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Attorney for Defendants GJ GENTRY GENERAL ENGINEERING, INC. and GARRETT
GENTRY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

TONY SAMPSON, and SEVERO JOHN
HERNANDEZ, on behalf of themselves
and all others similarly situated

Plaintiff,

v.

GJ GENTRY GENERAL ENGINEERING,
INC., a California Corporation, GARRETT
GENTRY, as an individual and DOES 1-
20, inclusive,

Defendants.

Case No. CIVDS1926604

Assigned for all purposes to:
The Hon. David Cohn
Dept.: S-26

**STIPULATION RE: CLASS ACTION AND
PAGA SETTLEMENT**

Action Filed: September 3, 2019
SAC Filed: June 1, 2020
Trial Date: None Set

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1 This Stipulation Re: Class Action and PAGA Settlement (hereinafter “Stipulation,”
2 “Settlement,” or “Settlement Agreement”) is made and entered into by and between Plaintiffs
3 TONY SAMPSON (“Plaintiff Sampson”) and SEVERO JOHN HERNANDEZ (“Plaintiff
4 Hernandez”) (collectively, “Plaintiffs”) individually and on behalf of Participating Settlement
5 Class Members, and defendants GJ GENTRY GENERAL ENGINEERING, INC. (“Defendant
6 GJ”), GARRETT GENTRY (“Defendant Garrett”), and GARRETT J. GENTRY GENERAL
7 ENGINEERING INCORPORATED (“Defendant GJG”) (collectively, “Defendants”). Plaintiffs
8 and Defendants are collectively referred to herein as the “Parties” and each a “Party.”

9 This Stipulation shall be binding on Plaintiffs, Participating Settlement Class Members,
10 PAGA Group Members and Defendants subject to the terms and conditions hereof, including
11 Final Approval of the Settlement by the Court and this Stipulation becoming Effective as defined
12 below.

13 **THE PARTIES STIPULATE AND AGREE AS FOLLOWS:**

14 1. On September 3, 2019, Plaintiff Sampson filed the instant class action lawsuit
15 against Defendant GJ alleging claims for: (a) failure to pay all wages; (b) non-payment of
16 overtime compensation; (c) failure to provide proper meal periods; (d) failure to authorize and
17 permit proper rest breaks; (e) failure to properly maintain and submit itemized wage statements;
18 (f) waiting time penalties; and (g) violation of the Unfair Business Competition Law. (the
19 “Action”).

20 2. On September 6, 2019, Plaintiff Sampson submitted his PAGA notice to the
21 LWDA. (“Plaintiff Sampson PAGA Notice”).

22 3. On January 29, 2020, Plaintiff Hernandez submitted his PAGA notice to the
23 LWDA. (“Plaintiff Hernandez PAGA Notice”). (“Plaintiff Sampson PAGA Notice and Plaintiff
24 Hernandez PAGA Notice” shall be referred to as “PAGA Notices”).

25 4. On January 30, 2020, Plaintiff Sampson filed a First Amended Complaint, which
26 added a second proposed class representative, Plaintiff Hernandez, and a claim under the Private
27 Attorneys’ General Action (“PAGA”).
28

1 5. On June 1, 2020, Plaintiffs filed a Second Amended Complaint (“SAC”), which
2 added Defendant Garrett to the Action and added a claim under the Fair Labor Standards Act
3 (“FLSA”).

4 6. On February 15, 2022, the Parties attended private mediation with the Honorable
5 Carl West (Ret.). The Parties were unable to reach a resolution during the mediation and resumed
6 litigation in preparation for (and against) class certification. While litigation continued, the
7 Parties continued to have ongoing settlement discussions with the mediator, the Honorable Carl
8 West (Ret.).

9 7. On August 26, 2022, the Court denied Defendants GJ and GJG’s Motion to
10 Compel Arbitration of Complaint and Stay Proceedings. (“Motion to Compel Arbitration”).

11 8. On February 9, 2023, Defendants GJ and GJG’s, as appellants, filed their opening
12 brief challenging the trial court ruling denying the Motion to Compel Arbitration. The appeal
13 was fully briefed by the Parties and oral argument was held on September 12, 2023.

14 9. Prior to oral arguments in the appeal, on September 6, 2023, the Parties reached
15 an agreement regarding a proposed class action and PAGA settlement with the assistance of the
16 mediator, the Honorable Carl. West. (Ret.). Thereafter, the Parties continued to work diligently
17 to finalize the long-form settlement embodied in this Stipulation Re: Class Action and PAGA
18 Settlement. (“Stipulation,” “Settlement,” or “Settlement Agreement”).

19 10. Defendants and the Released Parties (defined below) deny that they are liable to
20 Plaintiffs, Settlement Class Members and PAGA Group Members for the claims asserted in the
21 Action and expressly deny any wrongdoing whatsoever regarding Settlement Class Members and
22 PAGA Group Members. Defendants particularly deny, without limitation, any liability based
23 upon alleged failure to authorize or provide meal and rest breaks, as Defendants have produced
24 substantial documentation reflecting such breaks being taken. Neither this Stipulation nor any
25 action taken to carry out its terms may be construed as an admission by Defendants or any of the
26 Released Parties of any fault, wrongdoing, or liability whatsoever, or of the appropriateness of
27 class or collective action certification in this Action, or of the manageability of this action on a
28 PAGA representative basis.

1 11. Plaintiffs alleged and continue to allege that the claims asserted in the Action have
2 merit. Neither this Stipulation nor any action taken to carry out its terms may be construed as an
3 admission by Plaintiffs that their claims lack merit.

4 12. For purposes of this Settlement, a Third Amended Complaint (“TAC”) shall be
5 filed (a) dismissing Defendant Garrett without prejudice and (b) adding Defendant GJG to the
6 Action.

7 13. For purposes of this Settlement, Defendant Garrett will execute a personal
8 guarantee of the Gross Settlement Amount and shall be personally responsible for any unpaid
9 portion of the Gross Settlement, if any, pursuant to the Settlement.

10 14. For purposes of this Settlement, there shall be a class consisting of “all Field
11 Employees employed by Defendants GJ and GJG in the State of California at any time between
12 September 3, 2015 to January 4, 2024. (the “Settlement Class” or “Settlement Class Member(s),”
13 and the “Class Period,” respectively). Field Employees are defined as all non-exempt
14 employees, including but not limited to foreman, laborers, operators, and pipelayers. (“Field
15 Employees”). Defendants’ records indicate that the class consists of approximately 721
16 Settlement Class Members, and that the Settlement Class Members worked approximately
17 39,718 workweeks during the Class Period.

18 15. For purposes of this Settlement, PAGA Group Members shall be defined as “all
19 Field Employees employed by Defendant GJ in the State of California at any time between
20 September 6, 2018 to January 4, 2024 (the “PAGA Group Members,” and the “PAGA Period,”
21 respectively). Defendants’ records indicate that the PAGA Group Members consist of
22 approximately 586 PAGA Group Members who worked approximately 32,171 workweeks
23 during the PAGA Period.

24 16. It is the desire of the Parties, and an express, material condition of the Settlement,
25 to settle fully, finally, and forever, compromise, and discharge all Released Class Claims and
26 Released PAGA Claims, as defined below.

27 17. Plaintiffs’ counsel, Verum Law Group, APC (collectively, “Class Counsel”), have
28 conducted a thorough investigation into the facts of the Action, including an extensive review of

relevant documents, and diligent investigations of the claims against Defendants. Based on Class Counsel's independent investigation and evaluation, Class Counsel is of the opinion that the Settlement, based on the terms set forth in this Stipulation, is fair, reasonable, adequate and in the best interest of Settlement Class Members in light of all known facts and circumstances, including the risk of significant delay, the risk the class will not be certified by the Court, and the defenses asserted by Defendants. Defendants and its counsel, Prata & Daley LLP ("Defense Counsel"), also agree that the Settlement is fair, reasonable and adequate.

18. The Parties agree to cooperate and take all steps necessary and appropriate to effectuate the Settlement and obtain Final Approval of the Settlement through a judgment.

TERMS OF SETTLEMENT

19. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

a. **Settlement and Compromise:** It is agreed by and among Plaintiffs and Defendants that the Action, and all claims alleged in the TAC, or that could have been alleged based on the facts alleged in the TAC, from September 3, 2015 through January 4, 2024, be settled and compromised as between the Settlement Class, Defendants, and the Released Parties subject to the terms and conditions set forth in this Stipulation and Final Approval of the Court. It is also agreed that Plaintiffs and the Labor & Workforce Development Agency ("LWDA") will release the PAGA claims stated in the TAC and the PAGA Notices, from September 6, 2018 to January 4, 2024. The Judgement as to the Released PAGA Claims shall be binding on all PAGA Group Members.

b. **Final Effective Date:** The Settlement shall become effective only when all of the following events have occurred: (i) this Stipulation has been executed by all Parties and by Class Counsel and Defense Counsel; (ii) the Court has given Preliminary Approval to the Settlement; (iii) notice in the form approved by the Court has been given to Class Members, providing them with an opportunity to opt out of the Action; (iv) the Court has held a final approval hearing and entered a Final Order and Judgment certifying the Class and approving this Stipulation ("Final Approval"); and (v) the first court day after the later of the following events

1 has occurred: when the period for filing any appeal, writ or other appellate proceeding opposing
2 the Settlement has elapsed without any appeal, writ or other appellate proceeding having been
3 filed; or any appeal, writ or other appellate proceeding opposing the Settlement has been
4 voluntarily or involuntarily dismissed finally and conclusively with no right to pursue further
5 remedies or relief; or any appeal, writ or other appellate proceeding has upheld the Court's Final
6 Approval with no right to pursue further remedies or relief. In this regard, it is the intention of
7 the Parties that the Settlement shall not become effective until the Court's order approving the
8 Settlement is completely final, and there is no further recourse by an appellant or objector who
9 seeks to contest the Settlement. The date on which the Settlement becomes effective
10 ("Effective") shall be referred to as the "Effective Date."

11 c. Settlement Payments: Defendants GJ and GJG will pay a non-
12 reversionary Gross Settlement Amount of Seven Hundred Thousand Dollars and Zero Cents
13 (\$700,000.00) ("Gross Settlement Amount" or "GSA"). Defendants GJ and GJG's payment of
14 the employer's share of taxes on the Gross Settlement amount allocated to wages paid to
15 Participating Settlement Class Members will be paid separately by Defendants GJ and GJG and
16 shall not be paid from the GSA. This is the maximum amount to be paid under the Settlement,
17 and is to be all-inclusive, with the Parties agreeing to the following allocations to be paid from
18 the Gross Settlement Amount, subject to Final Approval of the Court: (1) payments to
19 Participating Settlement Class Members; (2) Class Counsels' attorneys' fees in the amount of up
20 to 1/3 of the Gross Settlement Amount or Two Hundred Thirty Three Thousand Three Hundred
21 Thirty Three Dollars and Thirty-Three Cents (\$233,333.33); (3) Class Counsel's costs/expenses
22 (not to exceed Thirty Five Thousand Dollars and Zero Cents (\$35,000.00) subject to
23 documentation; (4) settlement administration costs not to exceed Eleven Thousand Dollars and
24 Zero Cents (\$11,000.00); (5) Service Award to Plaintiffs each in the amount of Twelve Thousand
25 Dollars and Zero Cents (\$12,000.00), or Twenty Four Thousand Dollars and Zero Cents total
26 (\$24,000.00); and (6) portion of the PAGA Payment in the amount of Fifteen Thousand Dollars
27
28

1 and Zero Cents (\$15,000.00) paid to the LWDA¹ (categories (2) through (7) inclusive shall be
2 collectively the “Class Settlement Expenses”). The “Net Settlement Amount” shall be the Gross
3 Settlement Amount less the Class Settlement Expenses (“NSA”). Under no circumstances will
4 Defendants GJ and GJG be obligated to pay any more than the amounts agreed upon by the
5 Parties and as set forth in this Stipulation.

6 d. Cost of Administration: Settlement Administration Costs shall be used to
7 pay all costs associated with the distribution of the Settlement to Class Members, including
8 expenses incurred during the administration of the Settlement and in issuing tax forms associated
9 with the Settlement.

10 e. Settlement Awards to Participating Settlement Class Members and PAGA
11 Payments to PAGA Group Members: A Settlement Class Member who does not file a timely
12 and proper Opt-Out Request from the Action is a “Participating Settlement Class Member.”
13 There shall be no claims process. All Settlement Class Members, except those who submit a
14 timely Opt-Out Request, shall be bound by the terms and conditions of this Stipulation, including
15 all orders and judgments issued pursuant thereto, as to the Released Class Claims. All PAGA
16 Group Members shall be bound by the Judgment entered by the Court as to the Released PAGA
17 Claims.

18 i. Calculation of Class Settlement Awards: The amount that each
19 Participating Settlement Class Member will be eligible to receive under the Settlement will be
20 calculated by using the quotient derived by total number of workweeks worked by each
21 Participating Settlement Class Member during the Class Period divided by the total number of
22 workweeks worked by all Participating Settlement Class Members during the Class Period who
23

24 ¹ “PAGA Payment” means the payment made hereunder to the California Labor and Workforce
25 Development Agency pursuant to PAGA. Twenty Thousand Dollars and Zero Cents
26 (\$20,000.00) has been allocated to penalties under PAGA, of which Fifteen thousand Dollars and
27 Zero Cents (\$15,000.00) shall be paid by the Settlement Administrator directly to the LWDA.
28 The remaining Five Thousand Dollars and Zero Cents (\$5,000.00) shall be part of the Net
Settlement Amount and shall be distributed to PAGA Group Members based on the total number
of workweeks worked during the PAGA Period.

do not opt out of the Settlement, to be derived from Defendant's records, then multiplied by the Net Settlement Amount.

ii. The settlement amount paid to each Participating Settlement Class Member is the "Individual Settlement Payment." For tax purposes, the Individual Settlement Payments shall be allocated and treated as follows: 10% as wages, and 90% as penalties and interest. The portion of the Individual Settlement Payment designated as wages will have all regular withholding deductions taken and will be issued via IRS Form W-2 by the Settlement Administrator. The portion of the Individual Settlement Payment designated as penalties and interest will not have any deductions taken and will be issued via IRS Form 1099 by the Settlement Administrator.

iii. Calculation of PAGA Payment paid to PAGA Group Members: The amount that each PAGA Group Member will be eligible to receive under the Settlement will be calculated by using the quotient derived by total number of workweeks worked by each PAGA Group Member during the PAGA Period divided by the total number of workweeks worked by all PAGA Group Member during the PAGA Period, to be derived from Defendants' records, then multiplied by the portion of the PAGA Payment allocated and paid to PAGA Group Members.

iv. The portion of the PAGA Payment paid to each PAGA Group Member is the "PAGA Payment." For tax purposes, the PAGA Payment paid to PAGA Group Members shall be allocated and treated as 100% as penalties. The portion of the PAGA Payment paid to PAGA Group Members will not have any deductions taken and will be issued via IRS Form 1099 by the Settlement Administrator.

v. Payment Plan, Mailing of Individual Settlement Payments and Related PAGA Payments:

Defendants GJ and GJG shall fund the Gross Settlement Amount based on the following payment plan: (1) the First Payment, which will be comprised of the Net Settlement Amount plus the Service Awards, shall be due within 60-days of final approval, estimated at Four Hundred Five Thousand Six Hundred Sixty Six Thousand Dollars and Sixty Seven Cents (\$405,666.67) ("First Payment"); and Second Payment, which will be remaining balance of the GSA, estimated

1 at Two Hundred Ninety Four Thousand Three Hundred Thirty Three Dollars and Thirty Three
2 Cents (\$294,333.33) ("Second Payment"), shall be due six-months after the First Payment.
3 (Collectively, the First Payment and Second Payment are referred to as the "Payment Plan.")
4 The Payment Plan is due in the event no objection to the settlement is filed. In the event an
5 objection is filed, the Payment Plan shall be due within 14 days following the expiration of the
6 period to file an appeal or the final determination of any filed appeal, whichever is later, subject
7 to Court approval. The Settlement Administrator shall cause the Individual Settlement Payments,
8 PAGA Payments and Service Awards to be mailed in the form of a check ("Check") to
9 Participating Settlement Class Members and PAGA Group Members within fifteen (15) calendar
10 days from the receipt of the funds from Defendants GJ and GJG following the First Payment. In
11 addition, the Settlement Administrator shall pay Class Counsel's Attorneys' Fees and Costs,
12 settlement administration costs, and portion of the PAGA Payment to the LWDA, within fifteen
13 (15) calendar days from the receipt of the funds from Defendants GJ and GJG following the
14 Second Payment.

15 f. Checks to Participating Settlement Members: Settlement Checks to
16 Participating Class Members will contain the following short release and
17 waiver on the back:

18 By depositing this check, I acknowledge that I am opting to join the
19 Settlement and have released and discharged all of the "Released Class
20 Claims" against the "Released Parties" as described in detail in the
21 section entitled "Release of Class Claims" in the Notice of Proposed
22 Class Action Settlement that I received and reviewed. The Released
Claims include, but are not limited to, the FLSA Claims, as defined in
the Notice of Proposed Class Action Settlement.

23 g. Right of Class Members to Object or Request Exclusion from the Action:
24 Settlement Class Members have sixty (60) calendar days (as indicated by post-marks) from the
25 original date of mailing of the Class Notice, as defined below, to request exclusion from the
26 Action.

27 i. Objections to the Settlement: Only Participating Settlement Class
28 Members may object to the Settlement. To object, a Participating Settlement Class Member may

1 *either* (a) have sixty (60) calendar days (as indicated by post-marks) from the original date of
2 mailing of the Class Notice, as defined below, to submit a written objection stating why s/he
3 objects to the Settlement, *or* (b) s/he may appear at the Final Approval Hearing to discuss his/her
4 objection(s) with the Court and the Parties at the Participating Settlement Class Member's own
5 expense as set forth in the Class Notice. If the Participating Settlement Member elects to submit
6 a written objection, the written objection should state all objections s/he wishes to assert and the
7 complete factual basis therefore. Class Counsel and Defense Counsel may, at least ten (10) days
8 (or some other number of days as the Court shall specify) before the Final Approval Hearing, file
9 responses to any written objections submitted.

10 ii. Exclusions from the Action: Settlement Class Members shall have
11 sixty (60) calendar days (as indicated by post-marks) from the original date of mailing of the
12 Class Notice, as defined below, to submit a valid Opt-Out Request. An Opt-Out Request must
13 be timely, made in writing, signed by the Class Member seeking exclusion from the Action, and
14 transmitted to the Settlement Administrator. The Opt-Out Request must state in substance:

15 "I have read the Class Notice and I wish to opt out of the Action
16 and the settlement of the case, "*Sampson et al. v. GJ Gentry*
17 *General Engineering, Inc.*"

18 The Opt-Out Request must contain the name, address, and last four digits of the Social Security
19 Number of the Settlement Class Member requesting exclusion. The Opt-Out Request must be
20 completed by the Settlement Class Member seeking exclusion from the Action and cannot be
21 submitted on a group or representative basis. No other person may opt out for a Settlement Class
22 Member. Any Settlement Class Member who properly opts out of the Action using this
23 procedure will not be entitled to the Individual Settlement Payments hereunder and will not be
24 bound by the Settlement as to the Released Class Claims or have any right to object, appeal, or
25 provide comment thereon in a judicial proceeding in connection with this Settlement.

26 h. Attorneys' Fees, Costs and Expenses: Subject to Court approval and/or
27 modification, Defendants GJ and GJG agrees to pay, as part of the Gross Settlement Amount,
28 Class Counsels' Fees and Class Counsels' Costs as set forth in Paragraph 22 below. Any portion

1 of the requested fees, costs, or expenses that is not awarded by the Court shall be part of the Net
2 Settlement Amount.

3 i. No Effect on Employee Benefits: Amounts paid to Plaintiffs or other
4 Settlement Class Members pursuant to this Agreement shall be deemed not to be pensionable
5 earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee
6 benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the Plaintiffs or Settlement Class
7 Members.

8 j. Service Award Payment to Plaintiffs: Subject to Court approval,
9 Defendants agree to pay as part of the Gross Settlement Amount a service award to the Plaintiffs
10 that shall not exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00) each, totaling
11 Twenty Four Thousand Dollars and Zero Cents (\$24,000.00) ("Service Award") in consideration
12 for the monetary risks assumed with pursuing the Action against Defendants, their assistance to
13 Class Counsel, their participation as the class representative, the release of non-wage related claims
14 that Plaintiffs may have against Defendants, including a Civil Code section 1542 general release.
15 Defendants will not object to the application for the Plaintiffs' Service Award in these amounts.
16 It is understood that the Plaintiffs' Service Award is in addition to the Plaintiffs' entitlement to
17 their Individual Settlement Payment. Any portion of the requested Service Award that is not
18 awarded by the Court shall be part of the Net Settlement Amount. If required by the Settlement
19 Administrator, Plaintiffs shall provide the Settlement Administrator with completed IRS Form
20 W-9.

21 i. Tax Treatment: The Settlement Administrator will issue Form
22 1099-MISC to Plaintiffs for their Service Award, and Plaintiffs will be responsible for paying
23 any taxes on the amount received.

24 ii. Payment Date: The Settlement Administrator will pay Plaintiffs'
25 Service Award approved by the Court from the Gross Settlement Amount to Plaintiffs on the
26 same date Participating Settlement Class Members are sent their Checks.

27 k. Returned, Uncashed Checks and Unclaimed Funds: Settlement checks
28 issued to Settlement Class Members and PAGA Group Members will expire one hundred and

eighty (180) days from the date they are issued by the Settlement Administrator. The void date of all settlement checks issued to Class Members and PAGA Group Members shall be stated on the checks. Any check not cashed within 180 calendar days will be void. The Settlement Administrator will provide the Parties with a report of uncashed checks. The money from the uncashed checks, plus any interest accrued thereon, shall be distributed by the Settlement Administrator to the California State Controller's Office Unclaimed Property Fund in the name of the Class Member or PAGA Group Member.

l. Opt-Out Deficiencies: Any Opt-Out request that is not postmarked by the Response Deadline, does not contain the required statement, is not signed by the Settlement Class Member, or does not contain the name and address of the Settlement Class Member will be invalid. If the Settlement Administrator determines that an Opt-Out request returned by a Settlement Class Member before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency letter to that Settlement Class Member identifying the problem. If a Settlement Class Member submits both a dispute and an Opt-Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt-Out request were deficient. If the Settlement Class Member fails to cure the deficiency, the Opt-Out request shall be disregarded and the claim will be paid, and the Settlement Class Member will become bound by the judgment. Those Settlement Class Members who do not timely Opt-Out will be bound by the Judgment as to the Released Class Claims.

m. Defendants' Right to Withdraw: In the event: (a) ten percent (10%) or more of the Settlement Class Members submit a timely and valid Opt-Out, Defendants shall have the sole and absolute discretion to withdraw from this Agreement within ten (10) calendar days after the Response Deadline by providing written notice of such withdrawal to Class Counsel; or (b) if the Court does not approve the Settlement, Defendants may at its own election withdraw from the Settlement. If Defendants elect to withdraw as set forth in this provision, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of Settlement and the Agreement shall become null and void and have no further force or effect, except for the provisions of this Agreement providing for expressions of non-liability

1 and confidentiality. If Defendants chooses to terminate this Agreement under this provision due
2 to (a) above, it shall be responsible to pay the Settlement Administration Costs incurred by the
3 Settlement Administrator. If Defendants choose to terminate this Agreement under this provision
4 due to (b) above, Plaintiffs and Defendants shall equally be responsible to pay the Settlement
5 Administration Costs incurred by the Settlement Administrator.

6 n. Disputes Regarding Individual Settlement Payments and PAGA
7 Payments: Settlement Class Members and PAGA Group Members may dispute their weeks
8 worked if they believe they worked more weeks in the Class Period or PAGA Period than
9 Defendant's records show by submitting information to the Settlement Administrator postmarked
10 no later than sixty (60) days after being mailed the Notice Packet by the Settlement
11 Administrator, which is the defined Response Deadline. The Settlement Administrator will
12 jointly work with Plaintiff and Defendant to resolve the dispute in good faith. If Plaintiff and
13 Defendant cannot agree over the work weeks to be credited, the Settlement Administrator shall
14 make the final decision based on the information presented by the Settlement Class Member and
15 Defendant.

16 **SETTLEMENT ADMINISTRATION**

17 20. The Parties have agreed to use a duly-qualified settlement administrator, Phoenix
18 Settlement Administrators ("Phoenix" or "Settlement Administrator") for the settlement
19 administration. Class Counsel has obtained a quote from Phoenix, and the Parties have agreed
20 that the costs of administration will not exceed Eleven Thousand Dollars (\$11,000.00).

21 21. Upon receipt of the NSA and Service Award Payment from Defendants GJ and
22 GJG to compensate all Participating Settlement Class Members and PAGA Group Members, the
23 Settlement Administrator will issue and mail the Individual Settlement Payments and PAGA
24 Payments to the Participating Settlement Class Members and PAGA Group Members. The
25 Settlement Administrator shall post the Order and Judgment on the Settlement Administrator's
26 website (<http://www.phoenixclassaction.com/class-action-lawsuits/judgments/>) within seven (7)
27 calendar days after entry of Order and Judgement. The Settlement Administrator shall post a
28 copy of the signed judgment for one hundred eighty (180) calendar days on its website in

1 compliance with Rule 3.771(b) of the California Rules of Court in order to provide notice to the
2 Class Members of this Judgment. All disputes relating to the Settlement Administrator's
3 performance of its duties that cannot be resolved by the Parties shall be referred to the Court, if
4 necessary, which will have continuing jurisdiction over the terms and conditions of this
5 Stipulation until all payments and obligations contemplated by this Stipulation have been fully
6 carried out.

7 22. The Settlement Administrator shall be responsible for making sure all payroll
8 related taxes are paid to the appropriate agencies using the Settlement Administrator's tax ID
9 numbers, etc.

10 23. The Settlement Administrator shall determine the eligibility for, and the amounts
11 of, each Individual Settlement Payment and PAGA Payments under the terms of this Stipulation.
12 In the event an actual or potential Participating Settlement Class Member or PAGA Group
13 Member disputes the number of workweeks utilized in calculating their Individual Settlement
14 Payment or PAGA Payment, they shall send a written statement signed under penalty of perjury
15 setting forth all facts supporting their claim, any written statements from witnesses supporting
16 the person's claim, and any other supporting evidence to the Settlement Administrator.
17 Participating Settlement Class Members and PAGA Group Members shall have sixty (60)
18 calendar days (as indicated by post-marks) from the original date of mailing of the Class Notice,
19 as defined below, to dispute the number of workweeks. The Settlement Administrator's
20 determination of the eligibility for and amount of each Individual Settlement Payment shall be
21 final and binding upon the Participating Settlement Class Member and the Parties, subject to
22 review by Class Counsel, Defense Counsel and the Court. In the absence of fraud or gross
23 negligence, Defendant's records shall be given the presumption of accuracy.

24 **ATTORNEYS' FEES AND COSTS**

25 24. Subject to Class Counsel filing an appropriate motion with the Court and subject
26 to Court approval, Class Counsel shall be entitled to receive reasonable attorneys' fees in an
27 amount not to exceed 1/3 of the Gross Settlement Amount (or \$233,333.33). In addition, subject
28 to Class Counsel filing an appropriate motion with the Court and subject to Court approval, Class

1 Counsel shall be entitled to an award of reasonable costs associated with Class Counsel's
2 prosecution of the Action in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000.00).
3 Defendants agree not to oppose or object to such requests. This Settlement is not conditioned
4 upon the Court awarding Class Counsel any particular amount in attorneys' fees or costs.

5 25. The amounts set forth above will cover all work performed and all fees, costs, and
6 expenses incurred to date, and all work to be performed and all fees, costs, and expenses to be
7 incurred by Class Counsel in connection with the approval by the Court of this Stipulation, the
8 administration of the Settlement, resolution of any and all appellate matters, and obtaining final
9 disposition of this Action.

10 26. Class Counsel shall provide the Settlement Administrator with a properly
11 completed and signed IRS Form W-9 in order for the Settlement Administrator to process the
12 Class Counsel Fees and Class Counsel Costs approved by the Court. The Settlement
13 Administrator shall issue an IRS Form 1099 to Class Counsel for such fees and costs. Class
14 Counsel shall be solely and legally responsible to pay any applicable taxes on the Class Counsel
15 Fees and Costs.

16 **NOTICE TO CLASS MEMBERS**

17 27. A Notice of Proposed Class Action Settlement ("Class Notice") substantially
18 similar to the form attached hereto as Exhibit "1," and as approved by the Court, shall be sent by
19 the Settlement Administrator to Settlement Class Members by first class U.S. mail within twenty
20 (20) days of receipt of the Class Information, defined below, from Defendants, and shall include
21 each Participating Settlement Class Members and PAGA Group Members' number of
22 compensable workweeks. Before mailing the Class Notice, the Settlement Administrator shall
23 complete a National Change of Address search ("NCOA") on all addresses contained in the Class
24 Information. In addition, any returned envelopes from this mailing with forwarding addresses
25 will be utilized by the Settlement Administrator to forward the Class Notice to the Settlement
26 Class Members within 3-business days of receipt. If no forwarding address is provided, the
27 Settlement Administrator shall promptly attempt to determine a correct address using a skip-
28 trace, computer, or other search using the name, address, and/or social security number of the

1 Settlement Class Member involved, and then shall perform a re-mailing. Settlement Class
2 Members who receive a re-mailed Class Notice shall have an additional sixty (60) calendar days
3 (as indicated by post-marks) from the date the Class Notice was re-mailed to respond (i.e., to
4 submit a written objection, to submit a valid Opt-Out Request, or to dispute the number of
5 workweeks). In addition, due to recent social distancing procedures for attendance at hearings
6 and review of court files, the Class Notice shall include a copy of the following documents: (1)
7 Zoom Links offered by the San Bernardino Superior Court (available at [https://www.sb-
8 court.org/sites/default/files/General%20Information/RemoteAppearancePostingCivilProbate.pdf](https://www.sb-court.org/sites/default/files/General%20Information/RemoteAppearancePostingCivilProbate.pdf)
9 f).

10 28. No later than ten (10) business days after Preliminary Approval of this Settlement
11 by the Court, Defendants shall provide the Settlement Administrator only, in a secured manner,
12 an electronic database, which will list each Settlement Class Member and PAGA Group
13 Member's name, last known address, social security number and the number of workweeks
14 worked during the Class Period and PAGA Period ("Class Information"). The Class Information
15 shall be based on Defendants' records. The Settlement Administrator shall keep the Class
16 Information confidential, unless required by the Court to be reviewed by Class Counsel. The
17 Settlement Administrator will conduct a NCOA search to confirm the most recent address for the
18 Class Members, and, if the current address differs from Defendants' records, will mail the Class
19 Notice to the most recent address available for each Class Member. The Settlement
20 Administrator will provide notice to counsel for the Parties of its intended mailing date at least
21 five (5) business days in advance.

22 29. A returned Class Notice will be forwarded to a new address if available only once
23 per Class Member by the Settlement Administrator. Upon completion of these steps by the
24 Settlement Administrator, the Parties and the Settlement Administrator shall be deemed to have
25 satisfied all obligations to provide the Class Notice to Settlement Class Members.

26 30. Class Counsel shall provide to the Court, at least five (5) days prior to the Final
27 Approval hearing, a declaration by the Settlement Administrator demonstrating due diligence
28 and proof of mailing with regard to the mailing of the Class Notice.

RELEASED CLASS CLAIMS BY THE SETTLEMENT CLASS AND RELEASED
PAGA CLAIMS BY RELEASING PAGA PARTIES

24. Upon Final Approval of the Settlement by the Court, the Settlement becoming Effective, and after Defendants have fully funded the Settlement: (a) each Participating Settlement Class Member will be deemed to have fully and finally released and discharged Defendants GJ and GJG, and all of its current and former agents, officers, members, owners, shareholders, directors, attorneys, partners, employees, including without limitation, its parent, subsidiary, related and affiliated companies, affiliated entities, and owners, including Garrett Gentry (the “Released Parties”) from the “Released Class Claims.” For purposes of this Agreement, the “Released Class Claims” are defined as: all claims alleged in the Second Amended Complaint, or that could have been alleged based on the facts alleged in the Second Amended Complaint, including, but not limited to: (1) failure to pay all wages; (2) non-payment of overtime compensation; (3) failure to provide proper meal periods; (4) failure to authorize and permit proper rest breaks; (5) failure to maintain and submit itemized wage statements; (6) waiting time penalties and (7) violation of the Unfair Competition Law, arising under the Labor Code or Wage Order based on the alleged failures set forth in (1) through (6) above; any right or claim for unfair business practices in violation of California Business & Professions Code § 17200 *et seq.* based on the alleged failures set forth in (1) through (6) above; and any violation of the California Labor Code arising from the alleged facts, or those claims that could have been alleged based on the facts alleged in Second Amended Complaint, including, without limitation, violation of Sections 200, 201, 202, 203, 204, 218, 218.5, 218.6, 226, 226.3, 226.7, 256, 510, 512, 558, 1174, and 1194 and their applicable Industrial Welfare Commission Wage Order provisions; and in addition, for Participating Settlement Class Members who cash their Individual Settlement Payments, the release will also include, FLSA claims for (1) the failure to pay overtime wages due under the Fair Labor Standards Act (29 U.S. § 201, *et seq.*); (2) attorney fees and litigation costs incurred to litigate and resolve this Action, and (3) prejudgment interest (“FLSA Claims”); and (b) Plaintiff and the Labor & Workforce Development Agency only (“Releasing PAGA Parties”) will be deemed to have fully and finally released and discharged the Released Parties from the

1 “Released PAGA Claims.” For purposes of this Agreement, the “Released PAGA Claims” are
2 defined as: the PAGA claims stated in the SAC and the PAGA Notices, including but not limited
3 to: Labor Code sections 200, 201, 202, 203, 204, 218, 218.5, 218.6, 223, 226, 226.3, 226.7, 256,
4 510, 512, 558, 1174, and 1194, 1197, 1997.1, 1198, 2698, and 2699 et seq. and their applicable
5 Industrial Welfare Commission Wage Order provisions.

6 25. Participating Settlement Class Members who cash their Individual Settlement
7 Payment checks will release their FLSA Claims. The Class Notice will inform the Settlement
8 Class Members of their right to join the FLSA portion of the Settlement by cashing the check for
9 their Individual Settlement Payment, and that by cashing the check for their Individual Settlement
10 Payment, Settlement Class Members will become Participating Settlement Class Members,
11 bound by the terms of this Stipulation, including the release of the FLSA Claims. Participating
12 Class Members who fail to cash their check and who have not submitted a valid Request for
13 Exclusion, will be bound by the terms of this Stipulation with respect to the Released Class
14 Claims other than the FLSA Claims.

15 26. The Stipulation shall be the full settlement, compromise, release and discharge of
16 the Released Class Claims, and each of them, by each Participating Settlement Class Member,
17 and the Released Parties shall have no further or other liability or obligation to or on behalf of
18 any Participating Settlement Class Member with respect to the Released Class Claims, except as
19 expressly provided herein. The Judgment as to the Released PAGA Claims shall be binding on
20 all PAGA Group Members.

21 **GENERAL RELEASE BY PLAINTIFF**

22 31. Plaintiffs hereby fully releases and forever discharges the Released Parties from
23 any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts,
24 liabilities, demands, obligations, attorney’s fees, costs, and any other form of relief or remedy in
25 law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected
26 (exclusive of any workers’ compensation claims), including but not limited to: (1) the Action and
27 any claims arising out of or related to the Action; (2) any claims for wrongful termination,
28 discrimination, harassment, and/or retaliation; (3) any act, omission, or occurrence arising out

1 of or related to Plaintiffs' employment with Defendants occurring on and before the Final
2 Effective Date of the Settlement; and (4) and any other form of relief or remedy of any kind,
3 nature, or description whatsoever, whether premised on statute, contract, tort or other theory of
4 liability under state, federal or local law.

5 32. Plaintiffs hereby agrees that, notwithstanding § 1542 of the California Civil Code,
6 all claims that Plaintiffs may have, known or unknown, suspected or unsuspected, are hereby
7 released. Section 1542 provides:

8 **"A general release does not extend to claims that the creditor**
9 **or releasing party does not know or suspect to exist in his or**
10 **her favor at the time of executing the release and that, if known**
11 **by him or her, would have materially affected his or her**
12 **settlement with the debtor or released party."**

13 Plaintiffs expressly waive the provisions of § 1542 with full knowledge and with the specific
14 intent to release all known or unknown, suspected or unsuspected claims arising on or before the
15 Effective Date of the Settlement, and therefore specifically waives the provisions of any statute,
16 rule, decision or other source of law of the United States or of any state of the United States or
17 any subdivision of a state which prevents release of unknown claims.

18 33. Tax Liability. The Parties make no representations as to the tax treatment or legal
19 effect of the payments called for hereunder, and Settlement Class Members are not relying on
20 any statement or representation by the Parties in this regard. Settlement Class Members
21 understand and agree that they will be responsible for the payment of any employee taxes.
22 Defendants shall be responsible for payment of any employer taxes due on the settlement
23 allocated as wages. Settlement Class Members shall hold Parties free and harmless from and
24 against any claims, liabilities, costs and expenses, including attorney's fees, resulting in any way
25 from any personal tax treatment of the payments made pursuant to this Agreement, including,
26 but not limited to, the treatment of such payments as not subject to withholding or deduction for
27 payroll and employment taxes
28

1 **DUTIES OF THE PARTIES PRIOR TO FINAL APPROVAL**

2 34. Once this Stipulation has been fully executed by all Parties and counsel, the
3 Parties shall promptly submit this Stipulation to the Court in support of Plaintiffs' Motion for
4 Preliminary Approval and determination by the Court as to its fairness, adequacy, and
5 reasonableness. Promptly upon full execution of this Stipulation, the Parties shall apply to the
6 Court for the entry of an order substantially in the following:

7 a. Scheduling a Final Approval hearing on whether the Settlement,
8 including payment of Class Counsels' Fees and Costs, and Plaintiffs' Service Award should be
9 finally approved as fair, reasonable, and adequate as to the Participating Settlement Class
10 Members;

11 b. Certifying the Settlement Class for settlement purposes only;

12 c. Approving as to form and content the proposed Class Notice;

13 d. Directing the mailing of the Class Notice by the Settlement Administrator
14 by first class U.S. mail, where available, to the Class Members; and

15 e. Preliminarily approving the Settlement subject only to Final Approval by
16 the Court.

17 **DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL**

18 35. Following Final Approval by the Court of this Stipulation and the Settlement set
19 forth therein, Class Counsel will submit a proposed final order and judgment:

20 a. Approving the Settlement, adjudging the terms thereof to be fair,
21 reasonable, and adequate, and consistent with state and federal notions of due process, and
22 directing consummation of its terms and provisions;

23 b. Approving Class Counsel's application for Class Counsel's Fees and
24 Class Counsel's Costs;

25 c. Listing the names of all Settlement Class Members, if any, who have
26 opted-out of the settlement; and

27 d. Approving Plaintiffs' Service Award.
28

1 **PARTIES' AUTHORITY**

2 36. The signatories hereto represent that they are fully authorized to enter into this
3 Stipulation and bind the Parties to the terms and conditions thereof.

4 **MUTUAL FULL COOPERATION**

5 37. The Parties agree to fully cooperate with each other to accomplish the terms of
6 this Stipulation, including but not limited to, execution of such documents and taking such other
7 action as reasonably may be necessary to implement the terms of this Stipulation. The Parties to
8 this Stipulation shall use their best efforts, including all efforts contemplated by this Stipulation
9 and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate
10 this Stipulation and the terms set forth herein. Plaintiffs and Class Counsel agree they will not
11 attempt to discourage any Class Member from participating in the Settlement.

12 **NO PRIOR ASSIGNMENTS**

13 38. The Parties represent, covenant, and warrant that they have not, directly or
14 indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
15 any person or entity any portion of any liability, claim, demand, action, cause of action or rights
16 herein released and discharged.

17 **ENFORCEMENT ACTIONS**

18 39. The Court shall have continuing jurisdiction over any enforcement actions. The
19 Parties agree, subject to Court approval, this agreement shall be enforceable under CCP section
20 664.6 and admissible under California Evidence Code 1123(a). Regardless of any settlement
21 privilege or other rules of evidence, this agreement may be admitted in Court and enforceable.

22 **NOTICES**

23 40. Unless otherwise specifically provided herein, all notices, demands, or other
24 communications given hereunder shall be in writing and shall be deemed to have been duly given
25 as of the third business day after mailing by United States registered or certified mail, return
26 receipt requested, addressed as follows:
27
28

Sam Kim
VERUM LAW GROUP, APC
 360 North Pacific Coast Highway, Suite 1025
 El Segundo, CA 90245
 Telephone: (424) 320-2000
 Facsimile: (424) 221-5010

Robert J. Prata
PRATA & DALEY LLP
515 South Figueroa Street, Suite 1515
Los Angeles, California 90071
Telephone: (213) 622-5600
Facsimile: (213) 622-5623

41. The Parties hereto agree that the terms and conditions of this Stipulation are the result of lengthy, intensive arms-length negotiations between the Parties, and this Stipulation shall not be construed in favor of or against any Party by reason of the extent to which any Party or his, her, or its counsel participated in the drafting of this Stipulation.

42. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Stipulation or any provision hereof. Each term of this Stipulation is contractual and not merely a recital.

43. This Stipulation may not be changed, altered, or modified, except in writing and signed by the Parties hereto and also approved by the Court. This Stipulation may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto. Without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

44. This Stipulation contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party

1 or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in
2 writing. Nothing in this Agreement shall modify, alter, cancel or supersede any of the
3 confidentiality obligations owed by Plaintiffs and Settlement Class Members.

4 **BINDING ON ASSIGNS**

5 45. This Stipulation shall be binding upon and inure to the benefit of the Parties hereto
6 and their respective heirs, trustees, executors, administrators, successors and assigns.

7 **ESCALATOR PROVISION**

8 46. If the total number of Settlement Class Members increases during the Class Period
9 by more than 20% of the 721 Settlement Class Members (i.e. more than 144 additional Settlement
10 Class Members) or more than 20% of the 39,718 workweeks (i.e. more than 7,943 additional
11 workweeks), then Defendants GJ and GJG will have the option to either (i) pay an adjusted pro-
12 rata settlement amount to reflect the increased number of Settlement Class Members and/or
13 workweeks beyond original estimates of 721 class members and 39,718 workweeks, or (ii)
14 shorten the Class Period such that there is not an increase of more than 20%.

15 **CONFIDENTIALITY PROVISION**

16 47. Plaintiffs and their Counsel agree not to disclose the terms of this settlement
17 except in court papers or if required by legal process. Plaintiffs and their Counsel shall not issue
18 a press release, hold a press conference, publish information about the settlement on any website,
19 or otherwise publicize the settlement, except as otherwise required by the Settlement
20 Administrator to post the judgment and order on its website. Plaintiffs and their Counsel agree
21 not to respond to any press inquiries except to refer reporters to the papers filed with the Court.

22 **CLASS COUNSEL SIGNATORIES**

23 48. It is agreed that because Participating Settlement Class Members are so
24 numerous, it is impossible or impractical to have each Participating Settlement Class Member
25 execute this Stipulation. The Class Notice will advise Class Members of the binding nature of
26 the release, and the release shall have the same force and effect as if this Stipulation were
27 executed by Participating Settlement Class Members.
28

1 **COUNTERPARTS**

2 49. This Stipulation may be executed in counterparts, and when each Party has signed
3 and delivered at least one such counterpart, each counterpart shall be deemed an original, and,
4 when taken together with other signed counterparts, shall constitute one Stipulation, which shall
5 be binding upon and effective as to all Parties. A legible, faxed, and scanned copy/pdf may be
6 used as an original for all purposes.

7 **DEADLINES FALLING ON WEEKENDS OR HOLIDAYS**

8 50. To the extent that any deadline set forth in this Stipulation falls on a Saturday,
9 Sunday, or legal holiday, that deadline shall be continued until the following business day.

10 **EFFECT OF NON-APPROVAL**

11 51. In the event that this Settlement does not gain Final Approval of the Court or does
12 not become Effective, for any reason, all matters covered by this Settlement shall be void *ab*
13 *initio*. In such event, nothing in this Stipulation or any draft thereof, or any of the other related
14 documents or drafts thereof, or of the discussion, negotiation, documentation, or other part or
15 aspect of the Parties' settlement discussions leading to the execution of this Stipulation shall have
16 any effect, nor shall any such matter be admissible in evidence for any purpose in the Action or
17 in any other proceeding or forum, nor shall any such matter be used or construed by or against
18 any Party as a determination, admission, or concession of any issue of law or fact in this, or any
19 other litigation or proceeding. The Parties do not waive, and instead expressly reserve, their
20 respective rights with respect to the prosecution and defense of the Action as if this Stipulation
21 never existed.

22 ///

23 ///

24 ///

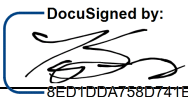
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1 Dated: March¹¹____, 2024

DocuSigned by:

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Tony Sampson, Plaintiff

2
3
4 Dated: March____, 2024

Severo John Hernandez, Plaintiff

5
6
7 Dated: March____, 2024

GJ Gentry General Engineering, Inc.,
Defendant

8
9
10 Dated: March____, 2024

Garrett Gentry, Defendant

11
12
13 Dated: March____, 2024

Garrett J. Gentry General Engineering
Incorporated, Defendant

14
15
16 **APPROVED AS TO FORM:**

17
18 Dated: March____, 2024

Sam Kim
Verum Law Group, APC
Attorney for Plaintiffs

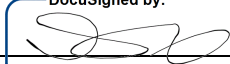
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21
22
23 Dated: March____, 2024

Robert Prata
Prata & Daley LLP
Attorney for Defendants

1 Dated: March____, 2024

Tony Sampson, Plaintiff

4 Dated: March21, 2024

DocuSigned by:


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Severo John Hernandez, Plaintiff

7 Dated: March____, 2024

GJ Gentry General Engineering, Inc.,
Defendant

10 Dated: March____, 2024

Garrett Gentry, Defendant

13 Dated: March____, 2024

Garrett J. Gentry General Engineering
Incorporated, Defendant

16 **APPROVED AS TO FORM:**

18 Dated: March____, 2024

Sam Kim
Verum Law Group, APC
Attorney for Plaintiffs

23 Dated: March____, 2024

Robert Prata
Prata & Daley LLP
Attorney for Defendants

1 Dated: March __, 2024

Tony Sampson, Plaintiff

4 Dated: March __, 2024

Severo John Hernandez, Plaintiff

7 Dated: March 20, 2024

GJ Gentry General Engineering, Inc.,
Defendant

10 Dated: March 20, 2024

Garrett Gentry, Defendant

13 Dated: March 20, 2024

Garrett J. Gentry General Engineering
Incorporated, Defendant

16 **APPROVED AS TO FORM:**

18 Dated: March __, 2024

Sam Kim
Verum Law Group, APC
Attorney for Plaintiffs

24 Dated: March 21, 2024

Robert Prata
Prata & Daley LLP
Attorney for Defendants

EXHIBIT 1

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

Sampson et al. v. GJ Gentry General Engineering, Inc., et al.
San Bernardino Superior Court, Case No. CIVDS1926604

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

THIS PROPOSED SETTLEMENT CLASS ACTION MAY AFFECT THE RIGHTS OF INDIVIDUALS WHO WORKED FOR GJ GENTRY GENERAL ENGINEERING, INC., AND GARRETT J. GENTRY GENERAL ENGINEERING, INCORPORATED, AT ANY TIME BETWEEN SEPTEMBER 3, 2015, TO JANUARY 4, 2024 (“CLASS PERIOD”).

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Sampson et al. v. GJ Gentry General Engineering, Inc., et al.*, Case No. CIVDS1926604, filed in the San Bernardino Superior Court (the “Action”). The purpose of this Notice of Proposed Settlement of Class Action (“Class Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action against Defendant GJ Gentry General Engineering, Inc. (“Defendant GJ”) and Garrett J. Gentry General Engineering Incorporated (“Defendant GJG”) (collectively, “Defendants”), subject to Court approval.

A hearing concerning final approval of the proposed Settlement will be held before the Hon. Jessica Morgan on [REDACTED] at [REDACTED] a.m./p.m. in Department S-26 of the San Bernardino Superior Court, located at 247 West Third Street San Bernardino, CA 92415-0210, to determine whether the Settlement is fair, adequate and reasonable. 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. Additional information on how to appear remotely at the hearing can be found at <https://www.sb-court.org/remote-appearances-and-courtroom-technology>. As a Settlement Class Member, you may be eligible to receive an Individual Settlement Payment under the Settlement and will be bound by the release of claims described in this Notice and the Settlement Agreement filed with the Court, unless you timely request to be excluded from the Action. As a PAGA Group Member, you are entitled to receive a portion of the PAGA Payment and will be bound by judgment entered by the Court as to the Released PAGA Claims irrespective of whether you submit a Request for Exclusion.

Who is affected by this proposed Settlement?

All Field Employees employed by Defendants GJ and GJG in the State of California at any time between September 3, 2015 to January 4, 2024. (“Settlement Class” or “Settlement Class Members”). The Class Period is September 3, 2015, to January 4, 2024. Field Employees are defined as all non-exempt employees, including but not limited to foreman, laborers, operators, and pipelayers. (“Field Employees”).

According to Defendants’ records, you are a member of the Settlement Class.

All non-exempt Field Employees employed by Defendant GJ in the State of California at any time during the PAGA Period. (“PAGA Group Member”). The PAGA Period is September 6, 2018, to January 4, 2024.

According to Defendants’ records, you are a PAGA Group Member.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

SETTLEMENT CLASS MEMBERS WHO WISH TO RECEIVE PAYMENT	Settlement Class Members do not have to do anything to receive an Individual Settlement Payment. You will be considered a Participating Settlement Class Member. You will be releasing your right to pursue a separate legal action against Defendants for the
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	Released Class Claims asserted in the Action, as explained more fully below.
PAGA GROUP MEMBERS WHO WISH TO RECEIVE PAYMENT	PAGA Group Members do not have to do anything to receive their portion of the PAGA Payment. You will be considered a PAGA Group Member. You will be bound by the judgment entered by the Court as to the Released PAGA Claims, as explained more fully below.
SETTLEMENT CLASS MEMBERS WHO WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS	You have the option to exclude yourself as to the Released Class Claims, in writing, from the Settlement. If you submit a valid Opt-Out Request postmarked no later than [Response Deadline] , you will not receive any benefits under the Settlement and you will not be bound the terms of the Settlement, unless you are a PAGA Group Member. If you are a PAGA Group Member, you will be bound by the judgment entered by the Court as to the Released PAGA Claims.
SETTLEMENT CLASS MEMBERS WHO WISH TO OBJECT	To object to the Settlement, you may write to the Settlement Administrator about why you don't like the Settlement, postmarked no later than [Response Deadline] , or you may appear at the Final Approval Hearing to object. 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. Additional information on how to appear remotely at the hearing can be found at https://www.sb-court.org/remote-appearances-and-courtroom-technology . This option is available only if you do <u>not</u> exclude yourself from the Settlement.

What is this case about?

In the Action, Plaintiffs Tony Sampson ("Plaintiff Sampson") and Severo John Hernandez, ("Plaintiff Hernandez") (collectively, "Plaintiffs"), on behalf of themselves, PAGA Group Members, and Settlement Class Members, allege the following claims against Defendants: (a) failure to pay all overtime under Fair Labor Standards Act; (b) failure to pay all wages; (b) non-payment of overtime compensation; (c) failure to provide proper meal periods; (d) failure to authorize and permit proper rest breaks; (e) failure to properly maintain and submit itemized wage statements; (f) violation of Labor Code §§ 201 and 202.7; (g) violation of the Unfair Business Competition Law; and (h) violation of the PAGA.

Defendants deny all liability and is confident that they have strong legal and factual defenses to these claims, but it recognizes the risks, and costs associated with litigation. Defendants contend that their conduct is and has been lawful at all times relevant and that Plaintiffs' claims do not have merit and do not meet the requirements for class certification.

This Settlement is a compromise reached after good faith, arm's length negotiations between Plaintiffs and Defendants (the "Parties"), through their attorneys, and is not an admission of liability on the part of Defendants. Both sides agree that, in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiffs also believe this Settlement is in the best interest of all Settlement Class Members and PAGA Group Members.

The Court has not ruled on the merits of the claims or defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

Sam Kim
Yoonis Han
VERUM LAW GROUP, APC
360 N. Pacific Coast Highway, Suite 1025
El Segundo, CA 90245
Telephone: (424) 320-2000
Facsimile: (424) 221-5010

Defense Counsel

Robert J. Prata
PRATA & DALEY LLP
515 South Figueroa Street, Suite 1515
Los Angeles, California 90071
Telephone: (213) 622-5600
Facsimile: (213) 622-5623

What are the Settlement terms?

Subject to final Court approval, Defendants will pay \$700,000.00 (the “Gross Settlement Amount” or “GSA”), plus Defendants’ payment of the employer’s share of taxes on the GSA, for: (1) Individual Settlement Payments to Participating Settlement Class Members; (2) the Court approved attorneys’ fees; (3) costs and expenses to Class Counsel; (4) the costs of administering the Settlement; (5) the Court approved Service Award to Plaintiffs; and (6) the PAGA Payment.

Individual and PAGA Settlement Payments. After deductions from the Gross Settlement Amount for attorneys’ fees costs and expenses, Service Award to Plaintiffs, the costs of administering the Settlement and portion of the PAGA Payment to the LWDA, there will be a “Net Settlement Amount” (“NSA”). From this Net Settlement Amount, less deduction of the portion of the PAGA Payment paid to PAGA Group Members, Individual Settlement Payments that will be issued to each Participating Settlement Class Member who does not submit a valid Opt-Out Request.

The amount that each Participating Settlement Class Member will be eligible to receive under the Settlement will be calculated by using the quotient derived by total number of workweeks worked by each Participating Settlement Class Member during the Class Period divided by the total number of workweeks worked by all Participating Settlement Class Members during the Class Period who do not opt out of the Settlement, to be derived from Defendant’s records, then multiplied by the Net Settlement Amount (the “Individual Settlement Payment”).

The amount that each PAGA Group Member will be eligible to receive under the Settlement will be calculated by using the quotient derived by total number of workweeks worked by each PAGA Group Member during the PAGA Period divided by the total number of workweeks worked by all PAGA Group Member during the PAGA Period, to be derived from Defendants’ records, then multiplied by the portion of the PAGA Payment allocated and paid to PAGA Group Members (the “PAGA Payment”).

For tax reporting purposes, the Individual Settlement payments paid to Participating Settlement Class Members will be allocated 10% as wages; 90% as penalties and interest. The portion of the Individual Settlement Payment designated as wages will have all regular withholding deductions taken and will be issued via IRS Form W-2 by the Settlement Administrator. The portion of the Individual Settlement Payment designated as penalties and interest will not have any deductions taken and will be issued via IRS Form 1099 by the Settlement Administrator. For tax purposes, the PAGA Payments will be 100% as penalties. The portion of the PAGA Payment paid to PAGA Group Members will not have any deductions taken and will be issued via IRS Form 1099 by the Settlement Administrator.

Settlement checks issued to Settlement Class Members and PAGA Group Members will expire one hundred and eighty (180) days from the date they are issued by the Settlement Administrator. The void date of all settlement checks issued to Class Members and PAGA Group Members shall be stated on the checks. Any check not cashed within 180 calendar days will be void.

The Settlement Administrator will provide the Parties with a report of uncashed checks. The money from the uncashed checks, plus any interest accrued thereon, shall be distributed by the Settlement

Administrator to the California State Controller's Office Unclaimed Property Fund in the name of the Class Member or PAGA Group Member.

None of the Settling Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Participating Settlement Class Members and PAGA Group Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Settlement Class Member and/or PAGA Group Member.

Class Counsel's Attorneys' Fees and Costs, Service Awards to Plaintiffs, and Settlement Administration Costs. Class Counsel will ask the Court to award attorneys' fees of up to \$233,333.33 (up to 1/3 of the GSA), and reimbursement of costs incurred in the Action not to exceed \$35,000. In addition, Class Counsel will ask the Court to authorize the Service Award Payments to each plaintiff in the amount of \$12,000 each (or \$24,000.00 total), for their efforts in the prosecution of the Action. The Parties also estimate the cost of administering the Settlement will not exceed \$11,000.00.

How much will I receive under the Settlement?

Your Compensable Workweeks and Estimated Individual Settlement Payment and PAGA Payment: According to Defendants' records, your estimated Individual Settlement Payment is based on the workweeks worked during the Class Period, which is <<Workweeks>>. Based on the number of your compensable workweeks, **your estimated Individual Settlement Payment is <<EstSettPayment>>.** Please note that this is only an estimate; your actual payment may be greater or smaller than the amount reported above.

In addition, according to Defendants' records, your estimated PAGA Payment is based on the workweeks worked during the PAGA Period, which is <<Workweeks>>. Based on the number of your compensable workweeks, **your estimated PAGA Payment is <<EstSettPayment>>.** Please note that this is only an estimate; your actual payment may be greater or smaller than the amount reported above.

Procedure for Disputing Information: If you disagree with the number of compensable workweeks stated above, you have to send a letter to the Settlement Administrator stating the reasons why you dispute the number of compensable workweeks and provide any supporting documentation that you have. The information you provide should include the estimated compensable workweeks you claim you performed at any time between September 3, 2015 to January 4, 2024 ("Class Period") and/or between September 6, 2018 to January 4, 2024 ("PAGA Period").

Participating Settlement Class Members and PAGA Group Members have sixty (60) calendar days (as indicated by post-mark date) from the original date of mailing of this Class Notice, to dispute the number of workweeks. Any disputes and supporting documentation have to be mailed to the Settlement Administrator at the address listed below by First Class U.S. Mail, postmarked no later than **[Response Deadline]**.

Sampson et al., v. GJ Gentry General Engineering, Inc., et al
[Address]
[City, State Zip, Telephone Number]

If you dispute the number of compensable workweeks stated above, Defendants' records, to the extent available, will be presumed determinative unless you are able to provide documentation to the Settlement Administrator that establishes otherwise. The Settlement Administrator will jointly work with Plaintiffs and Defendants to resolve the dispute in good faith. If Plaintiffs and Defendants cannot agree over the work weeks to be credited, the Settlement Administrator shall make the final decision based on the information presented by the Settlement Class Member and Defendants. Such a determination will be final and binding with no opportunity for further appeal, subject to review by Class Counsel, Defendants' Counsel and the Court.

What claims are being released by the proposed Settlement?

Upon Final Approval of the Settlement by the Court, the Settlement becoming Effective, and after Defendants have fully funded the Settlement: (a) each Participating Settlement Class Member will be deemed to have fully and finally released and discharged Defendants GJ and GJG, and all of its current and former agents, officers, members, owners, shareholders, directors, attorneys, partners, employees, including without limitation, its parent, subsidiary, related and affiliated companies, affiliated entities, and owners, including Garrett Gentry (the “Released Parties”) from the “Released Class Claims.” For purposes of this Agreement, the “Released Class Claims” are defined as: all claims alleged in the Second Amended Complaint, or that could have been alleged based on the facts alleged in the Second Amended Complaint, including, but not limited to: (1) failure to pay all wages; (2) non-payment of overtime compensation; (3) failure to provide proper meal periods; (4) failure to authorize and permit proper rest breaks; (5) failure to maintain and submit itemized wage statements; (6) waiting time penalties and (7) violation of the Unfair Competition Law, arising under the Labor Code or Wage Order based on the alleged failures set forth in (1) through (6) above; any right or claim for unfair business practices in violation of California Business & Professions Code § 17200 *et seq.* based on the alleged failures set forth in (1) through (6) above; and any violation of the California Labor Code arising from the alleged facts, or those claims that could have been alleged based on the facts alleged in Second Amended Complaint, including, without limitation, violation of Sections 200, 201, 202, 203, 204, 218, 218.5, 218.6, 226, 226.3, 226.7, 256, 510, 512, 558, 1174, and 1194 and their applicable Industrial Welfare Commission Wage Order provisions; and in addition, for Participating Settlement Class Members who cash their Individual Settlement Payments, the release will also include, FLSA claims for (1) the failure to pay overtime wages due under the Fair Labor Standards Act (29 U.S. § 201, *et seq.*); (2) attorney fees and litigation costs incurred to litigate and resolve this Action, and (3) prejudgment interest (“FLSA Claims”).

Upon Final Approval of the Settlement by the Court, the Settlement becoming Effective, and after Defendants have fully funded the Settlement, Plaintiffs and the Labor & Workforce Development Agency only (“Releasing PAGA Parties”) will be deemed to have fully and finally released and discharged the Released Parties from the “Released PAGA Claims.” For purposes of this Agreement, the “Released PAGA Claims” are defined as: the PAGA claims stated in the SAC and the PAGA Notices, including but not limited to: Labor Code sections 200, 201, 202, 203, 204, 218, 218.5, 218.6, 223, 226, 226.3, 226.7, 256, 510, 512, 558, 1174, and 1194, 1197, 1997.1, 1198, 2698, and 2699 *et seq.* and their applicable Industrial Welfare Commission Wage Order provisions.

What are my options in this matter?

You have three options under this Settlement, each of which is further discussed below. You may: (A) choose to be a Participating Settlement Class Member. You do not need to do anything to be a Participating Settlement Class Member and receive an Individual Settlement Payment; (B) exclude yourself from the Settlement as to the Released Class Claims; or (C) object to the Settlement. If you choose option (A), you may also object to the Settlement, as explained below.

Objecting is simply telling the Court that you don’t like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you don’t want to be a part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you. If you remain in the Settlement Class, you will be represented at no cost by Class Counsel. Class Counsel, however, will not represent you for purposes of making objections to the Settlement. If you remain a Participating Settlement Class Member, you will be subject to any Judgment that will be entered in the Actions, including the release of the Released Class Claims as described above. All PAGA Group Members shall be bound by the Judgment entered by the Court as to the Released PAGA Claims regardless of whether you exclude yourself from the Settlement.

OPTION A. Participate in the Settlement and Receive Payment. You do not need to do anything to participate in the Settlement and receive an Individual Settlement. By remaining a Participating Settlement

Class Member and receiving settlement monies, you consent to the release of the Released Class Claims as described above.

OPTION B. Request to Be Excluded from the Settlement. If you do not want to be part of the Settlement, you have to submit a valid Opt-Out Request to the Settlement Administrator at [Administrator], P.O. Box _____, [City], [State] [Zip], post-marked by [Response Deadline]. In order to be valid, the Opt-Out Request must (1) the name, address, and last four digits of the Social Security Number of the Settlement Class Member requesting exclusion, (2) be signed by the Settlement Class Member, and (3) post-marked by the [Response Deadline], and ultimately received by the Settlement Administrator. The Opt-Out Request must state in substance: “I have read the Class Notice and I wish to opt out of the Action and the settlement of the case, “*Sampson et al. v. GJ Gentry General Engineering, Inc.*” If the Opt-Out Request is not signed, and/or does not include the required information, and/or is not post-marked by the Response Deadline, the Opt-Out Request will be deemed invalid.

If you do not timely submit a signed Opt-Out Request (as evidenced by the postmark), your Opt-Out Request will be rejected, you will be deemed a Participating Settlement Class Member, and you will be bound by the release of Released Claims as described above and all other terms of the Settlement.

If you timely submit a signed Opt-Out Request, you will have no further role in the Actions, and you will not be entitled to any benefit as a result of the Actions and Settlement, unless you are a PAGA Group Member. If you submit a valid Opt-Out Request, you will not be entitled to or permitted to object to the Settlement.

OPTION C. Objecting to the Settlement. If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you may *either* (a) submit a written objection stating why you object to the Settlement by [Response Deadline], *or* (b) you may appear at the Final Approval Hearing to discuss your objection(s) with the Court and the Settling Parties at your own expense, but you are not required to do so. Additional information on how to appear remotely can be found at <https://www.sb-court.org/remote-appearances-and-courtroom-technology>. The written objection should state all objections s/he wishes to assert and the complete factual basis.

When will the Settlement be distributed?

Defendants GJ and GJG will fund the Gross Settlement Amount based on the following payment plan: (1) the First Payment, which will be comprised of the Net Settlement Amount plus the Service Awards, shall be due within 60-days of final approval, estimated at Four Hundred Five Thousand Six Hundred Sixty Six Thousand Dollars and Sixty Seven Cents (\$405,666.67) (“First Payment”); and the Second Payment, which will be remaining balance of the GSA, estimated at Two Hundred Ninety Four Thousand Three Hundred Thirty Three Dollars and Thirty Three Cents (\$294,333.33) (“Second Payment”), shall be due six-months after the First Payment.

The Settlement Administrator will issue payment of the Individual Settlement Payments, PAGA Payments and Service Awards in the form of a check (“Check”) to Participating Settlement Class Members and PAGA Group Members within fifteen (15) calendar days from the receipt of the funds from Defendants GJ and GJG following the First Payment. In addition, the Settlement Administrator will issue payment of Class Counsel’s Attorneys’ Fees and Costs, settlement administration costs, and portion of the PAGA Payment to the LWDA, within fifteen (15) calendar days from the receipt of the funds from Defendants GJ and GJG following the Second Payment.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, Class Counsel’s request for attorneys’ fees, costs and expenses, the Service Award Payments to Plaintiffs, and the Settlement Administration Costs, on _____ at _____ a.m./p.m., in Department S-26 of the San Bernardino Superior Court, located at 247 West Third Street San Bernardino, CA 92415-0210. The Final Approval Hearing may be continued. In the event Final Approval is continued, Settlement Class Members who filed an objection will receive notice of the new hearing

date. You are not required to attend the Final Approval Hearing to receive an Individual Settlement Payment or PAGA Payment. Additional information on how to appear remotely at the hearing can be found at <https://www.sb-court.org/remote-appearances-and-courtroom-technology>

If the Court grants final approval of the Settlement, the Settlement Administrator will post the Order and Judgment on the Settlement Administrator's website (<http://www.phoenixclassaction.com/class-action-lawsuits/judgments/>) within seven (7) calendar days after entry of Order and Judgment. The Settlement Administrator will post a copy of the signed judgment for one hundred eighty (180) calendar days on its website in compliance with Rule 3.771(b) of the California Rules of Court in order to provide notice to the Class Members of the Judgment.

How can I get additional information?

This Class Notice summarizes the Actions and the basic terms of the Settlement. More details regarding the Settlement and its terms are in the Settlement Agreement itself. The Settlement Agreement and all other records relating to the lawsuit are accessible online at: <https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales>.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.