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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

MICHAEL FRANCHINI, as aggrieved
employees pursuant to the Private Attorneys
General Act ("PAGA"), on behalf of the State of
California and other aggrieved employees,

Plaintiff,

vs.

GENERAL CONSOLIDATED
CONSTRUCTORS, INC; and DOES 1 through
100, inclusive,

Defendant.

Case No. RIC2001600

**AMENDED PAGA SETTLEMENT
AGREEMENT**

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of Riverside Plaintiff Michael Franchini ("Plaintiff") and Defendant General Consolidated Constructors, Inc., Case No. RIC2001600 (Riverside County Superior Court) (the "Action").

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. "Action" means *Franchini v. General Consolidated Constructors, Inc.*, No. RIC-2001600 (Riverside County Superior Court).
2. "Aggrieved Employees" means all persons who were employed by Defendant as non-exempt, hourly-paid employees in the State of California at any time from June 9, 2019 through the earlier of February 17, 2022 or the date of entry of the Order and Judgment.
3. "Court" means the Superior Court for the State of California, County of Riverside.
4. "LWDA" means the California Labor and Workforce Development Agency.
5. "Maximum Settlement Amount" means the maximum settlement amount of One Hundred Fifty Thousand Dollars (\$150,000) to be paid by Defendant in full satisfaction of all Settled Claims arising from the Action, which includes all payments to Aggrieved Employees, Plaintiff, Plaintiff Counsel, the LWDA, and the Settlement Administrator.
6. "PAGA Penalties Fund" means the Maximum Settlement Amount less the Attorneys' Fees and Costs, and Settlement Administrator Costs.
7. "Plaintiff Counsel" means Work Lawyers PC.
8. "
9. "Settled Claims" means any and all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or could have been alleged to have been violated in the Actions with respect to Aggrieved Employees based on the facts alleged in the Action during the Settlement Period.
10. "Settlement Period" means June 9, 2019 through the earlier of February 17, 2022 or the date of entry of the Order and Judgment.

TERMS

11. Maximum Settlement Amount. In consideration for Plaintiff's promises and representations described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met, Defendant will to pay a maximum amount of One Hundred, Fifty-Thousand Dollars (\$150,000) ("Maximum Settlement Amount"), which represents the maximum amount payable in this Settlement by Defendant, and includes attorneys' fees, litigation costs and expenses, Settlement Administration Costs, and payments to Aggrieved Employees and the LWDA for their share of the PAGA Penalties Fund. No portion of the Maximum Settlement Amount will be retained by, or revert to, Defendant.

12. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Action with respect to Aggrieved Employees. Pursuant to PAGA, Seventy-Five Percent (75%) of the PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent (25%) will be paid to all Aggrieved Employees according to the following formula:

12(a) Defendant will calculate: (i) the total number of pay periods worked by each Aggrieved Employee during the Settlement Period, and (ii) the total number of pay periods worked by all Aggrieved Employees during the Settlement Period.

12(b) To determine each Aggrieved Employee's payment from the PAGA Penalties Fund, Defendant will use the following formula: Settlement Payment = 25% of PAGA Penalties Fund $\times$ [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period $\div$ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

13. Attorneys' Fees and Costs. Defendant agree not to oppose or impede any application or motion by Plaintiff's Counsel for Attorneys' Fees and Costs of not more than Fifty Thousand Dollars

1 (\$50,000), plus the reimbursement of all out-of-pocket costs and expenses associated with Plaintiff
2 Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs,
3 etc.), not to exceed Fifteen Thousand Dollars (\$15,000), both of which will be paid from the Maximum
4 Settlement Amount. Any portion of the Attorneys' Fees and Costs not awarded to Plaintiff Counsel will
5 be added to the PAGA Penalties Fund.

6 14. Settlement Administration Costs. The Parties will retain Phoenix Settlement
7 Administrators, as the third-party settlement administrator ("Settlement Administrator"). The
8 Settlement Administrator will be responsible for establishing a qualified settlement fund ("QSF") and
9 issuing payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiff, and
10 Plaintiff Counsel. The Settlement Administration Costs will be paid from the Maximum Settlement
11 Amount. Based on the estimate that there are approximately 160 (One Hundred Sixty) Aggrieved
12 Employees, Settlement Administration Costs are limited to no more than Four Thousand Dollars
13 (\$4,000.00).

14 15. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties
15 will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the
16 Court issue an order and judgment approving and incorporating by reference the terms and conditions of
17 the Settlement Agreement (the "Order and Judgment").

18 16. List of Aggrieved Employees. Within seven (7) calendar days after entry of the Order
19 and Judgment, Defendant will provide the Settlement Administrator a complete list of all Aggrieved
20 Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in Microsoft
21 Office Excel and will include each Aggrieved Employees full name; most recent mailing address and
22 telephone number; Social Security number; the respective number of pay periods during which each
23 Aggrieved Employee worked during the Settlement Period; and any other relevant information needed to
24 calculate settlement payments.

25 17. Funding of the Settlement. A payment of \$150,000 shall be deposited no sooner than
26 December 1, 2022 into the QSF to be established by the Settlement Administrator. Within fourteen (14)
27 calendar days of the funding of the Settlement, the Settlement Administrator will issue payments to: (a)
28 Aggrieved Employees; (b) the Labor and Workforce Development Agency; (c) Plaintiff's Counsel; and

(d) itself. The Settlement Administrator, and not Defendant, will issue the appropriate tax forms for all payments issued under this Settlement.

18. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an explanatory letter which will be mutually approved by the parties. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. Checks will remain negotiable for 180 days. Those funds represented by uncashed checks which remain outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be tendered to the LWDA. All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which a 1099 will be issued.

19. Settled Claims. Upon entry of the Order and Judgment, Plaintiff and the State of California will be forever barred from pursuing against Defendant any and all Settled Claims during the Settlement Period. Plaintiff releases all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's pre-filing letter to the LWDA; Plaintiff does not release any aggrieved employee's claims for wages or damages.

20. No Right to Exclusion or Objections by Representative Action Members. Because this settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as proxies and as Private Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no Aggrieved Employee has the right to exclude himself or herself from the Settlement. Aggrieved Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court, regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

21. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced

1 herein will not be utilized to calculate any additional benefits under any benefit plans to which any
2 Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans,
3 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
4 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
5 contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

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

10 23. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve
11 the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then
12 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void,
13 and the Parties will be returned to their original respective positions.

14 24. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court
15 will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
16 of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters
17 as may be appropriate under court rules or as set forth in this Settlement.

18 25. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties'
19 settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding
20 on the Parties.

21 26. Amendment or Modification. This Settlement Agreement may be amended or modified
22 only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all
23 Parties.

24 27. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
25 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
26 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
27 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
28 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each

1 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
2 reach agreement on the form or content of any document needed to implement the Settlement, or on any
3 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
4 may seek the assistance of the Court to resolve such disagreement.

5 28. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
6 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

7 29. California Law Governs. All terms of this Settlement Agreement will be governed by
8 and interpreted according to the laws of the State of California.

9 30. Execution and Counterparts. This Settlement Agreement is subject only to the execution
10 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
11 executed counterparts and each of them, including electronic signatures (e.g., DocuSign), facsimiles, and
12 scanned copies of the signature pages, will be deemed to be one and the same instrument.

13 31. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
14 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
15 Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that
16 they are each represented by competent counsel and that they have had an opportunity to consult with
17 their counsel regarding the fairness and reasonableness of this Settlement.

18 32. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
19 Plaintiff may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from
20 the Court, and either party may appeal any court order that materially alters the Settlement's terms.

21 33. Invalidity of Any Provision. Before declaring any provision of this Settlement
22 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
23 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
24 valid and enforceable.

25 34. Captions. The captions and section numbers in this Settlement Agreement are inserted
26 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
27 provisions of this Settlement Agreement.

28 35. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement

1 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
2 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

3 36. Enforcement Action. In the event that one or more of the Parties institutes any legal
4 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
5 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
6 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
7 expert witness fees incurred in connection with any enforcement actions.

8 37. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
9 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
10 more strictly against one party merely by virtue of the fact that it may have been prepared by counsel for
11 one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties,
12 all Parties have contributed to the preparation of this Settlement Agreement.

13 38. Representation By Counsel. The Parties acknowledge that they have been represented
14 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
15 that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed
16 in full.

17 39. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
18 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
19 Settlement Agreement.

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

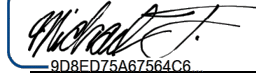
25 41. Denial of Liability. The Parties expressly recognize that the making of this agreement
26 does not in any way constitute an admission or concession of wrongdoing on the part of Defendant.
27 Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements,
28 discussions or communications, nor any materials prepared, exchanged, issued or used during the

pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

DocuSigned by:



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MICHAEL FRANCHINI

DEFENDANT

ROBERT McCOY
GENERAL CONSOLIDATED CONSTRUCTORS,
INC

APPROVED AS TO FORM

WORK LAWYERS PC



JUSTIN LO

Attorney for Plaintiff Michael Franchini

FISHER & PHILLIPS LLP

Mark Jacobs

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Attorney for Defendant GENERAL
CONSOLIDATED CONSTRUCTORS, INC

investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

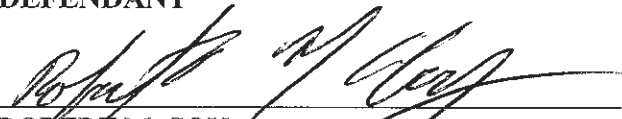
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MICHAEL FRANCHINI

DEFENDANT

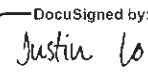
Dated: 7/14/2022


ROBERT McCOY
GENERAL CONSOLIDATED CONSTRUCTORS, INC

APPROVED AS TO FORM

WORK LAWYERS PC

Dated: 7/13/2022

DocuSigned by:

JUSTIN LO
Attorney for Plaintiff Michael Franchini

FISHER & PHILLIPS LLP

Dated:

Mark Jacobs
Attorney for Defendant GENERAL
CONSOLIDATED CONSTRUCTORS, INC