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4/2/2026
Superior Court of California
County of Stanislaus
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Clerk of the Court
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10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF STANISLAUS**

12 CHRISTIAN PONCE, EDWARD NANEZ,
13 DEMEITRUS POWELL, and LUIS J. FERRER-
14 GONZALEZ, individually, and on behalf of all
others similarly situated,

15 Plaintiff,

16 vs.

17 CALIFORNIA DAIRIES, INC., a California
18 corporation; and DOES 1 through 10, inclusive,

19 Defendants.
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Case No.: CV-22-004659

CLASS AND REPRESENTATIVE ACTION

[Assigned to Hon. Sonny Sandhu, Dept. 24]

**~~PROPOSED~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

PRELIMINARY APPROVAL HEARING:

Date: March 10, 2025

Time: 8:30 A.M.

Dept.: 24

Action Filed: October 11, 2022

Trial Date: Not set

1 The Court has before it Plaintiffs’ Motion for Preliminary Approval of Class Action and
2 PAGA Settlement. Having reviewed the Motion and Memorandum of Points and Authorities, the
3 supporting Declarations of Kane Moon, James Clark, Plaintiffs Christian Ponce, Edward Nanez,
4 Demeitrus Powell, and Luis J. Ferrer-Gonzalez (“Plaintiffs”), and good cause appearing,

5 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:**

6 1. The Court grants preliminary approval of the proposed Settlement and the
7 Settlement Class based upon the terms set forth in the Class Action and PAGA Settlement
8 Agreement and Class Notice (the “Settlement Agreement” or “Settlement”) attached as Exhibit 1
9 to the Declaration of Kane Moon in Support of Plaintiffs’ Motion for Preliminary Approval of
10 Class and PAGA Action Settlement. The Court finds on a preliminary basis that the Settlement
11 Agreement appears to be fair, adequate, and reasonable, and therefore, meets the requirements for
12 preliminary approval. The Court also preliminarily finds that the terms of the Settlement
13 Agreement appear to be within the range of possible approval, pursuant to California Code of
14 Civil Procedure section 382 and applicable law.

15 2. The Settlement falls within the range of reasonableness of a settlement which could
16 ultimately be given final approval by this Court, and appears to be presumptively valid, subject
17 only to any objections that may be raised at the Final Approval Hearing and final approval by this
18 Court. The Court notes that Defendant California Dairies, Inc., (“Defendant”) (together with
19 Plaintiffs, the “Parties”) agreed to create a common, non-reversionary gross fund of at least
20 \$2,000,000.00 (the “Gross Settlement Amount”), subject to an escalator clause and in addition to
21 Defendant’s employer’s payroll taxes owed on the wage portions of Individual Class Payments,
22 to cover (a) Individual Class Payments to Participating Class Members; (b) a Class Counsel Fees
23 Payment, not to exceed 33 1/3% of the Gross Settlement Amount; (c) a Class Counsel Costs
24 Payment, for reimbursement of actual litigation costs not to exceed \$65,000.00; (d) an
25 Administration Expenses Payment of up to \$19,000.00; (e) PAGA Penalties of \$100,000.00 for
26 settlement of claims for civil penalties under the Private Attorneys General Act, Labor Code
27 Sections 2698, *et seq.* (“PAGA”), and distributed as 25% (\$25,000.00) to the Aggrieved
28 Employees and 75% (\$75,000.00) to the California Labor and Workforce Development Agency

1 (the “LWDA”); and (f) Class Representative Service Payments of up to \$10,000.00 to each
2 Plaintiff.

3 3. The Court finds on a preliminary basis that: (1) the settlement amount is fair and
4 reasonable to the Class Members when balanced against the probable outcome of further litigation
5 relating to class certification, liability and damages issues, and potential appeals; (2) significant
6 informal discovery, investigation, research, and litigation have been conducted such that counsel
7 for the respective Parties at this time are able to reasonably evaluate their respective positions; (3)
8 settlement at this time will avoid substantial costs, delay, and risks that would be presented by the
9 further prosecution of the litigation; and (4) the proposed Settlement has been reached as the result
10 of serious, informed, adversarial, and arms-length negotiations between the Parties. Accordingly,
11 the Court preliminarily finds that the Settlement Agreement was entered into in good faith and
12 meets the requirements for preliminary approval.

13 4. A final approval hearing on the question of whether the proposed Settlement
14 Agreement, Class Counsel’s attorneys’ fees and costs, the PAGA Penalties, and the Class
15 Representative Service Payments should be finally approved as fair, reasonable, and adequate as
16 to the members of the Class is hereby set in accordance with the Implementation Schedule set
17 forth below.

18 5. The Court provisionally certifies, for settlement purposes only, the following class
19 (the “Settlement Class”): All persons who worked for Defendant in California as a non-exempt
20 employee at any time during the Class Period. The “Class Period” is October 11, 2018, through
21 June 30, 2025. Excluded from the Settlement Class are all Class Members who submit a valid and
22 timely request for exclusion from the Settlement pursuant to the instructions provided in the Class
23 Notice.

24 6. Release of Claims. Effective on the date when Defendant fully funds the entire Gross
25 Settlement Amount and funds all employer payroll taxes owed, Plaintiffs, Class Members, and Aggrieved
26 Employees will release claims against all Released Parties as follows: (Settlement, ¶ 5.)

27 a. Released Parties. “Released Parties” means Defendant and all of its current and former
28 subsidiaries, affiliates, parents, predecessors, successors, divisions, units, partners, component

1 companies, assigns, licensees, owners, directors, officers, executives, supervisors, managers, partners,
2 agents, representatives, health and welfare benefit plans including but not limited to any long- and short-
3 term benefits plans, insurers, reinsurers, servants, executors, administrators, accountants, investigators,
4 heirs, and attorneys, and all persons acting under, by through, or in concert with any of them. (*Id.* at ¶
5 1.40.)

6 b. Scope of Plaintiffs' Release. Plaintiffs and their respective former and present spouses,
7 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and
8 discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a)
9 all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative
10 Complaint; (b) all PAGA claims that were, or reasonably could have been, alleged based on facts
11 contained in the Operative Complaint, Plaintiffs' PAGA Notices, or ascertained during the Action and
12 released under Settlement ¶ 5.2, below; and (c) all claims, demands, rights, liabilities, and causes of action
13 of every nature and description whatsoever, known or unknown, asserted or that might have been
14 asserted, whether in tort, contract, or for violation of any state or federal statute, rule, or regulation arising
15 out of, relating to, or in connection with any act of omission by or on the part of any of the Released
16 Parties committed or omitted prior to the execution hereof with the sole exception of any claims which
17 cannot be released as a matter of law. ("General Release.") The General Release includes any unknown
18 claims that the Named Plaintiffs do not know or suspect to exist in their favor at the time of the General
19 Release, which, if known by them, might have affected their settlement with, and release of, the Released
20 Parties by the Class Representatives or might have affected their decision not to object to this Settlement
21 or the General Release. Plaintiffs' General Release does not extend to any claims or actions to enforce
22 this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social
23 security benefits, or workers' compensation benefits that arose at any time. Plaintiffs acknowledge that
24 Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now
25 know or believe to be true but agree, nonetheless, that Plaintiff's General Release shall be and remain
26 effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.
27 (*Id.* at ¶ 5.1.1.)

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1 1) Plaintiffs’ Waiver of Rights Under California Civil Code Section 1542. For
2 purposes of Plaintiffs’ General Release, Plaintiffs expressly waive and relinquish the
3 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which
4 reads: A general release does not extend to claims that the creditor or releasing party does not
5 know or suspect to exist in his or her favor at the time of executing the release and that, if
6 known by him or her, would have materially affected his or her settlement with the debtor or
7 Released Party. (*Id.* at ¶ 5.1.2.)

8 c. Release by Participating Class Members. Effective on the date when Defendant fully funds
9 the entire Gross Settlement Amount and funds all employer payroll taxes owed, and upon the final
10 approval of the Settlement by the Court, the Participating Class Members will fully release and discharge
11 the Released Parties of the claims stated in the Operative Complaint and those based solely upon the
12 facts in the Operative Complaint, including: (a) failure to pay minimum and/or overtime wages (b)
13 failure to provide meal breaks, (c) failure to authorize and permit rest breaks, (d) failure to reimburse
14 business expenses, (e) failure to timely pay wages during employment, (f) failure to provide accurate
15 itemized wage statements, (g) failure to pay sick day wages, (h) failure to timely pay all earned wages
16 at time of separation of employment, and (i) unfair and unlawful competition. The time period governing
17 the Released Class Claims shall be the Class Period. (*Id.* at ¶ 5.2.)

18 d. Release by Aggrieved Employees. Effective on the date when Defendant fully funds the
19 entire Gross Settlement Amount and funds all employer payroll taxes owed, and upon the final approval
20 of the Settlement by the Court, Plaintiffs, - in their individual capacity and on behalf of the State of
21 California and the LWDA – shall completely release and discharge the released Parties of only PAGA
22 claims that Plaintiffs alleged against the Released Parties, on behalf of the Aggrieved Employees and
23 the State of California, based on the facts stated in the Operative Complaint and in their LWDA notice
24 letters, including all PAGA claims seeking civil penalties premised upon: (a) failure to pay minimum
25 and/or overtime wages (Labor Code §§ 210, 510, 558, 1194, 1197.1 and 2699(f)(2)), (b) failure to
26 provide meal periods (Labor Code §§ 210, 512, 558, and 2699(f)(2)), (c) failure to provide rest breaks
27 (Labor Code §§ 210, 226.7, 558 and 2699(f)(2)), (d) failure to maintain accurate records of hours worked
28 and meal periods (Labor Code §§ 1174, 1174.5, IWC Wage Order § 7(A)(3)), (e) failure to reimburse

1 business expenses (Labor Code § 2802), (f) failure to pay accrued vacation wages at termination (Labor
2 Code §§ 227.3 and 2699(f)(2)), (g) failure to timely pay wages during employment (Labor Code §§ 204
3 and 210), (h) failure to provide accurate itemized wage statements (Labor Code §§ 226 and 226.3), (i)
4 failure to timely pay all earned wages at time of separation of employment (Labor Code §§ 201, 202,
5 203 and 2699(f)(2)), and (g) all other claims for civil penalties recoverable under the Private Attorneys
6 General Act, Labor Code §§ 2698 *et seq.* based on the facts or claims alleged in the Operative Complaint.
7 The time period governing the PAGA Released Claims shall be the PAGA Period. The PAGA Released
8 Claims do not release any Aggrieved Employees' claims for wages or statutory penalties. (*Id.* at ¶ 5.3.)

9 7. The Court, for purposes of this Preliminary Approval Order, refers to all terms and
10 definitions as set forth in the Settlement Agreement.

11 8. The Court finds, for settlement purposes only, that the Settlement Class meets the
12 requirements for certification under California Code of Civil Procedure section 382 in that: (1)
13 the Settlement Class is so numerous that joinder is impractical; (2) there are questions of law and
14 fact that are common, or of general interest, to all Settlement Class Members, which predominate
15 over individual issues; (3) Plaintiffs' claims are typical of the claims of the Settlement Class
16 Members; (4) Plaintiffs and Class Counsel will fairly and adequately protect the interests of the
17 Settlement Class Members; and (5) a class action is superior to other available methods for the
18 fair and efficient adjudication of the controversy.

19 9. The Court appoints, for settlement purposes only, Plaintiffs as the Class
20 Representatives. The Court approves, on a preliminary basis, payment of Class Representative
21 Service Payments from the Gross Settlement Amount of up to \$10,000.00 to each Plaintiff, in
22 addition to the amount each Plaintiff is eligible to receive as a Class Member, for their
23 contributions and participation in the litigation, for the risks and duties attendant to their role as
24 Class Representatives, and for their general release of claims, both known and unknown, and
25 waiver of section 1542 rights. To the extent the final amount awarded is less than the amount
26 requested, the remainder will be retained in the Net Settlement Amount for distribution to
27 Participating Class Members.

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1 10. The Court appoints, for settlement purposes only, Plaintiffs' Counsel Moon Law
2 Group, PC and Lavi & Ebrahimian, LLP, as Class Counsel. The Court approves, on a preliminary
3 basis, Class Counsel's ability to request attorneys' fees of up to 33 1/3% of the Gross Settlement
4 Amount, as well as reimbursement for actual costs not to exceed \$65,000.00. To the extent actual
5 costs are less and/or the final amounts awarded for fees and/or costs are less than the amounts
6 requested, the remainder will be retained in the Net Settlement Amount for distribution to
7 Participating Class Members.

8 11. The Court appoints ILYM Group, Inc. as the Administrator with payment from the
9 Gross Settlement Amount for reasonable administration costs not to exceed \$19,000.00, except
10 upon a showing of good cause and as approved by the Court. To the extent administration costs
11 are less, the remainder will be retained in the Net Settlement Amount for distribution to
12 Participating Class Members. The Administrator shall perform services and duties as provided for
13 in the Settlement Agreement, including, but not limited to, mailing the Class Notice via first-class
14 U.S. Mail. Class Members shall not be required to submit a claim form in order to receive
15 individual settlement payments.

16 12. The Court approves, as to form and content, the Class Notice attached to the
17 Settlement Agreement as Exhibit A. The Court finds, on a preliminary basis, that the plan for
18 distribution of the Class Notice satisfies due process, provides the best notice practicable under
19 the circumstances, and constitutes due and sufficient notice to all persons entitled thereto.

20 13. The obligations set forth in the Settlement Agreement are deemed part of this
21 Preliminary Approval Order, and the Parties and Administrator are ordered to carry out the
22 Settlement Agreement according to its terms and provisions.

23 14. The Court orders the following Implementation Schedule:

24 Defendant to provide the Administrator 25 with the Class Data	Within 15 calendar days after preliminary approval is granted
26 Administrator to mail the Class Notice	Within 14 calendar days after receiving 27 the Class Data

Response and Opt-Out Deadline	Within 60 calendar days after mailing (plus 14 calendar days for any re-mailed Notices)
Final Approval Motion Filing Deadline	At least 16 court days before the Final Approval Hearing:
Final Approval Hearing	August 12, 2026 at 8:30 a.m. in Dept. 24.

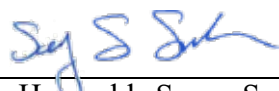
15. The Court reserves the right to continue the date of the Final Approval Hearing without further notice to Class Members.

16. The Court further orders that, pending further order of this Court, all proceedings in this litigation, except those contemplated herein and in the Settlement Agreement, are stayed.

17. The Settlement Agreement is preliminarily approved but is not an admission by Defendant of the validity of any claims in this class action, or of any wrongdoing by Defendant or of any violation of law. Neither the Settlement Agreement nor any related document shall be offered or received in evidence in any civil, criminal, or administrative action or proceeding other than as may be necessary to consummate or enforce the Settlement Agreement.

IT IS SO ORDERED.

DATED: 4/1/2026 _____



 The Honorable Sonny Sandhu
 Judge of the Superior Court, Stanislaus County

EXHIBIT A

COURT APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT
AND HEARING DATE FOR FINAL COURT APPROVAL

Christian Ponce v. California Dairies, Inc., et al., Stanislaus Superior Court Case No. CV-22-004659

The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against California Dairies, Inc. (“Defendant or “California Dairies”) for alleged wage and hour violations. The Action was filed by former California Dairies employees, Christian Ponce, Edward Nanez, Demetrius Powell, and Luis J. Ferrer-Gonzalez (“Plaintiffs”), and seeks payment of (1) back wages and other relief for a class of all current and former non-exempt employees of Defendant who worked in the state of California during the Class Period (October 11, 2018 to June 30, 2025) (“Class Members”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all current and former non-exempt employees of Defendant who worked in the state of California during the PAGA Period (October 11, 2021 to June 30, 2025) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] workweeks** during the PAGA Period. Workweeks may be based on either: (1) weeks during at least one shift was worked; or (2) hire dates and, where applicable, last dates worked or separation dates, re-hire dates, dates of any periods of leave, and dates of any transition between non-exempt and exempt status. If you believe that you worked more workweeks as an hourly, non-exempt employee in California during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant as a non-exempt employee in California during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Class Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendants will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>You Don't Have to Do Anything to Participate in the Settlement</p>	<p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Claims).</p>
<p>You Can Opt-out of the Class Settlement but not the PAGA Settlement</p> <p>The Opt-out Deadline is [REDACTED]</p>	<p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p>
<p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by [REDACTED]</p>	<p>All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p>
<p>You Can Participate in the [REDACTED] Final Approval Hearing</p>	<p>The Court’s Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>
<p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by [REDACTED]</p>	<p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked during the PAGA Period, respectively. Workweeks and Pay Periods may be based on either: (1) weeks/pay periods during at least one shift was worked; or (2) hire dates and, where applicable, last dates worked or separation dates, re-hire dates, dates of any periods of leave, and dates of any transition between non-exempt and exempt status. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of California Dairies. The Action accuses Defendant of violating California labor laws by failing to pay overtime wages, pay minimum wages, timely pay wages due upon termination,

reimburse necessary expenses, provide meal periods, permit and authorize rest breaks, and provide accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) (“PAGA”). Plaintiffs are represented by attorneys in the Action: Moon Law Group, PC (“Class Counsel.”)

Defendant strongly deny violating any laws or failing to pay any wages and contends they complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant have agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable, and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$2,000,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$666,666.66 (33 1/3% of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$65,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 to Plaintiffs as Class Representative Awards for filing the Action, working with Class Counsel, and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than Plaintiffs’ Individual Class Payments and any Individual PAGA Payments.
 - C. Up to \$19,000.00 to the Administrator for services administering the Settlement.

D. Up to \$100,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check are sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have

agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc., (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Defendant have fully funded the Gross Settlement (and separately paid all employer payroll taxes owed on the Wage Portion of the Individual Class Payments), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of another lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

Upon the final approval of the Settlement by the Court, the Participating Class Members will fully release and discharge the Released Parties of the claims stated in the Operative Complaint and those based solely upon the facts in the Operative Complaint, including: (a) failure to pay minimum wages, (b) failure to pay overtime wages, (c) failure to pay minimum wages, (d) failure to provide rest breaks, (e) failure to reimburse business expenses, (f) failure to timely pay wages upon separation of employment, (g) failure to provide accurate itemized wage statements, and (h) unfair and unlawful competition. The time period governing the Released Class Claims shall be the Class Period.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Defendant have paid the Gross Settlement (and separately paid the employer-side payroll taxes owed on the Wage Portion of the Individual Class Payments), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Class Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees’ Releases for Participating and Non-Participating Class Members are as follows:

Upon the final approval of the Settlement by the Court, Plaintiffs – in their individual capacity and on behalf of the State of California and the LWDA – shall completely release and discharge the Released Parties of only PAGA claims that Plaintiffs alleged against the Released parties, on behalf of the Aggrieved Employees and the State of California, based on the facts stated in the Operative Complaint and in their LWDA notice letters, only including all PAGA claims seeking civil penalties premised upon: (a) failure to pay minimum wages, (b) failure to pay overtime wages, (c) failure to provide meal periods, (d) failure to provide rest breaks, (e) failure to pay vested vacation, (f) failure to reimburse business expenses, (g) failure to timely pay wages upon separation of employment, (h) failure to provide accurate itemized wage statements, and (i) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.*

based on the facts or claims alleged in the Operative Complaint. The time period governing the PAGA Released Claims shall be the PAGA Period. The PAGA Released Claims do not release any Aggrieved Employees' claims for wages or statutory penalties.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments 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.
2. Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$25,000.00) 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.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Class Settlement. The Administrator will exclude you based on any

writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Ponce v. California Dairies, Inc.*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid.** Section 9 of the Notice has the Administrator’s contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendant are asking the Court to approve. At least 16 business days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses, and Service Award stating (i) the amount Class Counsel is requesting for attorneys’ fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as Class Representative Service Awards. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator’s Website ([REDACTED]), or the Court’s website (<https://stanportal.stanct.org/>) by accessing “Search” and then finding this Action.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval, and/or Motion for Fees, Litigation Expenses, and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is [REDACTED].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Ponce v. California Dairies, Inc.* and include your name, current address, telephone number, and approximate dates of employment for Western Costume and sign the objection. Section 9 of this Notice has the Administrator’s contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don’t have to, attend the Final Approval Hearing on August 21, 2026 at 8:30 a.m. in Department 24 of the City Towers Courthouse, located at 801 10th Street, Modesto, California 95354. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually. Check the Court’s website for the most current information.

It’s possible the Court will reschedule the Final Approval Hearing. You should check the Administrator’s website ([REDACTED]) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to ILYM Group, Inc.’s website at [REDACTED]. You can also telephone or send an email to

Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to (<https://stanportal.stanct.org/>) and entering the Case Number for the Action, Case No. CV-22-004659. You can also make an appointment to personally review court documents in the Clerk's Office at the City Towers Courthouse by calling (209) 530-3100.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Kane Moon (SBN 249834)

E-mail: kmoon@moonlawgroup.com

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MOON LAW GROUP, PC

725 S. Figueroa St., 31st Floor

Los Angeles, California 90017

Telephone: (213) 232-3128

Facsimile: (213) 232-3125

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the State of California's Unclaimed Property Fund at https://www.sco.ca.gov/search_upd.html for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

1 **PROOF OF SERVICE**

2 **STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

3 I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party
4 to the within suit; my business address is 725 S. Figueroa St., 31st Floor Los Angeles, CA 90017.

5 On the date indicated below, I served the document described as: **[PROPOSED] ORDER GRANTING**
6 **PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** on the interested
7 parties in this action by sending [] the original [or] [✓] a true copy thereof [✓] to interested parties as follows
8 [or] [] as stated on the attached service list:

9 **Labor & Workforce**
10 **Development Agency**
11 Attn. PAGA Administrator
12 1515 Clay Street, Ste. 801
13 Oakland, CA 94612

14 (Served via Labor and Workforce Development Agency access portal)

15 S. Brett Sutton
16 Jared Hague
17 **SUTTON HAGUE LAW CORPORATION, P.C.**
18 5200 N. Palm Ave., Ste. 203
19 Fresno, California 93704
20 brett@suttonhague.com
21 jared@suttonhague.com

22 Attorney for Defendant California Diaries, Inc.
23 (Served via E-Mail)

24 Joseph Lavi
25 Vincent C. Granberry
26 Elizabeth L. Harrier
27 James Clark
28 **LAVI & EBRAHIMIAN, LLP**
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WHTS@lelawfirm.com

Attorneys for Plaintiff Luis J. Ferrer- Gonzalez
(Served via E-Mail)

[✓] **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by email
delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in
this action.

[✓] **BY LABOR AND WORKFORCE DEVELOPEMMENT AGENCY ACCESS:** By uploading
a true copy of the foregoing document(s) to the Labor and Workforce Development Agency
access.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and
correct. Executed this **March 20, 2026** at Los Angeles, California.

Karen Castillo
Type or Print Name

/s/ Karen castillo
Signature