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COUNTY OF VENTURA
ANDREW REID (SBN 268351)
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Attorneys for Plaintiff
(For list of additional Plaintiff's counsel, see Appendix)

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF VENTURA

PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

vs.

MAN STAFFING, LLC; MEETING ALL NEEDS, LLC; M.A.N. STAFFING SERVICES; MAN STAFFING SOLUTIONS, LLC; MAN Staffing Group, LLC; and MIGUEL ANGEL NAVARRO an individual,

Defendants.

Case No.: 2025CUMC053200

COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL PENALTIES

Exempt from filing fees pursuant to Gov't Code §6103

The People of the State of California, by and through its attorneys Erik Nasarenko, Ventura County District Attorney, and Andrew Reid, Senior Deputy District Attorney; believe and allege the following:

VENUE AND JURISDICTION

1. The authority of the District Attorney to bring this action is derived from the law of the State of California, specifically Business and Professions Code sections 17203, 17204, 17206, 17500, and 17508, as well as Insurance Code section 1877.3.

2. This Court has jurisdiction pursuant to Article 6, Section 10, of the California

Constitution.

3. Venue is proper in the County of Ventura pursuant to Business and Professions Code section 17204, in that Defendants, including MAN STAFFING, LLC; MEETING ALL NEEDS, LLC; M.A.N. STAFFING SERVICES; MAN STAFFING SOLUTIONS, LLC; MAN Staffing Group, LLC; and MIGUEL ANGEL NAVARRO (collectively, herein, "Defendants") transacted business in the State of California, and in particular the County of Ventura. Moreover, the violations of law hereinafter described have been committed within the County of Ventura, and the Ventura County District Attorney's Office has extensively investigated the conduct that has occurred within the County of Ventura.

DEFENDANTS

4. At all relevant times, Defendants are "persons" as defined in Business and Professions Code section 17201.

5. Defendant MAN STAFFING, LLC is a limited liability company organized under the laws of the State of California.

6. Defendant MEETING ALL NEEDS EMPLOYMENT SOLUTIONS, LLC is a limited liability company organized under the laws of the State of California.

7. Defendant M.A.N. STAFFING SERVICES, LLC is a limited liability company organized under the laws of the State of California.

8. Defendant MAN STAFFING SOLUTIONS, LLC; is a limited liability company organized under the laws of the State of California.

9. Defendant MAN Staffing Group, LLC is a limited liability company organized under the laws of the State of California.

10. Defendant MIGUEL ANGEL NAVARRO is an individual, and serves as the founder, president, and CEO of the corporate entities identified in paragraphs five, seven, eight, and nine above.

11. Defendant MIGUEL ANGEL NAVARRO is the founder and operator of MEETING ALL NEEDS (Employment Solutions) LLC, although his daughter, Vanessa Navarro, was nominally titled as the president and/or CEO of this business.

12. At all relevant times, Defendants were engaged primarily in the business of labor contracting and providing temporary staffing to other businesses located in the County of Ventura and throughout California.

13. When reference is made herein to any act or omission of Defendants, such allegation shall include the act or omission of the owners, officers, directors, agents, employees, contractors, affiliates and representatives of Defendants in the said act or omission.

GENERAL ALLEGATIONS

14. Between 2017 and 2023, Defendants employed up to one thousand temporary employees, who were leased to Ventura County and Southern California-based businesses to meet the seasonal or temporary staffing demands of those businesses.

15. For example, local business Victoria Nursery leased temporary workers from Defendants to meet its need for significantly increased labor during certain holiday seasons.

16. Defendants, as the legal employers of the temporary employees they supplied to businesses such as Victoria Nursery, charged their clients an hourly rate for every hour worked by each temporary employee. This rate included the temporary worker's hourly wage, *and* a markup which Defendants stated in their contract was to include "all payroll taxes, State and Federal Unemployment Insurance, Workers' Compensation [insurance], Liability Insurance, and our service fee."

17. Workers' compensation insurance is not optional under California law, nor is it considered a "benefit" to employees. Rather, it is a requirement of virtually all employers, found, in part, in Labor Code section 3700, et seq. Employers may not utilize unlicensed insurance entities to circumvent the requirements of Labor Code section 3700.

18. Despite the requirements of California law and Defendants' obligation pursuant to their own contracts to provide it, between 2017 and 2023, Defendants almost never maintained or possessed legally compliant workers' compensation insurance (i.e., valid policies issued by insurance carriers licensed to do business in this state by the California Department of Insurance).

19. For example, between 2017 and 2018, Defendants purported to purchase workers' compensation insurance through an entity named American Labor Alliance, dba CompOne USA. The principal of this entity was a Fresno County resident named Marcus Assay. This entity did not have a

license from the California Department of Insurance ("CDI") to transact business or write insurance in the State of California. Moreover, based upon the People's investigation, American Labor Alliance was neither bonded nor capitalized. Thus, as a purely practical matter, American Labor Alliance could provide no medical benefits or other coverage to injured workers, regardless of its licensing status, and it did not provide lawful insurance coverage to Defendants.

20. CDI formally issued a cease-and-desist order to American Labor Alliance in 2017, ordering it to stop doing business in California. Nevertheless, Defendants continued to illegally contract for workers' compensation insurance through American Labor Alliance through at least 2018.

21. Defendants used other schemes to avoid paying insurance premiums or to skirt the requirement that they be lawfully insured. For example, beginning on a date unknown and at least until 2018, Defendants created certificates of insurance which were forgeries, and then sent these to their clients and other insurance companies as "proof" they were insured. A certificate of insurance is a document issued by an insurance company which states that the insured is covered, and lists such information as the licensed carrier, the carrier's NAIC number, the insured's policy number, etc. On information and belief, Defendants created these fraudulent certificates by obtaining real certificates issued to other companies and/or real policy numbers that were issued to other entities and then altering these documents to reflect Defendants' name.

22. Defendants provided these forged certificates of insurance and/or stolen policy numbers to numerous of their clients, on dozens of occasions. For instance, Defendants provided Victoria Nursery a COI ostensibly issued by insurance brokerage Artex Risk Solutions, purporting to show workers' compensation insurance coverage for Defendant MAN STAFFING, LLC, issued by American Zurich Insurance Company. No such coverage existed; in fact, District Attorney Investigators who interviewed both Artex Risk Solutions and Zurich representatives determined that the policy number had been stolen from a company completely unrelated to Defendants. A Zurich representative specifically informed District Attorney Investigators that American Zurich had never done business with Defendants.

23. District Attorney Investigators identified at least four distinct certificates which had been either forged or fraudulently altered by Defendants and which were dated between 2015 and 2018.

During this time period, Defendants routinely provided these certificates to their clients or to other insurance companies when asked about their workers' compensation coverage. Defendants also provided these forged certificates to applicant attorneys or other insurance companies when they were sued by injured workers attempting to obtain medical and health coverage.

24. Defendants had actual or constructive knowledge that they did not have valid workers' compensation coverage during these periods, because this issue was raised and litigated multiple times. Specifically, when temporary workers who were injured on the job retained private counsel and sued for medical or disability benefits, Defendants' lack of insurance was usually discovered by those attorneys. At least two attorneys appear to have raised the issue, in writing, to Defendants, during the relevant time period.

25. Defendants' typical pattern was to provide fraudulent certificates of insurance or similarly false information to injured workers and/or their attorneys, tying up the issue for months or even years. Eventually, for those that persisted, Defendants would pay a small settlement via a Compromise & Release. Defendants' conduct of direct-paying their workers' compensation settlements via violates Labor Code section 3700(b), as Defendants did not have a certificate of consent to self-insure from the Department of Industrial Relations (nor could they have lawfully obtained one because Defendants' business does not meet the lawful criteria to be self-insured).

26. Defendants utilized other schemes to defeat California's workers' compensation system. Beginning in late 2018, and until at least 2023, Defendants purported to obtain workers' compensation insurance from various Professional Employer's Organizations (herein, "PEO"). A PEO is a business that provides human resources, timecard, and employee benefits services to other businesses. While a PEO can purchase workers' compensation insurance on behalf of a client, any such policy must be legally issued by an insurance carrier licensed to do business in California by CDI and the policy itself must pertain to the underlying client business. These requirements are found in both Labor Code section 3700 and the California Worker's Compensation Experience Rating Plan promulgated by CDI at Title 10 Code of Regulations section 2353.1, subsection V, Rule 4 ("Rule 4").

27. Relevant here, Rule 4 prohibits what is colloquially known as "staffing on staffing," i.e., when a staffing company (such as all corporate Defendants) illegally rents or "borrows" the workers'

compensation insurance policy of another staffing company, and attempts to pass off any of its employee injuries as occurring under the other company's insurance policy.

28. Between approximately 2018 and 2023, Defendants purported to obtain workers' compensation insurance through numerous PEO's. Most of these PEO's, on information and belief, were the same fraudulent organization. These entities were owned by Michael and Vincent Walstad and operated out of an address at 480 West Alluvial Avenue, Fresno, California, 93650. Defendants repeatedly violated Rule 4 by purporting to "purchase" insurance from these entities (herein, the Walstad Entities), when the insurance coverage Defendants "purchased" was insurance that covered only the Walstad Entities and their bona fide employees[1].

29. The Walstad Entities that Defendants purported to do business with include but are not limited to, the following businesses:

a. Kalifornia Business Staffing (KBS Staffing)

b. Employer's Outsourcing, Inc.

c. Simplify HR

d. Prime Administrators/Prime Administrators Fresno/Prime

e. Affirmative Benefits (aka Firestone Labor Union)

f. The Bridge Group

30. None of the Walstad Entities obtained valid workers' compensation policies applicable to Defendants; typically, the Walstad Entities provided Defendants with a workers' compensation policy

[1] California Labor Code section 3351 defines "employee" for the purposes of workers' compensation as "every person in the service of an employer under any appointment or contract of hire..." The California Department of Industrial Relations has issued additional guidance clarifying that a dual employer relationship exists for temporary workers where both the hiring staffing agency *and* the secondary employer (i.e., Defendants' clients) have safety responsibilities and shared civil liability for any failure to obtain workers' compensation insurance. (See also Labor Code § 2810.3) Thus, a temporary worker hired by Defendants' is the responsibility of Defendants and, secondarily, of Defendants' underlying client (the contracting employer or jobsite), but the temporary employee *cannot* be passed off as an employee of another company, such as one of the Walstad Entities, because this violates Rule 4.

number in the Walstad Entity's own name and then supplied Defendants with a business-relationship explanation letter which purported to "explain" the (illegal) business relationship between Defendants and the Walstad Entities. According to these explanation letters, of which District Attorney investigators obtained several copies, Defendants' unspecified "working relationship" with the Walstad Entities gave Defendants access to the workers' compensation insurance obtained by the Walstad Entities. However, no such "working relationship" is permitted under California law, nor is this arrangement a legal way to obtain workers' compensation insurance. By definition, such a "relationship" is illegal because it violates Rule 4.

31. Between 2017 and 2023, the People identified only three brief intervals wherein Defendants had lawful workers' compensation insurance. These instances were short-lived and further demonstrate attempts by Defendants to circumvent the California workers' compensation system and/or to defraud their clients and deprive injured workers of medical care.

32. For example, for about six months in 2018, Defendants contracted with PEO Vensure H.R. to obtain workers' compensation insurance for their employees. Vensure HR is not a Walstad Entity, and it appears to have obtained a valid workers' compensation policy from licensed carrier State National Insurance Company. However, a Vensure HR representative reported to District Attorney Investigators that Defendants' policy was cancelled after Defendants, *on multiple occasions*, unlawfully attempted to "backdate" the hiring of an injured worker in Vensure's online injury-reporting portal. This was done, on information and belief, in an attempt to gain medical coverage for a worker that had not been reported to Vensure HR and/or State National.

33. The practice of "backdating" in the context of workers' compensation insurance is fraudulent because workers' compensation insurance is priced, in large part, based upon total payroll (i.e. the number of employees working for a given employer). If an employer does not report an employee to an insurer, and yet obtains benefits under the insurer's policy, the insurance carrier will be covering a risk for which it was never compensated (and which it did not know existed). Hence, this conduct is considered criminal premium fraud, and it violates both Penal Code section 550 and Insurance Code section 11760.

34. Defendants' other periods of lawful insurance were so brief as to constitute mere footnotes: in 2021, Defendants contracted with United Wisconsin Insurance Company and Sunz Insurance for workers' compensation coverage, but this policy applied only to a single client of Defendants and less than 10% of Defendants' total workforce. Moreover, this coverage lasted for under three months before it was terminated. Both before and after the policy was terminated, Defendants were wholly and entirely without workers' compensation insurance.

35. Similarly, in 2023, Defendant briefly contracted for workers' compensation insurance through a PEO known as The Bridge Group (on information and belief, a Walstad Entity). The Bridge Group appears to have preliminarily obtained workers' compensation insurance on Defendants' behalf from licensed carrier Key Risk Insurance Company. *However*, Key Risk Insurance terminated the policy after only one month because neither The Bridge Group, nor Defendants, issued payment for the policy. Neither Defendants nor The Bridge Group procured lawful insurance for Defendants after this policy was terminated.

36. From approximately 2021 to 2023, the Ventura County District Attorney's Office spent hundreds of man-hours investigating Defendants' conduct and attempting to determine when, if ever, Defendants were insured. Throughout the course of this investigation, which involved multiple search warrants, dozens of interviews, and review of more than fifty thousand pages of documents by District Attorney staff and investigators, the People determined the following:

A. Defendants passed at least four different fraudulent/forged certificates of insurance to numerous Ventura County-based businesses which (although forged) were *dated* as if they were issued between 2015 and 2018;

B. Defendants also provided certificates of insurance to approximately one dozen clients which reflected insurance policies that *did not apply to them*, and many of which reflected insurance that was only applicable to various Walstad Entities;

C. Defendants were paid in excess of $15 million between 2017 and 2023 by their clients for temporary staff, and Defendants continually represented that these workers were covered by workers' compensation insurance when such coverage did not exist;

D. Defendants repeatedly made false representations through their corporate staff regarding the identity of their workers' compensation carrier to injured workers, applicant attorneys, other insurance carriers, and even District Attorney Investigators;

37. On or about April 1, 2025, the People and Defendants entered into a tolling agreement tolling the applicable statute of limitations in this matter for the purposes of settlement. For the purposes of settlement, this Complaint is filed by the People based upon the applicable statute of limitations as outlined in Business & Professions Code section 17208, the parties' operative tolling agreement, and the continuing violation doctrine (i.e. the delayed discovery doctrine) as outlined in *Massachusetts Mut. Life Ins. Co. v. Sup. Ct.*, (2002) 97 Cal. App. 4th 1282, 1295.

FIRST CAUSE OF ACTION

VIOLATIONS OF BUSINESS & PROFESSIONS CODE SECTION 17200

[Unlawful/Unfair Competition]

38. The People reallege and incorporate by reference all preceding paragraphs, inclusive, as though fully set forth herein.

39. Business and Professions Code section 17200 states, in part: "[u]nfair competition shall mean and include any unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertisement and any act prohibited by chapter 1 (commencing with section 17500) of Part 3 of Division 7 of the Business and Professions Code."

40. Beginning on a date unknown, but dating at least as far back as 2017, Defendants, both individually and corporately, have engaged in acts of unfair competition by violating Labor Code section 3700.5, Penal Code section 470(d), Penal Code section 550, Insurance Code section 11760, and Rule 4.

41. Specifically, Defendants have failed to obtain workers' compensation insurance from an insurance carrier licensed to transact business and/or write workers' compensation policies in the State of California by CDI. Additionally, and as further alleged above, Defendants have utilized numerous schemes, including the use of forged documents, illegal backdating, false written and oral representations, and the use of illegal pseudo-insurance schemes provided by PEO's and related entities, in order to circumvent the requirement that they carry lawful workers' compensation insurance.

42. Each day defendant was uninsured constituted a unique and distinct act of unfair competition, as did each act in violation of Labor Code section 3700.5, Penal Code 470(d), Penal Code section 550, Insurance Code section 11760, and Rule 4.

SECOND CAUSE OF ACTION

UNFAIR COMPETITION

FAILURE TO MAINTAIN VALID WORKERS' COMPENSATION INSURANCE

[Bus. & Prof. Code § 17200; Labor Code § 3700 et seq.]

43. The People reallege and incorporate by reference all preceding paragraphs, inclusive, as though fully set forth herein.

44. Labor Code section 3700 states in part: "Every employer except the state shall secure the payment of compensation in one or more of the following ways: (a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this state."

45. Business and Professions Code section 17200 states, in part: "[u]nfair competition shall mean and include any unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertisement and any act prohibited by chapter 1 (commencing with section 17500) of Part 3 of Division 7 of the Business and Professions Code."

46. Beginning at an exact date unknown to the People, but at least as far as 2017, Defendants failed to secure payment of compensation for workers' compensation insurance for their employees and leased workers.

47. Each employee of Defendants, and each day worked by each employee, constitutes an individual and unique violation of Labor Code section 3700 and the requirement that Defendants obtain valid workers' compensation insurance from a licensed insurance carrier in order to do business in California.

48. Each violation of Labor Code section 3700 also constitutes an act of unfair competition under Business & Professions Code section 17200, et seq.

///

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, the People of the State of California, asks for judgment that:

49. Pursuant to section 17203 of the Business and Professions Code, and the Court's inherent equity powers, Defendants, and their principals, employees, agents, representatives, successors and all persons, corporations or other entities acting under, by, through or on behalf of Defendants, or acting in concert or participation with them or for them with actual or constructive notice of the injunction, issued by this court, be temporarily, preliminary, and thereafter permanently, restrained and enjoined from engaging in any of the acts and practices Defendant is alleged to have violated as set forth in the First and Second Causes of Action, above;

50. Pursuant to Business and Professions Code section 17206, the court assess a civil penalty of up to two thousand five hundred dollars ($2,500) against Defendants for each and every applicable violation of Business and Professions Code section 17200, as set forth in the First Cause of Action;

51. Pursuant to Business and Professions Code section 17206, the court assess a civil penalty of up to two thousand five hundred dollars ($2,500) against Defendants for each and every applicable violation of Labor Code section 3700, as a predicate offense, as set forth in the Second Cause of Action.

52. Plaintiff recover its costs of suit, including, but not limited to, its costs of investigation.

53. That Plaintiff be given such other further relief as the nature of this case may require and this Court deems proper to fully and successfully dissipate the effects of the unlawful and unfair acts complained of in this Complaint.

Dated: 10/8/25

ERIK NASARENKO
Ventura County District Attorney

By: _____
Andrew Reid
Senior Deputy District Attorney

ERIK NASARENKO
District Attorney
ANDREW J. REID (SBN 268351)
Senior Deputy District Attorney
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Ventura, CA 93003
Telephone (805) 662-1750

Attorney for Plaintiff

Exempt from filing fee pursuant to Gov. Cod § 6103

SUPERIOR COURT OF CALIFORNIA, COUNTY OF VENTURA

THE PEOPLE OF THE STATE OF CALIFORNIA, Plaintiff, v. MAN STAFFING, LLC; MEETING ALL NEEDS, LLC; M.A.N. STAFFING SERVCIES, LLC; MAN Staffing Group, LLC; MAN STAFFING SOLUTIONS, LLC; and MIGUEL ANGEL NAVARRO, an individual, Defendants.	COURT NO. 2025CUMC053200 AMENDED STIPULATION FOR ENTRY OF FINAL CIVIL JUDGMENT

Plaintiff, THE PEOPLE OF THE STATE OF CALIFORNIA, through its attorneys, ERIK NASARENKO, the District Attorney of Ventura County, by Senior Deputy District Attorney Andrew J. Reid, and Defendants, MAN STAFFING, LLC; MEETING ALL NEEDS, LLC, M.A.N. STAFFING SERVICES, ~~LLC~~, and MIGUEL ANGEL NAVARRO (collectively "Defendants" or "Man Staffing"), by and through their counsel of record Jocelyn Sicat, hereby stipulate as follows:

1. The proposed Final Civil Judgment by Stipulation ("Final Judgment"), a copy of which is attached hereto as Exhibit 1 and incorporated by reference, may be entered as set forth herein, without the taking of proof and without trial or adjudication of any issue of fact or law, and without the Final Judgment, Complaint, or any other related pleadings constituting evidence

or an admission or denial by Defendants regarding any issue of fact or law alleged in the Complaint, and without Defendants admitting or denying any wrongdoing or liability.

2. Defendants acknowledge that the Superior Court of the State of California, County of Ventura, has jurisdiction of the subject matter hereto, and has personal jurisdiction over Defendants.

3. Counsel for Defendants has authority to enter into this stipulation and to bind Defendants accordingly.

4. Defendants hereby waive the right to appeal, to attempt to set aside or vacate, or otherwise to attack, directly or collaterally, the Final Judgment by Stipulation and associated court orders.

5. Judgment may be entered by the Court in this action, pursuant to this Stipulation, in the form of the Final Judgment attached hereto as Exhibit 1.

FOR THE PEOPLE:

ERIK NASARENKO, District Attorney
County of Ventura, State of California

DATED: 11/24/25 By _____
ANDREW J. REID
Senior Deputy District Attorney

FOR DEFENDANTS: MAN STAFFING, LLC

DATED: 9/15/25 By _____
Miguel Navarro
Its: President & CEO

MIGUEL ANGEL NAVARRO

DATED: 9/15/25 By _____
An Individual Defendant

M.A.N. Staffing Services, LLC

DATED: 9/15/25 By _____
Miguel Navarro
Its: President & CEO

MAN Staffing Solutions, LLC

DATED: 9/15/25 By _____
Miguel Navarro
Its: President & CEO

MAN Staffing Group, LLC

DATED: 9/15/25 By _____
Miguel Navarro
Its: President & CEO

MEETING ALL NEEDS
EMPLOYMENT SOLUTIONS, LLC

DATED: 9/15/25 By _____
Vanessa Navarro
Its: President & CEO

APPROVED AS TO FORM:

SICAT LAW

DATED: 09.15.25

By _____
Jocelyn Sicat
Attorneys for Defendants

EXHIBIT

1

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Attorney for Plaintiff

Exempt from filing fee pursuant to Gov. Code § 6103

SUPERIOR COURT OF CALIFORNIA, COUNTY OF VENTURA

THE PEOPLE OF THE STATE OF CALIFORNIA, Plaintiff, v. MAN STAFFING, LLC; MEETING ALL NEEDS, LLC; M.A.N. STAFFING SERVICES; MAN STAFFING SOLUTIONS, LLC; MAN Staffing Group, LLC; and MIGUEL ANGEL NAVARRO an individual, Defendants.	COURT NO. 2025CUMC053200 ~~[PROPOSED]~~ FINAL CIVIL JUDGMENT BY STIPULATION

Plaintiff, THE PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorneys, ERIK NASARENKO, District Attorney of Ventura County, by Andrew J. Reid, Senior Deputy District Attorney (the "People"), and Defendants MAN STAFFING, LLC; MEETING ALL NEEDS, LLC, M.A.N. STAFFING SERVICES, LLC, MAN STAFFING SOLUTIONS, LLC, MAN Staffing Group, LLC and MIGUEL ANGEL NAVARRO (collectively "Defendants" or "Man Staffing"), by and through their counsel of record Jocelyn Sicat, having stipulated to the entry of this Final Civil Judgment by Stipulation ("Final Judgment") without the Court taking evidence, trial or adjudication of any issue of fact or law, without the Final Judgment, Complaint, or any other related pleadings constituting evidence or an admission or denial by Defendant regarding any issue of law or fact alleged in the Complaint, and the Court having considered the pleadings and good cause appearing:

THE COURT HEREBY ORDERS, ADJUDGES, AND DECREES:

JURISDICTION AND VENUE

1. This action is brought under the laws of the State of California and this Court has jurisdiction of the subject matter hereof and the parties hereto pursuant to California Code of Civil Procedure section 393(a), and Article 6, section 10, of the California Constitution.

2. Venue is proper in Ventura County pursuant to Business & Professions Code section 17204.

APPLICABILITY

3. All provisions of this Judgment are applicable to Defendants and to their officers, employees, agents, successors and assigns, and to all persons, partnerships, corporations, and other entities acting for, through, or on behalf of, or in concert with Defendants, with actual or constructive knowledge of the terms of this judgment to the extent permitted by law.

INJUNCTION

4. Pursuant to Business and Professions Code section 17203, commencing upon the date of this entry of Judgment, Defendants shall not engage in any unlawful business practices in California in violation of Business & Professions Code section 17200 *et seq.* regarding their duties under California Labor Code section 3700 and 3700.5 to maintain adequate workers' compensation insurance coverage for all of their employees, temporary staff, and rental workers.

5. Pursuant to Business and Professions Code section 17203 and California Labor Code section 3700(a), Defendants shall remain insured with adequate and lawful workers' compensation insurance issued by an insurer licensed to issue workers' compensation policies in California.

a. $75,111 in currency was seized during execution of a search warrant in this matter on approximately January 18, 2023, which is currently held pursuant to court order by the People ("seized funds").

b. Defendant agrees that the People will continue to hold the seized funds for twelve (12) months from the date of signing of the Final Judgment by this court, or until the Defendant business entities are sold in a lawful, arm's length transaction to a bona fide third-party purchaser, whichever event occurs earlier.

c. Within sixty (60) days of the signing of this Final Judgment by this court, Defendants must obtain legal workers' compensation insurance from a carrier licensed to issue worker's compensation insurance in California. Any failure attributable to Defendants, their officers, agents, successors and assigns, and to all persons, partnerships, corporations, and other entities acting for, through or on behalf of, or in concert with any Defendant, to maintain lawful and adequate workers' compensation insurance as described in this section entitled "Injunction" may result in forfeiture of the seized funds to the People.

d. Imposition of this penalty shall not require further fact-finding by the court, or order by the Court, except as to the original January 18, 2023 seizure orders, upon the filing of a motion and supporting declaration by the People that Defendants are uninsured. The seized funds will be paid or made payable to the Ventura County District Attorney's Office as civil penalties pursuant to Business & Professions Code section 17206.

e. Imposition of this penalty, in whole or in part, is at the sole discretion of the People.

6. Pursuant to Business and Professions Code section 17203, Defendant Miguel Angel Navarro acknowledges and agrees with the following:

a. Compliance with Labor Code 3700 is a requirement of doing *any* form of business in the State of California;

b. No temporary staffing company or labor contractor can be self-insured under Labor Code § 3700(b) or any other provision of California law;

c. Defendants cannot fulfill their obligation to obtain valid insurance under Labor Code § 3700 from a licensed insurance carrier by "renting," "borrowing," or "piggybacking" an insurance policy issued to another legal entity.

d. Defendants' failure to secure lawful workers' compensation insurance adequate to cover its employees, temporary workers, or staff may result in a criminal prosecution of any or all individual Defendants, pursuant to Labor Code § 3700.5, Penal Code § 11760, Penal Code §550, and any other applicable state or federal statute.

7. Pursuant to Business & Professions Code section 17203 and Labor Code section 3700 *et seq.*, Defendants are PERMANENTLY ENJOINED AND PROHIBITED from violating Title X of the California Code of Regulations, section 2353.1, subsection (V), Rule 4, i.e., the rule against piggybacking an insurance policy written for one business entity to purport coverage for a legally distinct entity (hereinafter, "Rule 4").

8. Pursuant to Business & Professions Code section 17203, Labor Code section 3700, and Rule 4, Defendants are PERMANENTLY ENJOINED AND PROHIBITED from working with any professional employer organization, insurance broker, third-party benefits administrator, or any other insurance-procuring entity which purports to source or sell workers' compensation insurance coverage, *unless* Defendants verify that such entity is licensed to do business in California, if required by California law.

9. Pursuant to Business & Professions Code section 17203 and Labor Code section 3700, Defendants are PERMANENTLY ENJOINED AND PROHIBITED from purchasing any purported workers' compensation insurance policy *unless* Defendants verify that the insurance

carrier issuing the policy is licensed by the California Department of Insurance to do business in California, and that any such policy is specific to Defendants' business(es) and provides workers' compensation insurance compliant with California law.

10. Pursuant to Business & Professions Code section 17203, Defendants are PERMANENTLY ENJOINED AND PROHIBITED from doing business with, or sourcing any workers' compensation insurance policy from, any business entity or program representing itself as a Multiple Employer Welfare Association ("MEWA") or similar entity, including Firestone Labor Union, Affirmative Benefits, American Labor Alliance dba CompOne USA, or any successor entity thereto.

11. Pursuant to Business & Professions Code section 17203, Defendants are PERMANENTLY ENJOINED AND PROHIBITED from conducting any business transaction, engaging in any business practice involving, contracting with, utilizing the services of, or working in any way with, the following individuals, entities, or their successors and assigns:

a. Marcus Assay
b. Michael Anthony Walstad
c. Vincent "Vince" Walstad
d. James Toporcer
e. Kristan Castenada
f. Giovanni Zamora
g. Kalifornia Business Staffing (aka "KBS")
h. Employer's Outsourcing, Inc.
i. Simplify HR
j. Prime Administrators/Prime Administrators Fresno
k. Firestone Labor Union (aka "Affirmative Benefits")
l. American Labor Alliance (aka "CompOne USA")
m. The Bridge Group

12. Defendants shall be held strictly liable for any violation of the previous section (Paragraph 11) that occurs after the execution of this stipulation, and it will be presumed by the People, the Court, or any subsequent factfinder that Defendants were aware of the involvement of the above individuals if Defendants are found to be doing or transacting business with any of them.

MONETARY RELIEF

13. Defendants shall pay a total of SIX HUNDRED AND FIFTY THOUSAND DOLLARS ($650,000), as outlined in paragraphs sixteen (16) and seventeen (17) below, in civil penalties and *cy pres* restitution.

a. Any failure by Defendants to issue any payments outlined in paragraphs sixteen (16) and seventeen (17) shall result in forfeiture of a negotiated settlement discount between the People and Defendants, and the imposition of stayed civil penalties of ONE HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS ($125,000). In this event, the total monetary relief identified in paragraph 13 shall increase to SEVEN HUNDRED AND SEVENTY-FIVE THOUSAND DOLLARS ($775,000).

14. Additionally, failure by Defendants to issue all scheduled payments in accordance with paragraph seventeen (17) may result in the imposition of additional stipulated civil penalties of up to ONE HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS ($125,000), payable pursuant to Business & Professions Code section 17206, and imposed at the sole discretion of the People, without further order or fact-finding by this Court.

a. In the event of any imposition of penalty or increase of monetary relief, Defendants shall continue to make monthly payments of $25,000 on the first day of each month until the full amount is satisfied.

15. Summary of Total Monetary Relief, Stipulated Penalty Payments, and Potential Monetary Forfeitures:

a. MINIMUM MONETARY PAYMENT: Defendants shall pay a minimum of $650,000 in civil penalties pursuant to Business & Professions Code § 17206 and *cy pres* restitution, according to the schedule outlined in Paragraphs 16 and 17, below, in order to resolve this matter.

b. STAYED PENALTIES/LOSS OF NEGOTIATED DISCOUNT: Defendant's minimum payment shall increase to $775,000 if Defendants fail to issue payments according to the schedule outlined in Paragraphs 16, and 17.

c. ADDITIONAL STIPULATED PENALTIES: Defendants may incur additional civil penalties pursuant to Business & Professions Code 17206 of up to $125,000 if they fail to issue payments according to the schedule outlined in Paragraphs 16 and 17, below.

d. FORFEITURE OF SEIZED FUNDS: Defendants may forfeit $75,111 in seized funds if they do not obtain and maintain lawful workers' compensation insurance pursuant to the injunctive terms of Paragraph 5.

16. By no later than fifteen (15) days after the signing of this Stipulation by the People, Defendants or their representatives, and defense counsel, Defendants shall pay by separate checks the amount of FIVE HUNDRED THOUSAND DOLLARS ($500,000), which shall be made payable as follows:

a. $350,000 shall be made payable to the Ventura County District Attorney's Office as civil penalties pursuant to Business & Professions Code section 17206;

b. $150,000 shall be made payable to the Uninsured Employers Benefits Trust Fund, c/o the California Department of Industrial Relations Division of Workers' Compensation.

17. On October 1, 2025, and every month thereafter for six months or until the entirety of the monetary relief owed to the People pursuant to this Final Judgment is satisfied,

Defendants shall issue and mail a check in the amount of TWENTY-FIVE THOUSAND DOLLARS ($25,000) to the Ventura County District Attorney's Office.

18. All payments identified in the preceding paragraphs shall be by separate cashier's checks, certified checks, or attorney trust account checks, and shall be delivered to:

Ventura County District Attorney's Office
Special Prosecutions
Attention: Andrew Reid
5720 Ralston Street, Suite 300
Ventura, California, 93003

19. Each party to this action shall bear its own filing and appearance fee costs, in the amount of $435 per party. Filing fees shall be delivered to the Ventura County District Attorney at the same time as the payments identified in paragraph 16(a) and 16(b). These payments shall be made out to:

Ventura County Superior Court

800 South Victoria Avenue

Ventura, CA 93009.

20. All notices, reports and correspondence required by, or in conjunction with, this Final Judgment shall be in writing and shall be deemed served when personally delivered to the office of the receiving party if during normal business hours, upon confirmation of email or certified mail with return receipt to the receiving party if during business hours, and if either service is not during normal business hours, then said notice shall be deemed received the next regular business day at 9:00 a.m.

All notices, reports and correspondence required by, or in conjunction with, this Final Judgment shall be in writing and sent to:

IF TO PLAINTIFF: Ventura County District Attorney
Special Prosecutions
Attention: Andrew Reid
5720 Ralston Street, Suite 300
Ventura, CA 93003

Direct: (805) 662-1705
Email: andrew.reid@venturacounty.gov

IF TO DEFENDANT:

Jocelyn Sicat
Sicat Law
643 South 2nd Avenue, Suite B
Covina, CA 91723
Tel: (626) 888-3529
Email: jocelyn@sicatlaw.com

RETENTION OF JURISDICTION

21. Jurisdiction shall be retained by the Court for the purpose of enabling any party to this Final Judgment to apply to the Court at any time for such further orders, directions, modifications or terminations as may be necessary or appropriate for the construction, carrying out, modification or termination of any of the injunctive provisions of this Final Judgment, and the enforcement of compliance herewith; or for the punishment of violations hereunder.

INTEGRATION

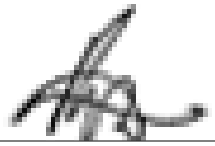
22. This Final Judgment constitutes the entire agreement between the Parties hereto and may not be amended or supplemented except as provided herein.

MODIFICATION

23. This Final Judgment may only be modified upon written consent by all Parties and the approval of the Court.

The clerk is ordered to enter this Judgment immediately, and to provide notice to the Parties through counsel.

IT IS SO ORDERED.

DATED: 12/31/2025 By 

JUDGE OF THE SUPERIOR COURT
Ben Coats