

JOINT STIPULATION AND SETTLEMENT AGREEMENT

SALWA MELIKYAN, an individual, on behalf of herself and all others similarly situated, Plaintiff, v. SUPERHERO CONTRACTORS, INC., a California Corporation; and DOES 1-10 inclusive Defendant.	Case No. 20STCV09955
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The Parties to this Joint Stipulation and Settlement Agreement (“Agreement” or “Settlement Agreement”) are Plaintiff Salwa Melikyan (“Plaintiff”) and Defendant Superhero Contractors, Inc. (“Defendant”) (collectively referred to as the “Parties”). This Agreement is for the benefit of Plaintiff and Defendant and the putative class Plaintiff seeks to represent, and certain “Released Parties,” defined in Paragraph 19, below.

RECITALS

A. WHEREAS, Plaintiff has a pending civil lawsuit against Defendant entitled *Salwa Melikyan. v. Superhero Contractors, Inc.*, in Los Angeles County Superior Court, Case No. 20STCV09955 (the “Action”);

B. WHEREAS, Plaintiff’s contentions of fact and law in the Action are as set forth in the Complaint filed on March 11, 2020, and the First Amended Complaint filed on October 30, 2020, and incorporated herein by reference;

C. WHEREAS, as part of the settlement, the Parties agreed to stipulate to permit Plaintiff leave to file a First Amended Complaint;

D. WHEREAS, pursuant to California Code of Civil Procedure 382, Plaintiff seeks to represent a class of similarly-situated individuals in the Class (defined below);

E. WHEREAS, pursuant to California Labor Code Section 2699 *et seq.*, Plaintiff also brings claims under the California Private Attorneys’ General Act (“PAGA”), seeking to represent a group of allegedly aggrieved employees;

F. WHEREAS, the denials and affirmative defenses of Defendant (as they pertain to the allegations in Plaintiff's Complaints) are as set forth in Defendant's Answer filed on December 1, 2020, which is also incorporated herein by reference; and

G. WHEREAS, the Parties desire to settle, fully and finally, all claims Plaintiff and the Class might have against Defendant during the Class Period (defined below), which relate to any claims asserted in the Action.

NOW, THEREFORE, in consideration of the terms, conditions, and promises set forth herein, it is agreed as follows:

TERMS OF SETTLEMENT

1. Requirement of Court Approval

This Settlement Agreement is conditioned upon Court approval; the Parties agree this Agreement shall be null and void in the event Court approval is denied. The Parties agree to work together in good faith to do everything necessary to obtain approval of the settlement and to cure any minor or procedural issues that may have caused the Court to initially deny the settlement.

2. Class Certification for Settlement Purposes Only

Upon preliminary approval of this Agreement, the Class shall be certified for settlement purposes only. For purposes of settling this action only, the Parties conditionally stipulate that the requisites for establishing class certification have been met with respect to the Class. Specifically, the Parties conditionally stipulate that:

- a. The Class Members are so numerous as to make it impracticable to join all class members;
- b. The Class Members are ascertainable;
- c. Common questions of law and fact exist;
- d. Plaintiff's claims are typical of the claims of the Class;
- e. The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which could establish incompatible standards of conduct for Defendant; and
- f. Questions of law or fact common to members of the Class predominate over individual questions, and a class action is superior to the available means for the fair and efficient adjudication of the claims.

3. The Class and Class Period

The “Class” consists of: “All door-to-door sales representatives who Defendant classified as independent contractors in the State of California at any time between January 1, 2019 and May 6, 2020 and who did not previously sign a release of claims.” Defendant represents that there are no more than 27 individuals in the Class. The “Class Period” is any time between January 1, 2019 and May 6, 2020. Individuals in the Class are “Class Members.” Class Members who do not timely opt out in response to Court-approved notice are referred to as the “Settlement Class” or “Settlement Class Members.” The group of aggrieved employees for PAGA purposes is separately defined below in Paragraph 4.

The Parties stipulate to class and representative certification for purposes of settlement only and for no other purpose (with Defendant maintaining its defenses to class and representative certification for all other purposes). Defendant contends that the facts do not justify class or representative certification under the governing legal standards. The Court has not ruled on class certification in the underlying litigation. Consequently, a Settlement Class has been established for purposes of administration and resolution of this matter only. It is not, and it should not be construed as, any admission of fact or law in this matter or any other matter that class or representative certification is appropriate. If the Court does not grant either preliminary or final approval of this settlement, then the Parties revert to their previous positions and Defendant will not stipulate to class or representative certification.

Neither this Agreement nor any of its terms nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage; or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Action, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that a Settlement Class Member has resolved any of his or her claims released through this Agreement.

4. The PAGA Aggrieved Employees

The group of aggrieved employees for PAGA purposes (“Aggrieved Employees”) is defined as “All door-to-door sales representatives who Defendant classified as independent contractors in the State of California at any time between March 11, 2019 and May 6, 2020 (the ‘PAGA Period’) and who did not previously sign a release of claims.” Defendant represents there are no more than 27 Aggrieved Employees within this defined group.

5. Class Counsel

The parties agree to the designation of the law firm of Azadian Law Group, PC as counsel for the Settlement Class ("Class Counsel").

6. Class Representative

The Parties agree to the appointment of Plaintiff as the Class Representative. Defendant agrees not to contest an enhancement payment not to exceed \$10,000 for the Class Representative. The Class Representative will be issued IRS Forms 1099 for the enhancement payment. The Class Representative's right to receive an enhancement payment is contingent on her acceptance of the release and other terms and conditions below. The Class Representative agrees she shall not opt out of the settlement. The amount of the enhancement payment is not a material term of this Agreement and can be reduced by the Court. To the extent the Court approves less than the amount of enhancement payment sought, the difference between the requested and awarded amounts will be distributed to Settlement Class Members on a proportional basis relative to the size of their settlement payments, in accordance with other administration and distribution requirements hereunder.

7. Gross Fund Value

The settlement will be on a non-reversionary basis. Defendant will pay a sum equal to One Hundred Forty Thousand Dollars (\$140,000.00) (hereinafter referred to as the "Gross Fund Value" or "GFV") to fund the settlement of this action, which includes the class representative enhancement award, the Settlement Administrator's expenses, Class Counsel's attorneys' fees and costs, and the PAGA Settlement Amount. The employer share of payroll taxes shall be paid separate and apart from the Gross Settlement Fund by Defendant.

Payments by Defendant pursuant to this Settlement Agreement will settle all pending issues between Plaintiff and the Settlement Class and the Defendant, including but not limited to all attorneys' fees, costs and payments for Plaintiff, and settlement administrator fees. The payments are not being made for any other purpose and will not be construed as compensation for purposes of determining eligibility for any health and welfare benefits or unemployment compensation.

8. Attorneys' Fees and Costs

Class Counsel will request that the Court approve an award of attorneys' fees in an amount not to exceed 1/3 of the Gross Fund Value (\$46,666.67), and litigation costs not to exceed \$12,500. Defendant will not oppose these requests. Attorneys' fees and costs will be paid out of the Gross Fund Value. To the extent the Court approves less than the amount of attorneys' fees that Class Counsel requests, the difference between the requested and

awarded amounts will be distributed to Settlement Class Members on a proportional basis relative to the size of their settlement payments, in accordance with other administration and distribution requirements hereunder.

9. California PAGA Claims

From the Gross Fund Value, \$10,000 or such other amount as the Court approves (the “PAGA Settlement Amount”), will be allocated to the payment in settlement of the California PAGA claims, with 75% (\$7,500) to be paid to the California Labor & Workforce Development Agency (“LWDA”) and 25% (\$2,500) to be paid and allocated to the Aggrieved Employees as the PAGA Payment as set forth in Paragraph 14. The Parties agree that, given the uncertainty of litigation, and the issues and difficulty involved in prevailing on the claims, this allocation is reasonable under the circumstances. This allocation is not a material term of the settlement and the Parties agree to work in good faith to make any revisions to the allocation in order to obtain judicial approval. Prior to filing a motion for preliminary approval, Class Counsel shall electronically file in accordance California Labor Code § 2699(l), the Settlement Agreement and notice of settlement with the LWDA. The Administrator shall make this payment to the LWDA within fifteen (15) business days after the “Effective Date” of final approval of the settlement as defined in Paragraph 15.

10. Settlement Administration

The third party administrator agreed upon by the Parties to administer this Settlement is Simpluris Inc. (the “Settlement Administrator”). The cost of paying the Settlement Administrator will be deducted from the Gross Fund Value. The Settlement Administrator shall be responsible for sending the Class Notice, processing responses, making all payments to any person or entity from the settlement amounts, for all required tax reporting and withholding, and for communicating the information regarding status of the payments to the Parties’ counsel. The Parties anticipate the costs of settlement administration will be the quoted amount of \$3,000 and in any event shall not exceed \$5,000.

11. Net Fund Value

The Net Fund Value (“NFV”) is the amount for distribution to the Settlement Class Members after deducting the Class Representative’s enhancement, Class Counsel’s attorneys’ fees and costs, the PAGA Settlement Amount, and the settlement administration fees, from the GFV. Each Settlement Class Member will be entitled to a proportional share of the Net Fund Value based on the formula described in Paragraph 13.

12. Class Notice, Opt-Outs and Objections

Subject to Court approval, the following schedule shall apply:

a. Data to the Settlement Administrator. No later than fourteen (14) days after the Court grants preliminary approval of this Settlement, Defendant shall provide the Settlement Administrator with information on the Class as outlined in this Paragraph in electronic format. This information will be used only for the administration of this settlement. Defendant shall provide to the Settlement Administrator a database that contains the name, last-known phone number, last-known residence mailing address, and social security number of every person within the Class. Defendant shall also provide the Settlement Administrator with the dates of service in a covered position for each person in the Class during the Class Period. Defendant shall cooperate and provide any additional information the Settlement Administrator may reasonably request for the purpose of giving notice to the Class Members, allocating and distributing the settlement amounts, and otherwise administering this Agreement.

b. Notice to the Settlement Class. Within fourteen (14) days of receipt of the data from Defendant, the Settlement Administrator shall mail the Notice of Pendency of Class Action and Proposed Settlement (hereinafter the “Class Notice”) to the Class Members at their addresses provided by Defendant (after standard verification and address correction functions are performed by the Settlement Administrator pursuant to standard claims administration industry practices, which shall include running the names through the National Change of Address Database). As speaking, reading, and writing in English is a job requirement for the Class because their tasks required direct client interaction, no translation of the Class Notice is necessary. The Class Notice mailed to each Plaintiff will include information showing how much that individual Plaintiff is expected to receive based on this formula, assuming the Plaintiff becomes a Class Member. The Class Notice will specify that the Plaintiff may dispute the number of workweeks calculated for him/her. The Class Notice shall explain the procedures for making a request for exclusion, objecting to the Settlement, or disputing the number of workweeks contained in the Class Notice for each Class Member (each detailed below). The Parties’ proposed Class Notice is attached hereto as Exhibit A.

c. Requests for Exclusion. Claim forms will not be required to participate in this settlement. Unless one or more Class Members submit a valid and timely request for exclusion, the settlement administrator will mail settlement checks to all Class Members. The Class Notice will instruct Class Members on how to exclude themselves from the Class. The Class Notice will state that any Class Member who wishes to exclude themselves from the Class will need to send a communication in writing to the Settlement Administrator advising of the intention to be excluded. The communication must state: (1) the Class Member’s name; (2) current address; (3) phone number; and (4) last four digits of the social security number; (5) be signed by the Class Member; and (6) state “I wish to be excluded from the Settlement in the lawsuit against Superhero Contractors, Inc.” The request for exclusion must be submitted to the Settlement Administrator no later than sixty (60) days

after the initial mailing of the Class Notice (the “Objection/Request for Exclusion Deadline”). Class Members who are Aggrieved Employees may not request exclusion from the group of Aggrieved Employees and shall receive a PAGA Payment regardless of their exclusion from the Class.

The date of the postmark on the request for exclusion shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. Any Class Member who submits a timely and valid request for exclusion from the Class will not be entitled to any recovery under the Settlement and will not be bound by the Settlement or have any right to object, appeal, or comment thereon. Class Members who fail to submit a valid and timely request for exclusion on or before the Objection/Request for Exclusion Deadline shall become Class Members and shall be bound by all terms of the Settlement and any Final Judgment entered if the Settlement is approved by the Court.

Requests for exclusion that do not include all required information, or that are not submitted on a timely basis, will be deemed null, void and ineffective. Persons who are eligible to and do submit valid and timely requests for exclusion from the Settlement will not receive Settlement Awards, nor will they be bound by the terms of the proposed Settlement, if it is approved, or the Final Judgment in this Action.

d. Re-mailing of Returned Class Notices. If any Class Notices are returned as undeliverable and received by the Settlement Administrator, the Administrator shall re-mail same to any better address which may be reasonably available to the Settlement Administrator. The Administrator will perform a skip-trace on any addresses returned as undeliverable. In the event the procedures in this Section are followed and the intended recipient of a Class Notice still does not receive the Class Notice, the intended recipient shall remain a Class Member and shall be bound by all terms of the Settlement and by any Final Judgment entered by the Court, provided the Settlement is approved by the Court.

The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant’s Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for exclusion or objections received.

e. Objections. Any objections to the Class Settlement shall state: (a) “Superhero Contractors, Inc. lawsuit”; (b) the objecting person’s or his/her attorney’s full name, address, and telephone number; (c) the words “Notice of Objection” or “Formal Objection”; (d) describe the legal and factual arguments supporting the objection; (c) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final

Approval Hearing; and (e) state whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class.

Such written statement should be mailed to the Settlement Administrator no later than the Objection/Request for Exclusion Deadline. The Settlement Administrator will provide any such objections to the Court with its declaration prior to the Final Approval Hearing. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether an objection has been timely submitted. Any person who fails to timely submit their written objections in the manner specified above may still appear and object at the hearing on the Motion for Final Approval of the Settlement. Class Members who fail to object in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. Further, if the objector retains an attorney, the attorney must file a valid notice of appearance within seven (7) days after the deadline for submitting objections. Any Class Member who submits a timely and valid objection will still be entitled to his or her Individual Settlement Share and PAGA Payment if he or she is an Aggrieved Employee, become a Class Member, and will be bound by the Settlement if the Court approves the Settlement and does not order that the objector should be excluded from the Settlement. If a Class Member submits both a timely objection and request for exclusion from the Settlement, the objection will not be considered but the request for exclusion will be accepted. Class Counsel and/or counsel for Defendant may respond to any written objections to the Settlement in its Motion for Final Approval, which shall be filed sixteen (16) Court days prior to the hearing on the Motion for Final Approval of the Settlement.

Class Members who fail to file and serve timely written objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the settlement, unless otherwise ordered by the Court.

f. Report by Settlement Administrator. Within fourteen (14) days following the Objection/Request for Exclusion Deadline, the Settlement Administrator will provide a written report to all Parties' counsel noting the number of Class Notices sent, the number which were returned as undeliverable (after the follow up described above), and the number of valid opt-outs by Class Members. Prior to the due date for this report, the Settlement Administrator will reasonably respond to requests from any party's counsel for a report on the current status of the opt-out procedures.

g. Solicitation of Opt-Outs. Neither the Parties nor their respective counsel will encourage persons to opt-out of the Class Settlement, except to the extent that failure to do so would cause Class Counsel to violate their obligations as counsel to any Class Member.

h. Class Member Disputes of Workweeks. If a Class Member disputes the basis for the calculation of their individual settlement share or PAGA Payment, the Class Member must provide notice, in writing, to the Settlement Administrator before the Objection/Request for Exclusion Deadline. Any such challenge shall include the reasons supporting the challenge, as well as any documentation supporting his or her contention that the individual settlement or PAGA Payment share calculation is incorrect. In the absence of such evidence, Defendant's records will be controlling. The Settlement Administrator will consult with the Parties about how to resolve the challenge, evaluate the information provided, and will make a final and non-appealable decision as to the outcome of the challenge. If the individual settlement share calculation is adjusted following a challenge, then the Settlement Administrator shall notify the Class Member of the adjustment.

13. Calculation of Settlement Class Member Payments

For purposes of settlement, the Net Fund Value (the Settlement's "Net Fund Value" or "NFV") will be defined as the Gross Fund Value, less Class Counsel's attorneys' fees and costs, less the Class Representative incentive award, less the PAGA Settlement payment, and less costs of administration.

Approximately \$57,883.33 will be available for disbursement to all Settlement Class Members (the Settlement's "Net Fund Value"). There are 27 Class Members in the Action. **All Class Members who do not opt-out of the class action – i.e., Settlement Class Members – will receive an Individual Settlement Share.** Individual Settlement Shares will be distributed on a pro-rata basis based on the number of weeks the individual Settlement Class Member provided services to Defendant during the Class Period.

Each Class Member who fails to opt out will be entitled, provisionally, to a proportional share of the Net Fund Value. Each "Individual Settlement Share" shall be determined by first dividing the NFV by the total number of weeks the Settlement Class Members provided services to Defendant as a classified independent contractor (to arrive at the per-workweek amount). This amount will then be multiplied by each Settlement Class Member's number of workweeks. The number of workweeks for each Class Member will be determined by adding all the calendar days within the inclusive dates of service as a Class Member during the Class Period and dividing that number by seven. Any partial workweek will be expressed as a percentage of a full workweek.

The amounts paid to Settlement Class Members will be allocated as follows for tax purposes: ten percent (10%) as wages; twenty five percent (25%) to payment of interest; thirty percent (30%) to reimbursements for business expense; and thirty five percent (35%) as penalties. The employer share of payroll taxes shall be paid separate and apart from the Gross Settlement Fund. Tax forms will be issued by the Settlement Administrator as required by law. This allocation is not a material term of the Settlement and the Parties will

agree to work in good faith to make any changes to the allocation in order to obtain judicial approval of the Settlement.

There were 242 weeks worked by all Settlement Class Members, each week worked would have a value of approximately \$238.98. Therefore, an individual Settlement Class Member who provided services for 4 weeks during the Class Period in that scenario would be eligible for an Individual Settlement Share of approximately \$955.92. The average number of work weeks worked by the Class Members was nine (9) weeks, which makes the average Individual Settlement Share approximately \$2,150.83.

The Parties agree the Settlement is not subject to California Code of Civil Procedure Section 384 because any unclaimed amounts shall remain available to the recipient through the California State Controller's Office Unclaimed Property Program. Any checks that are not cashed within one-hundred-eighty (180) calendar days from the date of the mailing shall be canceled or voided and the Settlement Administrator shall pay over the amount represented by the checks, including any otherwise unpaid interest accumulated in the NFV, to the California State Controller's Office Unclaimed Property Program, with the identity of the recipient of the check to whom the funds belong. Therefore, there will be no unpaid residue or unclaimed or abandoned Class Member fund and the California Code of Civil Procedure Section 384 shall not apply.

14. Calculation of PAGA Payments to Aggrieved Employees

Using the Class Data, the Settlement Administrator will calculate the total Compensable PAGA Workweeks for each Aggrieved Employees by dividing the PAGA Settlement Amount payable to employees (\$2500) by the total number of PAGA Workweeks worked by the Aggrieved Employees during the PAGA Period to arrive at the per work week amount. The respective PAGA Workweeks for each Aggrieved Employee will be multiplied by the per work week amount, to result in the "PAGA Payment" that will be paid to each Aggrieved Employee. The PAGA Payment shall be issued at the same time as the Settlement Class Member Payment with an IRS Form 1099 – MISC. Class Members who are Aggrieved Employees may not request exclusion from the group of Aggrieved Employees and shall receive a PAGA Payment regardless of their exclusion from the Class.

15. Timing and Manner of Payment

Defendant shall pay the Gross Fund Value within fourteen (14) days after the Effective Date into an account established by the Settlement Administrator. "Effective Date" is defined as follows: If no objection to this Settlement or to any of the terms and or conditions of the Settlement are filed by Plaintiff, another member of the Settlement Class, or any intervenor, the Effective Date shall occur on the day that the Court enters an order of final approval of this settlement; however, if any objection to this Settlement or to any of

the terms and or conditions of the Stipulation is filed by Plaintiff, another member of the Settlement class, or any intervenor to this Lawsuit, the Effective Date shall occur upon the expiration of the time for the filing any appeal of the order of final approval of this settlement. If an appeal is filed or any writ granted, then the Effective Date shall occur after the appeal has been dismissed or the writ dissolved and when there is no further time to appeal the dismissal of the appeal or the dissolution of the writ.

Within five (5) days after that deposit is made, the Settlement Administrator will pay all claims to Settlement Class Members and Aggrieved Employees and also pay the attorneys' fees and costs awarded to Class Counsel, and any enhancement payment awarded to the Class Representative, by wire transfer or check as directed by Class Counsel (with regard to their own award, and that of the Class Representative).

16. No Tax or Legal Advice

The Parties understand and agree that Defendant is not providing tax or legal advice, or making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Settlement Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Settlement Class Members shall not seek any indemnification from Defendant in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Settlement Class Member, such Settlement Class Member assumes all responsibility for the payment of any such taxes and agrees to indemnify, defend and hold Defendant harmless for the payment of such taxes, any failure to withhold, and any penalties associated therewith.

17. Tolerance of Opt-Outs

If five (5) or more of the Settlement Class Members opt out of the settlement, Defendant shall have the ability to revoke the settlement agreement, in its sole discretion within ten (10) days after expiration of the Objection / Request for Exclusion Deadline. If Defendant exercises its right to void the Settlement, Defendant will pay the third-party Settlement Administrator's reasonable fees and expenses incurred as of the date that Defendant exercises its option to void the Settlement. All signatories and their counsel agree not to solicit opt-outs, directly or indirectly, through any means.

18. Non-Admission of Liability

This Agreement is entered into in compromise of disputed claims. Plaintiff and his attorneys acknowledge and agree that the execution of this Agreement and the payment of consideration hereunder are not and shall not be construed in any way as an admission of wrongdoing or liability on the part of Defendant or any other person or business entity affiliated with Defendant, that Defendant expressly and specifically denies all allegations of

wrongdoing alleged by Plaintiff. The Parties intend, by their actions pursuant to this Agreement, merely to avoid the expense, delay, uncertainty and burden of litigation.

19. Release by the Settlement Class

Upon payment of the Gross Fund Value by Defendant, each member of the Settlement Class releases and discharges Defendant and any parent, subsidiary, affiliate, predecessor or successor, and any of their officers, directors, employees, partners, shareholders, attorneys, and agents, and any other successors, assigns, or legal representatives thereof (“Released Parties”), from any and all claims, demands, rights, liabilities, and causes of action during the Class Period, of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in contract, or for violation of any California statute, rule or regulation, based on California wage-and-hour laws, whether for economic damages, restitution, penalties or liquidated damages, arising out of the facts set forth in the Complaint and/or First Amended Complaint in the Action, including without limitation, any claims under any California statute, regulation, rule or common law, or any other legal or equitable theory alleging any failure to comply with any wage and hour requirements, pay wages, overtime, travel time, training time, and/or minimum wages for all hours worked, provide meal and rest breaks, pay premium pay for missed meal and rest breaks, timely pay all wages during employment, pay all wages within the required time period upon discharge/termination, pay all wages during employment, reimburse for expenses, provide complete and accurate wage statements, keep complete and accurate payroll records, as well as any and all claims for liquidated or punitive damages, statutory and civil penalties, attorneys’ fees or costs and expenses associated therewith, whether at common law, pursuant to statute, ordinance or regulation, in equity or otherwise, and whether arising under federal, state or other applicable law; including, but not limited to, California Labor Code sections 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, and 2698, et seq., and Business and Professions Code section 17200, et seq., and any applicable IWC Wage Orders (“the Released Claims”). The Released Claims include all claims under the California Private Attorneys’ General Act (“PAGA”) that are premised upon or could be premised upon the facts alleged in the First Amended Complaint in the Action. Class Members who are Aggrieved Employees shall release all claims under the California Private Attorneys’ General Act (“PAGA”) that are premised upon or could be premised upon the facts alleged in the First Amended Complaint in the Action even if they request exclusion from the Class. This release shall be effective on the date of payment of the Gross Fund Value by Defendant.

20. Release by Plaintiff

In consideration for the promises set forth in this Agreement, Plaintiff does hereby – for herself and for her heirs, representatives, attorneys, executors, administrators,

successors, and assigns – release, acquit, and forever discharge Defendant and the Released Parties from any and all claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of any of the Released Parties committed or omitted prior to the execution hereof relating to her alleged employment or services with any of the Released Parties. This includes any unknown claims Plaintiff does not know or suspect to exist in her favor, which, if known by her, may have affected her settlement with, and release of, the Released Parties or might have affected her decision not to object to the settlement. With respect to the General Release, Plaintiff stipulates and agrees that, upon the Effective Date, Named Plaintiff shall be deemed to have, and by operation of the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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

Plaintiff may hereafter discover facts in addition to or different from those she now knows or believes to be true with respect to the subject matter of the General Release, but upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the claims released pursuant to the General Release, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiff and Defendant agree that this release of claims includes, but is not limited to, claims for breach of any implied or express contract or covenant; claims for promissory estoppel; claims of entitlement to any pay, including commissions; claims of wrongful denial of insurance and employee benefits; claims for wrongful termination, retaliatory discharge or public policy violations of whatever kind or nature, defamation, invasion of privacy, fraud, misrepresentation, emotional distress or other common law or tort matters; claims for any penalties; claims of harassment, retaliation or discrimination based on race, color, religion, sex, sexual orientation, national origin, ancestry, physical or mental disability, medical condition, marital status, or any other protected status; claims under the California Labor, Government, Business and Professions, and Health and Safety

Codes; claims based upon the California Constitution; claims based on any federal, state or other governmental statute, regulation or ordinance, including, without limitation, the California Confidentiality of Medical Information Act, the California Fair Employment & Housing Act, the California Unfair Business Practice Act, disputed claims under the California Wage Orders, the California Family Rights Act, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Labor Management Relations Act, the Fair Labor Standards Act, and the Family Medical Leave Act, all as amended.

21. Release of PAGA Claims

Upon payment of the Gross Fund Value by Defendant, in exchange for the consideration set forth in this Settlement Agreement, the Releasing PAGA Parties (Melikyan and the Labor Workforce and Development Agency) release Defendant and the Released Parties for PAGA Claims during the PAGA Period as set forth in the First Amended Complaint.

22. Advice of Counsel

The parties to this Settlement Agreement are represented by competent counsel, and they have had an opportunity to consult with counsel. The parties to this Settlement Agreement agree that it reflects their good faith compromise of the claims raised in the Action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.

23. Predecessors and Successors

This Agreement shall be binding upon the Parties, and their heirs, representatives, executors, administrators, predecessors and successors, insurers, and assigns, and shall inure to the benefit of each and all of the Released Parties, and to their heirs, representatives, executors, administrators, successors, and assignees.

24. Confirmatory Discovery

To effectuate the terms of the Settlement, the Parties agree all formal and informal discovery shall be stayed pending Court approval of the Settlement. The Parties also agree to notify the Court of the Settlement through Plaintiff's Motion for Preliminary Approval of the Settlement, or through a notice of proposed class action settlement, and to request that all current court deadlines be continued pending preliminary approval of the Settlement.

Defendant agrees to provide confirmatory discovery in the form of a declaration confirming that:

- a. Between January 1, 2019 and May 6, 2020 (the “Class Period”), there were 27 Settlement Class Members.
- b. Defendant has already obtained releases from 18 individuals who would otherwise fall into the Settlement Class, except for the fact that they previously signed a release of claims.
- c. The number of workweeks worked for the 27 Settlement Class Members.
- d. The total payments previously made to the 27 Settlement Class Members.
- e. The average number of workweeks worked by the 27 Settlement Class Members.
- f. The highest number and lowest number of workweeks worked by the 27 Settlement Class Members.

The Parties will work together in good faith to obtain any other confirmatory discovery to address any issues that arise or as to matters where additional information is requested by or required by the Court for judicial approval.

25. Notices

Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the fifth calendar day after mailing by First Class U.S. Mail, addressed as follows:

To Class Counsel for Plaintiff and the Class:

George S. Azadian
Azadian Law Group, PC
707 Foothill Blvd., Suite 200
La Canada, California 91011
Email: George@azadianlawgroup.com

To Counsel for Defendant:

Erick J. Becker
Cummins & White, LLP
2424 S.E. Bristol Street, Suite 300
Newport Beach, CA 92660
Email: ebecker@cwlawyers.com

26. Motion for Preliminary Approval of Settlement

Class Counsel shall prepare and file a Motion for Preliminary Approval of Proposed Class Settlement and Notice Plan within fourteen (14) court days after the execution of this

Agreement or as soon as reasonably practical based on the availability for a hearing on the Motion for Preliminary Approval. Class Counsel will provide a draft of the Motion for Preliminary Approval to Defense Counsel for review and input prior to filing. Defendant and Defense Counsel will cooperate with Plaintiff's Counsel as reasonably necessary in the preparation of the Motion. Until Plaintiff files a Motion for Preliminary Approval, the Parties and their counsel agree to maintain confidentiality as to the Settlement, including the amount and terms of the Settlement, except as to spouses, tax or financial advisors, attorneys, taxing agencies, or as otherwise required by law.

In general, the Parties agree to cooperate fully with each other to accomplish the terms of the Settlement, to use their best efforts to finalize the Settlement, and to use any other efforts that may become necessary by order of the Court, or otherwise, to effectuate the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.

27. Final Settlement Approval Hearing & Notice Of Judgment

Class Counsel shall be responsible for drafting and filing the Motion for Final Approval of the Settlement and agrees to submit a draft of the Motion to Counsel for Defendant for review and input prior to filing.

Should the Court decline to approve this Agreement in any material respect, except for approval of the award of Class Counsel's attorneys' fees and costs, the class representative enhancement award, or settlement administration costs, or fails to order final approval of the Settlement, Defendant shall have no obligation to make any payment under this Agreement, and in the event that Defendant has made any such payment, such monies shall be returned promptly to Defendant (minus Defendant's one-half share of any settlement administration costs already reasonably incurred by the Settlement Administrator; the other one-half share of any administration costs to be paid by Class Counsel).

After entry of the Final Judgment, pursuant to California Code of Civil Procedure section 664.6, the Court shall have continuing jurisdiction over the litigation solely for purposes of (i) enforcing this Settlement Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Final Judgment matters as may be appropriate under court rules or applicable law. Within thirty (30) days following the entry of final approval and judgment, the Settlement Administrator shall mail to the Settlement Class a copy of the Final Approval Order and Judgment.

28. Miscellaneous

- a. The language of all parts in this Agreement shall be construed as a whole, according to its fair meaning, and not strictly for or against either party.
- b. This Agreement constitutes a single, integrated contract setting forth the entire agreement between the Parties and fully supersedes any and all prior agreements and understandings between the Parties pertaining to the subject matter of this Agreement.
- c. The headings used herein are for reference only and shall not affect the construction of this Agreement.
- d. This Agreement is made and entered into in the State of California and shall in all respects be interpreted and governed under the law of that State.
- e. This Agreement may be executed in one or more counterparts, by facsimile or original signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- f. The undersigned counsel warrant and represent that they have authority to execute this Agreement for and on behalf of the Parties to which they are providing representation, and also represent that their respective clients agree to be bound by the above terms.
- g. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.
- h. Before declaring any provision of this Agreement invalid, the Parties request that the Superior Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.
- i. This Joint Stipulation and Settlement Agreement may be amended or modified only by a written instrument signed by the named Parties and counsel for all Parties or their successors-in-interest.

ACCEPTED:

Dated: May 19, 2021



Salwa Melikyan

Dated: May __, 2021

Superhero Contractors, Inc.

By: Nick Fergis

Its: President

APPROVED AS TO FORM:

Dated: May 20, 2021

By:  _____

George S. Azadian, Esq.

Azadian Law Group, PC

Counsel for Plaintiff and the Class

Dated: May __, 2021

By: _____

Erick J. Becker

Cummins & White, LLP

Counsel for Defendant

Superhero Contractors, Inc.

LIST OF EXHIBITS

A. Class Notice

B. Schedule of Class Notice Deadlines and Related Deadlines Based on Settlement Agreement

Dated: May __, 2021

Salwa Melikyan

Dated: May 20, 2021

Superhero Contractors, Inc.
By: Nick Fergis
Its: President

APPROVED AS TO FORM:

Dated: May __, 2021

By: _____
George S. Azadian, Esq.
Azadian Law Group, PC
Counsel for Plaintiff and the Class

Dated: May 20, 2021

By: _____
Erick J. Becker
Cummins & White, LLP
Counsel for Defendant
Superhero Contractors, Inc.

LIST OF EXHIBITS

- A. Class Notice
- B. Schedule of Class Notice Deadlines and Related Deadlines Based on Settlement Agreement

EXHIBIT A

EXHIBIT A

NOTICE OF SETTLEMENT OF REPRESENTATIVE AND CLASS ACTION CLAIMS

Salwa Melikyan. v. Superhero Contractors, Inc.
Superior Court of the State of California for the County of Los Angeles
Case No. 20STCV09955

TO: All door-to-door sales representatives who Superhero Contractors, Inc. classified as independent contractors in the State of California at any time between January 1, 2019 and May 6, 2020 and who did not previously sign a release of claims.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. IT MAY AFFECT YOUR LEGAL RIGHT TO A MONETARY SETTLEMENT ARISING OUT OF YOUR INDEPENDENT CONTRACTOR SERVICES WITH SUPERHERO CONTRACTORS, INC. DURING THE CLASS PERIOD.

THIS NOTICE WILL EXPLAIN YOUR OPTIONS IN MORE DETAIL AND INFORM YOU OF IMPORTANT, TIME-SENSITIVE DEADLINES FOR EACH OPTION.

I. INTRODUCTION

If you were a door-to-door sales representatives who Superhero Contractors, Inc. classified as an independent contractor in the State of California at any time between January 1, 2019 and May 6, 2020 and you did not previously sign a release of claims, you are a member of the proposed settlement class in this class action lawsuit (“Class Member”) and your rights will be affected as set forth in the proposed settlement described in this Notice (the “Settlement”). On <<date of preliminary approval of the settlement>>, the Court preliminarily approved the Settlement. You have received this Notice because Superhero Contractors, Inc.’s records show you are a Class Member in this action.

II. NATURE OF THE ACTION

This Action (the “Action”) was filed by Plaintiff Salwa Melikyan (“Plaintiff”) in the Superior Court for the State of California, County of Los Angeles, on March 11, 2020, against Defendant Superhero Contractors, Inc. (“Defendant”). Plaintiff and the Class Members are represented by Azadian Law Group, PC (“Class Counsel”).

Plaintiff’s Operative Complaint alleges, on behalf of herself and all others similarly situated, the following causes of action: (1) failure to pay all wages and minimum wages in violation California Labor Code Sections 204, 1194, 1197, and Wage Order 16-2001; (2) failure to pay overtime wage in violation of California Labor Code Sections 510, 1194, 1198, and Wage Order 16-2001; (3) failure to provide compliant meal periods in violation of California Labor Code Sections 226.7, 512, and Wage Order 16-2001; (4) failure to provide compliant rest periods in violation of California Labor Code Sections 226.7 and Wage Order 16-2001; (5) failure to reimburse business expenses in violation of California Labor Code Section 2802; (6) failure to provide compliant wage statements in violation of California Labor Code Section 226; (7) failure to pay all wages owed upon termination or resignation in violation of California Labor Code Sections 201-203; (8) unfair business practices in violation of California Business & Professions

Code Sections 17200, et seq.; and (9) penalties pursuant to the Private Attorney General Act of 2004 (“PAGA”).

There has been no finding that Defendants violated the law, or that any of the allegations made in the lawsuit are true. Defendants deny that they did anything wrong and maintain they complied at all times with all applicable laws, rules, and regulations.

III. POSITIONS OF THE PARTIES

Class Counsel have extensively investigated and researched the facts and circumstances underlying the issues raised in the Action and the applicable law. Class Counsel recognizes the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Class Counsel has also taken into account the uncertainty and the risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Class Counsel is also aware of the burdens of proof necessary to establish liability for the claims, of Defendant’s defenses, and of the difficulties in establishing damages. Class Counsel is also aware that Defendant has obtained and prior to settlement was in the process of obtaining additional release from Class Members, which would result in those individuals not being able to participate in this settlement. Based on the foregoing, Class Counsel believes the proposed Settlement is fair, adequate and reasonable and in the best interests of all Class Members.

Defendant has denied and continues to deny each of the claims and contentions alleged by Plaintiff in the Action. Defendant has asserted defenses and continues to deny any wrongdoing or legal liability arising out of any facts or conduct alleged in the Action. Specifically, Defendant vigorously denies that it misclassified any Class Members as independent contractors and that all Class Members were appropriately classified as independent contractors. However, Defendant also recognizes that the further defense of this litigation would be protracted and expensive for all Parties. Defendant has, therefore, agreed to settle this Action in the manner and upon the terms set forth in the proposed Settlement to put to rest all claims that are asserted against it in the Action.

IV. YOUR OPTIONS

Upon receipt of this Notice, you have three options, described in further detail in following sections:

DO NOTHING	You will receive your share of the Settlement’s Net Fund Value. In exchange for receiving payment, you are releasing certain claims covered by the Settlement against Defendant and/or related entities.
EXCLUDE YOURSELF	Receive no payment from the Class Action Settlement and retain all rights you may have against Defendant and/or related entities. Class Members who are Aggrieved Employees shall release all claims under the California Private Attorneys’ General Act (“PAGA”) that are premised upon or could be premised upon the facts alleged in the First

	Amended Complaint in the Action even if they request exclusion from the Class.
OBJECT	Write to the Court about why you don't agree with the Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement, and you will release the claims covered by the Settlement.

V. THE SETTLEMENT

The following is a summary of the proposed Settlement between the Plaintiff, on her own behalf and on behalf of the Class Members, and Defendant. The specific and complete terms of the proposed Settlement are described in the Joint Stipulation and Settlement Agreement ("Settlement Agreement"), a copy of which is available from the Court's docket for your review as set forth at the end of this Notice.

The Settlement amount is One Hundred Forty Thousand Dollars (\$140,000.00) (the Settlement's "Gross Fund Value"). The Settlement is made up of seven parts: (1) the total payments to Settlement Class Members (defined below) of the "Individual Settlement Shares"; (2) a Fees Award to Class Counsel; (3) a Costs Award to Class Counsel; (4) Service Award/General Release Payment to the Plaintiff; (5) the PAGA Settlement Amount related to the release all claims under the California Private Attorneys' General Act ("PAGA") that are premised upon or could be premised upon the facts alleged in the First Amended Complaint in the Action; and (6) settlement administration expenses. The Individual Settlement Shares are explained in this Section. The Fees Award, Costs Award, Service Award, PAGA Settlement Amount, and settlement administration expenses are explained in Section VI below.

All Class Members are receiving this Class Notice. All Class Members who do not request to be excluded from the Settlement as set forth in Section VIII below will be "Settlement Class Members." All Settlement Class Members will automatically receive their Individual Settlement Share, which is their pro rata share of the Settlement's Net Fund Value.

Approximately \$57,833.33 will be available for disbursement to all Settlement Class Members (the Settlement's "Net Fund Value"). There are 27 Class Members in the Action. **All Class Members who do not opt-out of the class action – i.e., Settlement Class Members – will receive an Individual Settlement Share.** Individual Settlement Shares will be distributed on a pro-rata basis based on the number of weeks the individual Settlement Class Member provided services to Defendant during the Class Period

Each Class Member who fails to opt out will be entitled, provisionally, to a proportional share of the Net Fund Value. Each "Individual Settlement Share" shall be determined by first dividing the NFV by the total number of weeks the Settlement Class Members provided services to Defendant as a classified independent contractor (to arrive at the per-workweek amount). This amount will then be multiplied by each Settlement Class Member's number of workweeks. The number of workweeks for each Class Member will be determined by adding all the calendar days

within the inclusive dates of service as a Class Member during the Class Period and dividing that number by seven. Any partial workweek will be expressed as a percentage of a full workweek.

The amounts paid to Settlement Class Members will be allocated as follows for tax purposes: ten percent (10%) as wages; twenty five percent (25%) to payment of interest; thirty percent (30%) to reimbursements for business expense; and thirty five percent (35%) as penalties. The employer share of payroll taxes shall be paid separate and apart from the Gross Settlement Fund. Settlement Class Members shall be responsible for payment of their share of payroll taxes and any other tax liability arising from receive of a settlement payment.

There were 242 weeks worked by all Settlement Class Members, each week worked would have a value of approximately \$238.98. Therefore, an individual Settlement Class Member who provided services for 4 weeks during the Class Period in that scenario would be eligible for an Individual Settlement Share of approximately \$955.92. The average number of work weeks worked by the Class Members was nine (9) weeks, which makes the average Individual Settlement Share approximately \$2,150.83.

Provided that the Settlement is finally approved by the Court, Defendant will deposit the Gross Settlement Fund with the Settlement Administrator within fourteen (14) business days following the Effective Date and the Settlement Administrator will send out checks for the Individual Settlement Shares and PAGA Payment to you within (5) days thereafter.

Settlement Class Members will be issued IRS Form W2 for the wage portion of their Individual Settlement Shares and IRS Form 1099 for the non-wage portion of their Individual Settlement Shares.

Each Settlement Class Member will receive their Individual Settlement Share by check. The checks shall remain valid and negotiable for one hundred eighty (180) days from issuance and may thereafter automatically be canceled if not cashed. Settlement Class Members are subject to the release described in Section VII below regardless of whether they cash their checks.

VI. CLASS COUNSEL'S FEE AWARD, SERVICE AWARD TO PLAINTIFF, PAGA SETTLEMENT AMOUNT AND PAYMENT TO THE LWDA, SETTLEMENT ADMINISTRATION EXPENSES, AND INDIVIDUAL SETTLEMENT SHARES

A. The amount of attorneys' fees awarded to Class Counsel will be subject to the Court's discretion, but in any event, will not exceed \$46,666.67 (Forty-Six Thousand Six Hundred and Sixty Six Dollars and Sixty Seven Cents (the "Fees Award"). Class Counsel may seek a Costs Award not to exceed \$12,500.00 (Twelve Thousand Five Hundred Dollars and No Cents). Class Counsel will not be permitted to petition the Court for any additional payments for fees, costs or interest, and the Fees Award and Costs Award shall be for all claims for attorneys' fees and costs past, present and future incurred in the Action. The Fees Award and Costs Award will be paid out of and deducted from the Settlement's Gross Fund Value. As part of the Settlement, you will not be required to pay Class Counsel for their representation of you in the action.

B. The amount of the enhancement payment to Plaintiff will be subject to the Court's discretion, but in any event, will not exceed \$10,000.00 (Ten Thousand Dollars and No Cents). This Service Award/General Release Payment shall be paid out of and deducted from the Settlement's Gross Fund Value.

C. As part of the preliminary approval of the Settlement, the Court has approved payment of \$10,000.00 (Ten Thousand Dollars and No Cents), 75% of which, or \$7,500.00 (Seven Thousand, Five Hundred Dollars and No Cents) will be paid to the California Labor Workforce Development Agency ("LWDA") and represent the LWDA's share of the Settlement attributable to civil penalties under the California Labor Code's Private Attorneys General Act, Labor Code §§ 2699 *et seq.* ("PAGA"). The remaining \$2,500.00 (Two Thousand, Five Hundred Dollars and No Cents) will be paid to Aggrieved Employees, defined as "All door-to-door sales representatives who Defendant classified as independent contractors in the State of California at any time between March 11, 2019 and May 6, 2020 (the 'PAGA Period') and who did not previously sign a release of claims".

Using the Class Data, the Settlement Administrator will calculate the total Compensable PAGA Workweeks for each Aggrieved Employee by dividing the PAGA Settlement Amount payable to employees (\$2500) by the total number of PAGA Workweeks worked by the Aggrieved Employees during the PAGA Period to arrive at the per work week amount. The respective PAGA Workweeks for each Aggrieved Employee will be multiplied by the per work week amount, to result in the "PAGA Payment" that will be paid to each Aggrieved Employee. The PAGA Payment shall be issued at the same time as the Settlement Class Member Payment with an IRS Form 1099 – MISC. Class Members who are Aggrieved Employees may not request exclusion from the group of Aggrieved Employees and shall receive a PAGA Payment regardless of their exclusion from the Class.

D. Also as part of the preliminary approval of the Settlement, the Court has approved payment of settlement administration expenses to the Settlement Administrator from the Settlement Fund in the quoted amount of \$3,000 and in any event not to exceed \$5,000.

E. The records maintained by Defendant indicate that you provided services as door-to-door sales representatives who Superhero Contractors, Inc. classified as independent contractors in the State of California between for << [REDACTED] >> weeks during the Class Period (January 1, 2019 and May 6, 2020). Based on this information, if you become a Settlement Class Member and participate in the Settlement, it is estimated that you will receive approximately \$<< [REDACTED] >>. This amount includes a PAGA Payment of approximately \$<< [REDACTED] >>. If you believe this information is incorrect, you must send a written notice to the Settlement Administrator at the address below in Section IX and explain why you believe Defendant's records are mistaken. Please attach any documentation with your written notice that may show that that Defendant's records are incorrect. The written notice and any supporting documentation must be postmarked on or before << **Objection/Request for Exclusion Deadline** >>.

VII. BINDING EFFECT/RELEASE OF CLAIMS

Upon payment of the Gross Fund Value by Defendant, each member of the Settlement Class releases and discharges Defendant and any parent, subsidiary, affiliate, predecessor or successor, and any of their officers, directors, employees, partners, shareholders, attorneys, and agents, and any other successors, assigns, or legal representatives thereof ("Released Parties"), from any and all claims, demands, rights, liabilities, and causes of action during the Class Period, of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in contract, or for violation of any California statute, rule or regulation, based on California wage-and-hour laws, whether for economic damages, restitution, penalties or liquidated damages, arising out of the facts set forth in the Complaint and/or First Amended Complaint in the Action, including without limitation, any claims under any California statute, regulation, rule or common law, or any other legal or equitable theory alleging any failure to comply with any wage and hour requirements, pay wages, overtime, travel time, training time, and/or minimum wages for all hours worked, provide meal and rest breaks, pay premium pay for missed meal and rest breaks, timely pay all wages during employment, pay all wages within the required time period upon discharge/termination, pay all wages during employment, reimburse for expenses, provide complete and accurate wage statements, keep complete and accurate payroll records, as well as any and all claims for liquidated or punitive damages, statutory and civil penalties, attorneys' fees or costs and expenses associated therewith, whether at common law, pursuant to statute, ordinance or regulation, in equity or otherwise, and whether arising under federal, state or other applicable law; including, but not limited to, California Labor Code sections 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, and 2698, et seq., and Business and Professions Code section 17200, et seq., and any applicable IWC Wage Orders ("the Released Claims"). The Released Claims include all claims under the California Private Attorneys' General Act ("PAGA") that are premised upon or could be premised upon the facts alleged in the First Amended Complaint in the Action. Class Members who are Aggrieved Employees shall release all claims under the California Private Attorneys' General Act ("PAGA") that are premised upon or could be premised upon the facts alleged in the First Amended Complaint in the Action even if they request exclusion from the Class. This release shall be effective on the date of payment of the Gross Fund Value by Defendant.

VIII. PROCEDURE FOR EXCLUSION

To exclude yourself from the Settlement, you must mail to the Settlement Administrator, Simpluris Inc., located at P.O. Box 26170, Santa Ana, CA 92799, on or before <<Objection/Request For Exclusion Deadline Date>>, a written statement advising of the intention to be excluded. The communication must: (1) state your name; (2) state your current address; (3) state your phone number; (4) state the last four digits of your social security number; (5) be signed by you; and (6) state "I wish to be excluded from the Settlement in the lawsuit against Superhero Contractors, Inc."

In addition, your request for exclusion must be postmarked on or before <<Objection/Request for Exclusion Deadline Date>>. Requests for exclusion that do not include all required information, or that are not submitted on a timely basis, will be deemed null, void and ineffective. Persons who are eligible to and do submit valid and timely requests for exclusion from the Settlement will not receive an Individual Settlement Share, nor will they be bound by the terms of the proposed Settlement, if it is approved, or the Final Judgment in this Action.

Class Members who are Aggrieved Employees may not request exclusion from the group of Aggrieved Employees and shall receive a PAGA Payment regardless of their exclusion from the Class.

IX. SETTLEMENT HEARING/OBJECTIONS TO THE PROPOSED SETTLEMENT

A hearing (the “Final Settlement Hearing”) will be held on <<date>>, at <<time>> in Department 14 at the Superior Court of the State of California for the County of Los Angeles, Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012 (the “Court”), to determine whether to grant final approval to the proposed Settlement of the Action as a fair, adequate and reasonable settlement. The hearing may be continued by the Court from time to time as the Court may decide without further direct notice. For the most recent social distancing procedures for attendance at hearings, please visit the Court’s website at <http://www.lacourt.org/>

Any Class Member who wishes to object to the Settlement must send via first-class U.S. Mail a written statement objecting to the Settlement to the Settlement Administrator. Such objection must state: (a) “Superhero Contractors, Inc. lawsuit”; (b) the objecting person’s or his/her attorney’s full name, address, and telephone number; (c) the words “Notice of Objection” or “Formal Objection”; (d) describe the legal and factual arguments supporting the objection; (c) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval Hearing; and (e) state whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class. Any such objection must be postmarked no later than <<Objection/Request for Exclusion Deadline Date>>, and sent to the Settlement Administrator at:

Simpluris Inc.
Melikyan v. Defendant Superhero Contractors, Inc.
P.O. Box 26170
Santa Ana, CA 92799

If the objector retains an attorney, the attorney must file a valid notice of appearance within seven (7) days after the deadline for submitting objections. Any Class Member who fails to timely submit their written objections in the manner specified above may still appear and object at the hearing on the Motion for Final Approval of the Settlement. Any Class Member who does not desire to object to the proposed Settlement need not appear at the Final Settlement Hearing.

Any Class Member who submits a timely and valid objection will still become a Settlement Class Member, still be entitled to his or her Individual Settlement Share, and still be bound by the Settlement if the Court approves the Settlement and does not order that the objector should be excluded from the Settlement. If a Class Member submits both a timely objection and request for exclusion from the settlement, the Class Member will be excluded and the objection will not be considered by the Court.

Within thirty (30) days following the entry of final approval, the Settlement Administrator shall mail to the Settlement Class a copy of the Final Approval Order and Judgment.

X. EXAMINATION OF PAPERS AND INQUIRIES

The foregoing is only a summary of the Action and the proposed Settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in the Action and the proposed Settlement, you may refer to the pleadings, the Joint Stipulation and Settlement Agreement, and other papers filed in the Action, which may be inspected at the Office of the Clerk of the Court, 111 North Hill Street, Los Angeles, California 90012 during regular business hours of each Court day. You may be required to obtain a reservation prior to visiting the Office of the Clerk. For the most recent social distancing procedures, please visit the Court's website at <http://www.lacourt.org/>

All inquiries regarding this Notice and/or the Settlement should be directed to the settlement administrator for this Settlement or Class Counsel:

SETTLEMENT ADMINISTRATOR	CLASS COUNSEL
Simpluris Inc. Melikyan v. Defendant Superhero Contractors, Inc. P.O. Box 26170 Santa Ana, CA 92799	George S. Azadian Ani Azadian AZADIAN LAW GROUP, PC 707 Foothill Blvd., Suite 200 La Cañada Flintridge, California 91011 Ph.: (626) 449-4944 Fax: (626) 628-1722 Email: George@azadianlawgroup.com

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES**

EXHIBIT B

EXHIBIT B

Exhibit B - Schedule of Deadlines Based on the Settlement Agreement

Deadline	Action	Settlement Agreement Section
Fourteen (14) calendar days after the Court's entry of an Order of Preliminary Approval	Defendant shall provide the Settlement Administrator a database that contains the name, last-known residence phone number, last-known residence mailing address, and social security number of every Class Member. Defendant shall also provide the Settlement Administrator with the dates of service in a covered position for each person in the Class during the Class Period.	12.a
Fourteen (14) calendar days after receiving the class list	The Settlement Administrator shall mail the Class Notice to the Class Members at the last known mailing address provided by Defendant as updated by the Settlement Administrator through the United States Postal Service's National Change of Address Database.	12.b
Sixty (60) calendar days from the date the Class Notice is mailed out by the Settlement Administrator	Objections or requests of exclusions from the Settlement, if so desired, must be sent via first-class U.S. Mail to the Settlement Administrator.	12.c 12.e
Sixty (60) calendar days from the date the Class Notice is mailed out by the Settlement Administrator	If a Class Member believes the workweek information in his or her Class Notice is incorrect, he or she must send a written notice to the Settlement Administrator and explain why he or she believes Defendant's records are mistaken, including attaching any documentation the Class Member would like to include that may show that that Defendant's records are incorrect.	12.h
Fourteen (14) calendar days after the Objection/Request for Exclusion Deadline	Settlement Administrator will prepare a declaration to be provided to Class Counsel and Defendant's Counsel for filing in support of Plaintiff's motion for final approval attesting to the following: the number of Class Notices sent, the number which were returned as undeliverable (after the follow up described above), and the number of valid opt-outs by Class Members.	12.f
Sixteen (16) Court days before the date set for hearing on the Motion for Final Approval of the Settlement	Class Counsel to file Motion for Final Approval of the Settlement.	12.e
To be set by Court [the Parties request a date that is 120 days	Hearing on Motion for Final Approval of the Settlement.	12.e

Deadline	Action	Settlement Agreement Section
after the Court grants Preliminary Approval]		
Fourteen (14) days after the Effective Date.	Defendant will wire or otherwise fund the Settlement in the amount of \$140,000.	15
Five (5) calendar days after the Settlement is funded by Defendant	The Settlement Administrator shall mail Individual Settlement Shares to the Class Members.	15
One hundred eighty (180) calendar days after the date of mailing of the checks to Class Members	Uncashed shall be cancelled or voided and the Settlement Administrator shall pay over the amount represented by the checks, including any otherwise unpaid interest accumulated in the Net Fund Value, to the California State Controller's Office Unclaimed Property Program, with the identity of the recipient of the check to whom the funds belong	13
Thirty (30) days following the entry of an Order from the Court granting Final Approval.	The Settlement Administrator shall mail to the Settlement Class a copy of the Final Approval Order and Judgment	27
Two hundred and fifty (250) calendar days after the date of mailing of the checks to Class Members	Administration of the Settlement shall be completed and the Settlement Administrator shall provide Class Counsel and counsel for Defendant with a declaration of completion to be filed with the Court by Class Counsel.	13-15