose to any unauthorized party
19 (a) that a settlement has been reached or (b) any of the terms of the Settlement except as required
20 by law or to effect the Settlement, Defendant may rescind the Settlement, rendering it null and
21 void. Plaintiffs further agree that they will instruct their attorneys not to disclose the terms of this
22 Agreement other than as necessary in connection with the motion to approve the Settlement. This
23 section does not bar Plaintiffs' counsel from carrying out their duties as counsel to Plaintiffs for
24 the LWDA.

25 3.13. Tax Liability. The Parties understand and agree that the Parties are not providing
26 tax or legal advice. Plaintiffs and PAGA Members will assume any employee tax obligations or
27 consequences that may arise from this Settlement and should consult with a tax expert if they
28 have questions. However, Settlement Shares will be allocated as 100% interest and penalties (for

1 which an IRS Form 1099 will be issued, if required). The Parties agree that, in the event that any
2 taxing body determines that additional employee taxes are due from any PAGA Member, such
3 PAGA Member assumes all responsibility for the payment of such taxes.

4 3.14. Circular 230 Disclaimer. The Parties acknowledge and agree that (1) no provision
5 of this Settlement, and no written communication or disclosure between or among the Parties,
6 Plaintiffs' Counsel or Defendant's Counsel and other advisers, is or was intended to be, nor shall
7 any such communication or disclosure constitute or be construed, or be relied upon, as tax advice
8 within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as
9 amended); (2) the acknowledging Party (a) has relied exclusively upon his, her, or its own,
10 independent legal and tax counsel for advice (including tax advice) in connection with this
11 Settlement, (b) has not entered into this Settlement based upon the recommendation of any other
12 Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any
13 communication or disclosure by any attorney or advisor to any other Party to avoid any tax penalty
14 that may be imposed on the acknowledging Party; and (3) no attorney or advisor to any other
15 Party has imposed any limitation that protects the confidentiality of any such attorney's or
16 adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure
17 by the acknowledging Party of the tax treatment or tax structure of any transaction, including any
18 transaction contemplated by this Settlement.

19 3.15. Settlement Approval and Implementation Procedures. As part of this Settlement,
20 the Parties agree to the following procedures for obtaining the Court's approval of the Settlement:

21 3.15.1. Motion for an Order Approving the Settlement.

22 3.15.1.1. The Parties will cooperate in seeking approval of the
23 Settlement, including Plaintiffs filing a Motion for an Order Approving the Settlement Agreement
24 (the "Motion").

25 3.15.1.2. Should the Court decline to approve all material aspects of the
26 Settlement, or order material changes to the Settlement to which the Parties do not agree, the
27 Parties will meet and confer to address the Court's concerns and determine whether resolution of
28 the Action can be obtained in a manner consistent with the Court's concerns. If no agreement

1 can be reached, the Settlement will be null and void and the Parties will have no further
2 obligations under it. However, an award by the Court of a lesser amount than sought for the
3 Representative Plaintiffs' Payment(s) and/or Counsel Fees and Expenses Payment will not be
4 considered a material change to the Settlement.

5 3.15.2. No Right to Opt Out or Object. The Parties agree there is no statutory
6 right for any PAGA Member to object, opt out or otherwise exclude themselves from the
7 Settlement. The Parties further agree there is no right or opportunity for any PAGA Member to
8 appeal the approval of the Settlement by the Court. The Parties further agree that a PAGA
9 Member's recovery under this Settlement does not act to preclude claims not encompassed within
10 the release of claims in Section 3.10.

11 3.15.3. Timing of Payments. Within ten (10) business days after the Approval
12 Date, the Settlement Administrator will provide Defendant with wire transfer information and/or
13 an address for payment. Within ten (10) business days after the Settlement Administrator
14 provides Defendant with such information, Defendant will provide the Gross Settlement Amount
15 to the Settlement Administrator. Within five (5) business days thereafter, the Settlement
16 Administrator will make the following payments from the Gross Settlement Amount: the LWDA
17 Payment; the Representative Plaintiffs' Payment to Plaintiffs; Plaintiffs' Counsel Fees and
18 Expenses Payment paid to Plaintiffs' Counsel; and the Settlement Administrator's fees and
19 expenses.

20 3.15.4. PAGA Group Information. No more than fourteen (14) calendar days after
21 the Approval Date, Defendant will provide to the Settlement Administrator the PAGA Settlement
22 Group Information.

23 3.15.5. Delivering Settlement Shares. Within ten business (10) days after receiving
24 the PAGA Settlement Group Information from Defendant, the Settlement Administrator will send
25 PAGA Members checks for their Settlement Shares. The Settlement Administrator will utilize
26 the mailing address information provided by Defendant, unless modified by any updated address
27 information that the Settlement Administrator obtains in the course of administration of the
28 Settlement. The Parties agree that there is no statutory obligation to provide notice of settlement

1 to PAGA Members, however after the Court enters its order granting the Motion, every PAGA
2 Member will be provided with a notice substantially in the form evidenced by **Exhibit B** to this
3 Agreement with their Settlement Share.

4 3.1.1. Undeliverable Settlement Shares. If a Settlement Share check is
5 returned because of an incorrect address, the Settlement Administrator will promptly, and not
6 later than ten (10) days from receipt of the returned check, search for a more current address for
7 the PAGA Member using Accurant and other reasonable and cost-effective skip trace methods,
8 and re-mail check to the PAGA Member.

9 3.1.2. Uncashed Settlement Share Checks. A PAGA Settlement Member
10 must receive or cash their Settlement Share check within 180 calendar days after it is mailed to
11 them. If a check is returned to the Settlement Administrator, the Settlement Administrator will
12 make all reasonable efforts to re-mail it to the PAGA Member at their correct address. If any
13 PAGA Member's Settlement Share check is not cashed within 120 days after its last mailing to
14 the PAGA Member, the Settlement Administrator will send the PAGA Member a letter or
15 postcard informing them that unless the check is cashed in the next 60 days, it will expire and
16 become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed.
17 If a PAGA Member fails to cash the check for their Settlement Share within 180 days after the
18 last mailing, the funds shall be distributed by the Settlement Administrator to the State
19 Controller's Unclaimed Property Fund in the PAGA Member's name.

20 3.1.3. Submission of Judgment. Plaintiffs shall submit a copy of the Judgment
21 in this Action and a copy of any other order providing for or denying an award of civil penalties
22 within ten (10) days after entry of the Judgment and/or order, in compliance with Section
23 2699(1)(3) of the California Labor Code. The Judgment will be made available to the LWDA and
24 Aggrieved Employees through the Settlement Administrator's website for a period of one (1) year
25 following entry of judgment.

26 3.1.4. Vacating, Reversal, or Material Modification of Judgment on Appeal or
27 Review. Provided that the Judgment is consistent with the material terms of this Agreement,
28 Plaintiff, Defendant, and their respective counsel hereby waive any and all rights to appeal from

1 the Judgment, including all rights to any post-judgment proceeding and appellate proceeding,
2 such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the
3 Judgment therefore will become non-appealable at the time it is entered. The waiver of appeal
4 does not include any waiver of the right to oppose any appeal, appellate proceedings or post-
5 judgment proceedings. This paragraph does not preclude Plaintiffs or Plaintiffs' Counsel from
6 appealing from a refusal by the Court to award the Plaintiffs' Counsel attorneys' fees and/or costs
7 sought by them. If an appeal is taken, the time for consummating the Settlement (including
8 making payments under the Settlement) will be suspended until such time as their appeal is finally
9 resolved and the Judgment becomes Final, as defined in this Agreement.

10 4. Miscellaneous Terms

11 All other provisions of this Agreement notwithstanding, any and all provisions of this Agreement
12 may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all
13 terms of this Agreement, or in defense of any claims released or barred by this Agreement. If any
14 party brings an action to enforce this Agreement, the prevailing party shall be entitled to its/her/his
15 reasonable attorneys' fees and costs.

16 4.1. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning
17 the interpretation, calculation or payment of settlement claims, or other disputes regarding
18 compliance with this Settlement shall be resolved as follows:

19 4.1.1. If Plaintiffs or Plaintiffs' Counsel, on behalf of Plaintiffs or any PAGA
20 Members, or Defendant at any time believe that the other Party or Parties have breached or acted
21 contrary to the Settlement, that Party shall notify the other Party or Parties in writing of the alleged
22 violation.

23 4.1.2. Upon receiving notice of the alleged violation or dispute, the responding
24 Party shall have ten (10) days to correct the alleged violation and/or respond to the initiating Party
25 with the reasons why the Party disputes all or part of the allegation.

26 4.1.3. If the response does not address the alleged violation to the initiating
27 Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) days to resolve their
28 differences.

1 4.1.4. Prior to the Court's involvement, if the Parties still cannot resolve a
2 dispute, the Parties shall utilize the services of the Mark LeHocky, Esq. (Mediator) in a good-
3 faith attempt to mediate and resolve the dispute.

4 4.1.5. If the Parties are unable to resolve their differences after twenty (20) days,
5 either Party may file an appropriate motion for enforcement with the Court.

6 4.2. Exhibits and Headings. Any Exhibits to this Settlement are an integral part of the
7 Settlement. The descriptive headings of any paragraphs or sections of this Settlement are inserted
8 for convenience of reference only and do not constitute a part of this Settlement.

9 4.3. Interim Stay of Proceedings. The Parties agree that upon the execution of this
10 Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement.

11 4.4. Amendment or Modification. This Settlement may be amended or modified only
12 by a written instrument signed by all the Parties and counsel for all Parties or their successors-in-
13 interest.

14 4.5. Entire Settlement. This Settlement and any attached Exhibits constitute the entire
15 agreement among these Parties, and no oral or written representations, warranties, or inducements
16 have been made to any Party concerning this Settlement or its exhibits, other than the
17 representations, warranties, and covenants contained and memorialized in the Settlement and its
18 exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding
19 on the Parties.

20 4.6. Authorization to Enter into Settlement. Counsel for all Parties warrant and
21 represent they are expressly authorized by the Parties whom they represent to negotiate this
22 Settlement and to take all appropriate actions required or permitted to be taken by such Parties
23 pursuant to this Settlement to effectuate its terms, and to execute any other documents required
24 to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each
25 other and use their best efforts to affect the implementation of the Settlement. In the event the
26 Parties are unable to reach agreement on the form or content of any document needed to
27 implement the Settlement, or on any supplemental provisions that may become necessary to
28 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve

1 such disagreement. The person signing this Settlement on behalf of Defendant represents and
2 warrants that he or they is authorized to sign this Settlement on behalf of Defendant. Plaintiffs
3 represent and warrant they are authorized to sign this Settlement and that they have not assigned
4 any claim, or part of a claim, covered by this Settlement to a third-party.

5 4.7. No Prior Assignments. The Parties and their counsel represent, covenant, and
6 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
7 to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
8 action, cause of action or right herein released and discharged.

9 4.8. California Law Governs. All terms of this Settlement and the exhibits hereto shall
10 be governed by and interpreted according to the laws of the State of California.

11 4.9. This Settlement is Fair, Adequate and Reasonable. The Parties believe this
12 Settlement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
13 Settlement after extensive arms-length negotiations, taking into account all relevant factors,
14 present and potential.

15 4.10. Jurisdiction of the Court. In accordance with California Rule of Court 3.769(h),
16 the Parties agree that the Court shall retain jurisdiction with respect to the interpretation,
17 implementation, and enforcement of the terms of this Settlement and all orders and judgments
18 entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction
19 of the Court for purposes of interpreting, implementing, and enforcing this Settlement and all
20 orders and judgments entered in connection therewith.

21 4.11. Invalidity of Any Provision. Before declaring any provision of this Settlement
22 invalid, the Court shall first attempt to construe the provision to be valid to the fullest extent
23 possible, consistent with applicable precedents.

24 4.12. Cooperation. The Parties agree to cooperate fully with one another to accomplish
25 and implement the terms of this Settlement. Such cooperation shall include, but not be limited
26 to, execution of such other documents and the taking of such other action as may be reasonably
27 necessary to fulfill the terms of this Settlement. The Parties to this Settlement shall use their best
28 efforts, including all efforts contemplated by this Settlement and any other efforts that may

1 become necessary by Court order, or otherwise, to effectuate this Settlement and its terms.

2 4.13. Publicity. Plaintiffs agree not to disclose or publicize the Settlement Agreement
3 contemplated herein, the facts of the Settlement Agreement, its terms or contents, or the
4 negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly,
5 to any person or entity, except to PAGA Members and as shall be contractually required to
6 effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited
7 purpose of allowing Plaintiffs' Counsel to prove adequacy as Plaintiffs' Counsel in other actions,
8 Plaintiffs' Counsel may disclose the names of the Parties in this Action, the venue/case number
9 of this Action, and a general description of the Action, to a court in a declaration by Plaintiffs'
10 Counsel. Plaintiffs' Counsel may also include a general description of the Settlement on their
11 respective websites, but may not include the name(s) of any of the Parties, including the
12 Defendant, or any of the Released Parties, or the case name or case number of the Action.

13 4.14. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
14 and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly
15 against one party than another merely by virtue of the fact that it may have been prepared by
16 counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations
17 between the Parties, all Parties have contributed to the preparation of this Settlement.

18 4.15. Representation by Counsel. The Parties acknowledge that they have been
19 represented by counsel throughout all negotiations that preceded the execution of this Settlement,
20 and that this Settlement has been executed with the consent and advice of counsel, and reviewed
21 in full. Further, Plaintiffs and Plaintiffs' Counsel warrant and represent that there are no liens on
22 the Settlement.

23 4.16. Notices. Unless otherwise specifically provided, all notices, demands or other
24 communications in connection with this Settlement shall be: (1) in writing; (2) deemed given on
25 the third business day after mailing; and (3) sent via United States registered or certified mail,
26 return receipt requested, addressed as follows:

27 ///

28 ///

To Plaintiff:

Kevin Mahoney, Esq.
John A. Young, Esq.
Raleigh Dixon, Esq.
MAHONEY LAW GROUP
249 East Ocean Boulevard, Suite 814
Long Beach, CA 90802
Telephone: (562) 590-5550
Facsimile: (562) 590-8400

To Defendant:

Kimberly A. Lucia
Andrew Ducart
Savanna M. Corr
Boutin Jones Inc.
555 Capitol Mall
Sacramento, CA 95814
Telephone: (916) 321-4444

4.17. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

4.18. Counterparts. This Settlement shall become effective upon its execution by all of the undersigned. Plaintiffs and Defendant may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if each had signed the same instrument. Copies of the executed Settlement shall be effective for all purposes as though the signatures contained therein were original signatures.

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1 4.19. The Parties, Plaintiffs' Counsel and Defendant's Counsel represent that they are
2 not aware of any other pending matter or action asserting claims that will be extinguished or
3 affected by the Settlement.

4
5 Dated: 04 / 10 / 2024 _____

PLAINTIFF FRANSISCA CARRANZA

6 F . C

7 _____
FRANSISCA CARRANZA

8
9 Dated: 05 / 09 / 2024 _____

PLAINTIFF UBALDO CRUZ

10 U . C

11 _____
UBALDO CRUZ

12
13 Dated: _____

DEFENDANT SEUS FAMILY FARMS,
14 INC.

15
16 _____
By: Sara Seus

1 4.19. The Parties, Plaintiffs' Counsel and Defendant's Counsel represent that they are
2 not aware of any other pending matter or action asserting claims that will be extinguished or
3 affected by the Settlement.

4
5 Dated: _____ PLAINTIFF FRANSISCA CARRANZA

6
7 _____
8 FRANSISCA CARRANZA

9 Dated: _____ PLAINTIFF UBALDO CRUZ

10
11 _____
12 UBALDO CRUZ

13 Dated: 4/5/2024 DEFENDANT SEUS FAMILY FARMS,
14 INC.

15 _____
16 By: Sara Seus
17
18
19
20
21
22
23
24
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26
27
28

Exhibit A



Raleigh Dixon, Esq.
Phone : (562) 590-5550
Facsimile : (562) 590-8400
rdixon@mahoney-law.net

May 11, 2023

Via Labor & Workforce Development Agency – Online Submission

LABOR AND WORKFORCE DEVELOPMENT AGENCY

<https://dir.tfaforms.net/308>

VIA CERTIFIED MAIL #7022 2410 0000 2418 4838

Return Receipt Requested

Seus Family Farms, Inc.
2284 Country Round 100
Tulelake, CA 96134

Re: Ubaldo Cruz and Francisca Carranza v. Seus Family Farms, Inc.

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION § 2698 ET SEQ.**

To: California Labor and Workforce Development Agency; Seus Family Farms, Inc.

From: Ubaldo Cruz and Francisca Carranza, on behalf of themselves and aggrieved employees who were subject to the employer's wage and hour policies as set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents the interests of Ubaldo Cruz and Francisca Carranza ("Employees"), who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code sections 2698 et seq. ("PAGA"), on behalf of themselves and all other aggrieved employees.

Please also be advised that this letter constitutes written notice required by Labor Code sections 2699.3, subdivision (a)(1), and 2699.3, subdivision (c)(1), and may lead to action against Seus Family Farms, Inc. ("Employer" or "SFF") in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Employer, and any and all related parent, and/or alter ego companies, corporations, partnerships, subsidiaries, and/or business entities, as well as against any and all offices, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of the violations alleged herein.

Theories of Labor Code Violations and Remedies

Employer is a California corporation that operates an agricultural business in Siskiyou County. Employees were employed by Employer as an hourly, non-exempt employee.

Employees alleges Employer violated various sections of the Labor Code, including sections 201, 202, 203, 204, 206, 210, 221, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802 by failing to provide Ms. Caranza, Mr. Cruz, and all other aggrieved employees with meal and rest periods and premium pay, failing to pay all wages owed, including minimum wage and overtime, failing to provide accurate wage statements and maintain accurate payroll records, and failing to provide all wages earned at end of employment. Ms. Caranza, Mr. Cruz, and similarly aggrieved employees consist of identifiable, current, and/or former similarly situated persons who worked for Employer in non-exempt positions in California during the liability period of one (1) year prior to the filing of a complaint alleging a PAGA cause of action.

A. SFF Failed to Provide Ms. Caranza, Mr. Cruz, and other Aggrieved Employees with Meal and Rest Periods, or Premium Compensation in lieu thereof, in accordance with California law.

Ms. Caranza and Mr. Cruz, allege that they and other aggrieved employees were often precluded from taking timely and uninterrupted meal and rest breaks in accordance with California law due to the nature of their shifts. Ms. Caranza, Mr. Cruz, and other aggrieved employees allege that they did not receive at least one (1) duty-free, uninterrupted meal period within the first five (5) hours worked, and a second meal period before the start of the 11th hour of work. (*Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1041-42.) In fact, at times Employer did not have sufficient employees to provide relief for meal periods and thereby required Ms. Caranza, Mr. Cruz, and other aggrieved employees to continue working throughout their meal periods. Further, Ms. Caranza, Mr. Cruz, and other aggrieved regularly worked in excess of ten (10) hours, however were not provided a second timely, uninterrupted duty-free meal period. When employees were prevented from taking timely and complete meal periods, they did not receive premium pay as compensation for the missed meal period.

Moreover, Employer had an auto-deduct policy for meal periods. Employer utilized this auto-deduct policy regardless of whether Ms. Caranza, Mr. Cruz, and/or other aggrieved employees actually took a meal period, or received a late or missed meal period. Such a policy failed to accurately and precisely illustrate the true record of Ms. Caranza, Mr. Cruz, and other aggrieved employees' s meal breaks. Additionally, Employer had a policy and practice of requiring Ms. Caranza, Mr. Cruz, and aggrieved employees from leaving the premises during their meal periods, thus requiring them to stay under Employer's control. Further, Employer did not permit Ms. Caranza, Mr. Cruz, and aggrieved employees to take their lunch until 10:30 a.m. each day, regardless of whether they started their shift at 6:00 a.m. or 6:30 a.m. For those employees who started at 6:00 a.m., their lunches always began after their 5th hour of work. Employer never paid meal premiums to Ms. Caranza, Mr. Cruz, and aggrieved employees when they did not get thirty (30) minute duty-free meal periods. As a result of these policies and procedures, Ms. Caranza, Mr. Cruz, and other aggrieved employees did not receive compliant duty-free meal periods.

Ms. Caranza and Mr. Cruz further allege that they and other aggrieved employees did not receive at least one duty-free, uninterrupted rest period for every four (4) hours worked, or major fraction thereof, as required by the Labor Code. Ms. Caranza, Mr. Cruz, and other aggrieved employees were generally precluded from taking rest periods during busy seasons due to Employer's failure to sufficiently staff shifts to provide relief and thereby allow Ms. Caranza, Mr. Cruz, and other aggrieved employees the opportunity to take rest breaks. When employees were prevented from taking rest breaks, they did not receive premium pay for the missed rest break.

Ms. Caranza and Mr. Cruz allege they and other aggrieved employees were not compensated with premium pay for every meal period and rest period that was not provided. Employer's conduct is actionable under PAGA as violations of Labor Code sections 226.7 and 512, and the applicable IWC Wage Orders.

B. SFF Failed to Pay Ms. Caranza, Mr. Cruz, and Other Aggrieved Employees for All Hours Worked, in Accordance with California Law, Including Both Minimum Wage and Overtime

Employer failed to pay Ms. Caranza, Mr. Cruz, and other aggrieved employees for all hours worked at the legally mandated wage rates, including minimum wage, and overtime compensation. Specifically, Ms. Caranza, Mr. Cruz, and other aggrieved employees frequently worked shifts in excess of eight (8) and twelve (12) hours per day and forty (40) hours per week. Not only were they not paid for all hours worked, but they were also not paid all hours worked at the applicable overtime rate of one and one-half times their regular rate for hours worked in excess of eight (8) in one day and forty (40) in one week and double time for hours worked in excess of twelve (12) in one day.

Employer's failure to pay minimum wage and applicable overtime rates to Ms. Caranza, Mr. Cruz, and other aggrieved employees, as well as rounding meal periods, as detailed above, is actionable under PAGA as a violation of Labor Code sections 221, 510, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and the applicable IWC Wage Orders.

C. SFF Failed to Provide Ms. Caranza, Mr. Cruz, and Other Aggrieved Employees Compliant Wage Statements, and Failed to Pay all Wages Earned at the Time Their Employment Ended

Employer further failed to maintain complete and accurate payroll records and failed to provide Ms. Caranza, Mr. Cruz, and other aggrieved employees with complete and accurate wage statements. Specifically, Ms. Caranza, Mr. Cruz, and other aggrieved employees received wage statements that failed to include all rest and meal break premiums earned per pay period, compensation for actual hours worked, total hours worked, number of hours worked at each hourly rate, the correct overtime rate, and gross and net wages earned. This conduct is in violation of Labor Code sections 226, 226.3, 1174 and 1174.5 and is actionable under PAGA.

As a further result of Employer's failure to pay all wages owed as described herein, Employer also violated Labor Code sections 201, 202, and 203, due to its uniform policy, practice,

and procedure of failing to pay all wages earned to former employees at the time their employment ended.

D. SFF Failed to Reimburse Ms. Caranza, Mr. Cruz, and other Aggrieved Employees for All Necessary Business Expenditures Incurred in the Course of their Work Duties

California Labor Code section 2802 requires Employer to reimburse workers for “all necessary expenditures or losses incurred by the employee in direct discharge of [their] work duties.” However, Employer had a policy and practice of deducting “work gear” costs from Ms. Caranza’s, Mr. Cruz’s, and aggrieved employees paychecks in order to pay for specialized pants used to gather Employer’s products. Employer’s conduct is in violation of Labor Code section 2802 and the applicable IWC Wage Orders, and is therefore actionable under PAGA.

E. Reservation of Rights

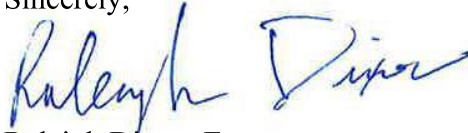
The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Ms. Caranza, Mr. Cruz, becomes aware of additional compensation owed or losses incurred by Ms. Caranza, Mr. Cruz, or by any other aggrieved employee of the Employer, Ms. Caranza, Mr. Cruz, expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please provide notice via certified mail to:

MAHONEY LAW GROUP, APC

Raleigh Dixon
249 E. Ocean Blvd., Ste. 814
Long Beach, CA 90802
Telephone: (562) 590-5550
Facsimile: (562) 590-8400
Email: rdixon@mahoney-law.net

Sincerely,

A handwritten signature in blue ink that reads "Raleigh Dixon". The signature is fluid and cursive, with the first name "Raleigh" and last name "Dixon" clearly distinguishable.

Raleigh Dixon, Esq.

MAHONEY LAW GROUP, APC



Raleigh Dixon, Esq.
Phone : (562) 590-5550
Facsimile : (562) 590-8400
rdixon@mahoney-law.net

June 27, 2023

Via Labor & Workforce Development Agency – Online Submission
LABOR AND WORKFORCE DEVELOPMENT AGENCY
<https://dir.tfaforms.net/308>

VIA U.S. MAIL & CERTIFIED MAIL# 7022 2410 0000 2418 5187

Return Receipt Requested

Seus Family Farms, Inc.
2284 Country Round 100
Tulelake, CA 96134

Re: Ubaldo Cruz and Francisca Carranza v. Seus Family Farms, Inc.

**AMENDED NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION § 2698 ET SEQ.**

To: California Labor and Workforce Development Agency; Seus Family Farms, Inc.

From: Ubaldo Cruz and Francisca Carranza, on behalf of themselves and aggrieved employees who were subject to the employer's wage and hour policies as set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents the interests of Ubaldo Cruz and Francisca Carranza ("Employees"), who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code sections 2698 et seq. ("PAGA"), on behalf of themselves and all other aggrieved employees.

Please also be advised that this letter constitutes written notice required by Labor Code sections 2699.3, subdivision (a)(1), and 2699.3, subdivision (c)(1), and may lead to action against Seus Family Farms, Inc. ("Employer" or "SFF") in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Employer, and any and all related parent, and/or alter ego companies, corporations, partnerships, subsidiaries, and/or business entities, as well as against any and all offices, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of the violations alleged herein.

Theories of Labor Code Violations and Remedies

Employer is a California corporation that operates an agricultural business in Siskiyou County. Employees were employed by Employer as an hourly, non-exempt employee.

Employees alleges Employer violated various sections of the Labor Code, including sections 201, 202, 203, 204, 206, 210, 221, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802 by failing to provide Ms. Carranza, Mr. Cruz, and all other aggrieved employees with meal and rest periods and premium pay, failing to pay all wages owed, including minimum wage and overtime, failing to provide accurate wage statements and maintain accurate payroll records, and failing to provide all wages earned at end of employment. Ms. Carranza, Mr. Cruz, and similarly aggrieved employees consist of identifiable, current, and/or former similarly situated persons who worked for Employer in non-exempt positions in California during the liability period of one (1) year prior to the filing of a complaint alleging a PAGA cause of action.

A. SFF Failed to Provide Ms. Carranza, Mr. Cruz, and other Aggrieved Employees with Meal and Rest Periods, or Premium Compensation in lieu thereof, in accordance with California law.

Ms. Carranza and Mr. Cruz, allege that they and other aggrieved employees were often precluded from taking timely and uninterrupted meal and rest breaks in accordance with California law due to the nature of their shifts. Ms. Carranza, Mr. Cruz, and other aggrieved employees allege that they did not receive at least one (1) duty-free, uninterrupted meal period within the first five (5) hours worked, and a second meal period before the start of the 11th hour of work. (*Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1041-42.) In fact, at times Employer did not have sufficient employees to provide relief for meal periods and thereby required Ms. Carranza, Mr. Cruz, and other aggrieved employees to continue working throughout their meal periods. Further, Ms. Carranza, Mr. Cruz, and other aggrieved regularly worked in excess of ten (10) hours, however were not provided a second timely, uninterrupted duty-free meal period. When employees were prevented from taking timely and complete meal periods, they did not receive premium pay as compensation for the missed meal period.

Moreover, Employer had an auto-deduct policy for meal periods. Employer utilized this auto-deduct policy regardless of whether Ms. Carranza, Mr. Cruz, and/or other aggrieved employees actually took a meal period, or received a late or missed meal period. Such a policy failed to accurately and precisely illustrate the true record of Ms. Carranza, Mr. Cruz, and other aggrieved employees' s meal breaks. Additionally, Employer had a policy and practice of requiring Ms. Carranza, Mr. Cruz, and aggrieved employees from leaving the premises during their meal and rest periods, thus requiring them to stay under Employer's control. Further, Employer did not permit Ms. Carranza, Mr. Cruz, and aggrieved employees to take their lunch until 10:30 a.m. each day, regardless of whether they started their shift at 6:00 a.m. or 6:30 a.m. For those employees who started at 6:00 a.m., their lunches always began after their 5th hour of work. Employer never paid meal premiums to Ms. Carranza, Mr. Cruz, and aggrieved employees when they did not get thirty (30) minute duty-free meal periods. As a result of these policies and procedures, Ms.

Carranza, Mr. Cruz, and other aggrieved employees did not receive compliant duty-free meal periods.

Ms. Carranza and Mr. Cruz further allege that they and other aggrieved employees did not receive at least one duty-free, uninterrupted rest period for every four (4) hours worked, or major fraction thereof, as required by the Labor Code. Ms. Carranza, Mr. Cruz, and other aggrieved employees were generally precluded from taking rest periods during busy seasons due to Employer's failure to sufficiently staff shifts to provide relief and thereby allow Ms. Carranza, Mr. Cruz, and other aggrieved employees the opportunity to take rest breaks. When employees were prevented from taking rest breaks, they did not receive premium pay for the missed rest break.

Ms. Carranza and Mr. Cruz allege they and other aggrieved employees were not compensated with premium pay for every meal period and rest period that was not provided. Employer's conduct is actionable under PAGA as violations of Labor Code sections 226.7 and 512, and the applicable IWC Wage Orders.

B. SFF Failed to Pay Ms. Carranza, Mr. Cruz, and Other Aggrieved Employees for All Hours Worked, in Accordance with California Law, Including Both Minimum Wage and Overtime

Employer failed to pay Ms. Carranza, Mr. Cruz, and other aggrieved employees for all hours worked at the legally mandated wage rates, including minimum wage, and overtime compensation. Specifically, Ms. Carranza, Mr. Cruz, and other aggrieved employees frequently worked shifts in excess of eight (8) and twelve (12) hours per day and forty (40) hours per week. Not only were they not paid for all hours worked, but they were also not paid all hours worked at the applicable overtime rate of one and one-half times their regular rate for hours worked in excess of eight (8) in one day and forty (40) in one week and double time for hours worked in excess of twelve (12) in one day.

Ms. Carranza and Mr. Cruz further allege that Employer failed to include all remuneration when calculating their and other aggrieved employees' regular rate for purposes of compensating their and other aggrieved employees overtime under Labor Code Labor Code section 510. Specifically, Employer paid hourly non-exempt employees non-discretionary bonuses and incentive compensation and failed to include this compensation when calculating Ms. Carranza's, Mr. Cruz's and other aggrieved employees' regular rate for purposes of overtime rate of pay.

Employer's failure to pay minimum wage and applicable overtime rates to Ms. Carranza, Mr. Cruz, and other aggrieved employees, as well as rounding meal periods, as detailed above, is actionable under PAGA as a violation of Labor Code sections 221, 510, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and the applicable IWC Wage Orders.

C. SFF Failed to Provide Ms. Carranza, Mr. Cruz, and Other Aggrieved Employees Compliant Wage Statements, and Failed to Pay all Wages Earned at the Time Their Employment Ended

Employer further failed to maintain complete and accurate payroll records and failed to provide Ms. Carranza, Mr. Cruz, and other aggrieved employees with complete and accurate wage statements. Specifically, Ms. Carranza, Mr. Cruz, and other aggrieved employees received wage statements that failed to include all rest and meal break premiums earned per pay period, compensation for actual hours worked, total hours worked, number of hours worked at each hourly rate, the correct overtime rate, and gross and net wages earned. This conduct is in violation of Labor Code sections 226, 226.3, 1174 and 1174.5 and is actionable under PAGA.

As a further result of Employer's failure to pay all wages owed as described herein, Employer also violated Labor Code sections 201, 202, and 203, due to its uniform policy, practice, and procedure of failing to pay all wages earned to former employees at the time their employment ended.

D. SFF Failed to Reimburse Ms. Carranza, Mr. Cruz, and other Aggrieved Employees for All Necessary Business Expenditures Incurred in the Course of their Work Duties

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E. Reservation of Rights

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Ms. Carranza, Mr. Cruz, becomes aware of additional compensation owed or losses incurred by Ms. Carranza, Mr. Cruz, or by any other aggrieved employee of the Employer, Ms. Carranza, Mr. Cruz, expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please provide notice via certified mail to:

MAHONEY LAW GROUP, APC

Raleigh Dixon

249 E. Ocean Blvd., Ste. 814

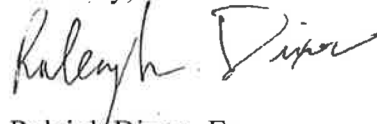
Long Beach, CA 90802

Telephone: (562) 590-5550

Facsimile: (562) 590-8400

Email: rdixon@mahoney-law.net

Sincerely,

A handwritten signature in cursive script, appearing to read "Raleigh Dixon".

Raleigh Dixon, Esq.

MAHONEY LAW GROUP, APC

Exhibit B

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: Payment from *Chapman v. Marlora Investments LLC*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Carranza et al. v. Seus Family Farms, Inc.*, Siskiyou Superior Court Case No. 23CV04726.

The case was filed against Seus Family Farms, Inc. ("Defendant"), pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called "PAGA"). The claim was brought on behalf of the State of California and all current and former non-exempt employees, who work or worked for Defendant at any time during the PAGA Period (May 11, 2022 to [DATE OF APPROVAL]) ("Aggrieved Employees"). You have been identified as one of the employees on whose behalf the case was brought.

Plaintiffs in the case, Fransisca Carranza and Ubaldo Cruz ("Plaintiffs"), claimed that Defendant owed penalties under PAGA for certain California Labor Code violations because Defendant allegedly (1) failed to pay all wages; (2) failed to provide meal periods; (3) failure to provide rest periods; (4) failed to provide accurate itemized wage statements; (5) failed to pay wages due at separation of employment; and (6) failed to reimburse for necessary business expenditures. Defendant denies that it did anything wrong or that it owes any penalties. The Parties agreed to resolve the case, and as part of that settlement, Defendant agreed to pay a certain amount of money categorized as PAGA penalties. The settlement of this action does not constitute an admission by Defendant of any of the matters alleged in the case or an admission of liability. Under the PAGA statute, the penalties get divided between the State and the employees. The enclosed check represents your portion of the penalties allocated to the employees.

Enclosed is a check made out to you. The check represents your share of the settlement for PAGA civil penalties (\$.). Under the settlement, the Plaintiffs and Plaintiffs on behalf of the State of California have released the following PAGA Claims on behalf of "aggrieved employees", including you:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective attorneys, agents, executors, representatives, guardians ad litem, heirs, successors, and assigns, the Released Parties from all all claims, demands, rights, liabilities and causes of action for penalties under PAGA against the Released Parties, which were alleged or could have reasonably been alleged based on PAGA Notice and Complaint filed in this Action, that arose during the PAGA Period, including but not limited to claims for civil penalties for violations of Labor Code sections 201, 202, 203, 204, 206, 210, 221,

226, 226.3, 226.7, 510, 512, 1174, 1774.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, and applicable Wage Orders of the Industrial Welfare Commission, and all related claims for attorneys' fees and costs. This release includes claims under the PAGA for failure to pay wages, including minimum and overtime wages, failure to provide meal and rest periods, failure to pay wages due upon termination, failure to reimburse necessary business expenditures, and failure to provide accurate itemized wage statements.

This release applies to you, regardless of whether you cash your check, and regardless of whether this letter can be delivered to you.

If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter), Plaintiffs' counsel or Defendant's counsel:

Counsel for Plaintiffs:

John A. Young
jyoung@mahoney-law.net
Raleigh Dixon
rdixon@mahoney-law.net
MAHONEY LAW GROUP
249 East Ocean Boulevard, Suite 814
Long Beach, CA 90802
Telephone: (562) 590-5550

Counsel for Defendant:

Kimberly A. Lucia
klucia@boutinjones.com
Andrew Ducart
Savanna M. Corr
Boutin Jones Inc.
555 Capitol Mall
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Very Truly Yours,

Phoenix Settlement Administrators
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