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3 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
4 **FOR THE COUNTY OF ORANGE**

5 ALFREDO AVINA, an individual, on behalf
6 of himself and all others similarly situated,

7 Plaintiff,
8 vs.

9 RAVCO CONSTRUCTION, INC., a
10 California Corporation; and DOES 1 through
20, inclusive;

11 Defendants.
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CASE NO.: 30-2020-01146748-CU-OE-CXC

**JOINT STIPULATION OF SETTLEMENT
AND RELEASE OF CLASS ACTION**

1 This Joint Stipulation of Settlement and Release of Class Action ("Settlement Agreement") is
2 made and entered into by Plaintiff Alfredo Avina ("Plaintiff"), individually, as a representative of the
3 Settlement Class and as a representative of the State of California and Aggrieved Employees, as defined
4 below, and Defendant Ravco Construction, Inc. ("Defendant") (Plaintiff and Defendant are collectively
5 referred to as "the Parties"). This Settlement Agreement is subject to the approval of the Court, pursuant
6 to California Rules of Court, Rule 3.769(c), (d) and (e), and is made for the sole purpose of attempting to
7 consummate settlement of the Action on a class-wide basis and representative basis subject to the
8 following terms and conditions. As detailed below, in the event the Court does not enter an order granting
9 final approval of the Class Settlement, as defined below, or the conditions precedent are not met for any
10 reason, this Stipulation is void and of no force or effect whatsoever.

11 **I. DEFINITIONS**

12 As used in this Stipulation, the following terms shall have the meanings specified below. To the
13 extent terms or phrases used in this Stipulation are not specifically defined below, but are defined
14 elsewhere in this Stipulation, they are incorporated by reference into this definition section.

15 1. **Action.** "Action" shall mean the following civil action: *Alfredo Avina v. Ravco*
16 *Construction, Inc., et al.*, Case No. 30-2020-01146748-CU-OE-CXC filed on July 6, 2020 in the
17 Superior Court of California for the County of Orange.

18 2. **Administrative Expenses.** "Administrative Expenses" shall include all costs and
19 expenses associated with and paid to the third party Settlement Administrator, which are anticipated not
20 to exceed \$10,000.00.

21 3. **Aggrieved Employees.** "Aggrieved Employees" shall mean *all California residents who*
22 *are or were employed by Defendant (i) as hourly, non-exempt employees from April 30, 2019 through*
23 *December 14, 2020, or (ii) are or were paid in whole or in part on a piece-rate basis from April 30, 2019*
24 *through December 14, 2020.*

25 4. **Claims.** "Claims" shall mean the claims asserted in the Complaint in the Action, including
26 claims under California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.2, 226.3, 226.7, 246, 510, 1174,
27 1174.5, 1194, 1194.2, 1197, 2802 IWC Wage Order No. 16, Unfair Competition Law violations pursuant
28 to California Business & Professions Code § 17200 *et seq.* ("UCL") based on the foregoing, and for

1 statutory penalties based on the foregoing under California Private Attorney General Act ("PAGA")
2 (California Labor Code §§ 2698-2699.5)..

3 **5. Class or Settlement Class.** "Class" or "Settlement Class" shall mean *all California*
4 *residents who are or were employed by Defendant (i) as hourly, non-exempt employees from July 6,*
5 *2016 through December 14, 2020, or (ii) are or were paid in whole or in part on a piece-rate basis from*
6 *July 6, 2016 through December 14, 2020.* Defendant represents that the Class consists of approximately
7 **108 Class Members** that worked a total of approximately **7,890 workweeks** during the from July 6, 2016
8 through December 14, 2020. The terms "Class Member" or "Settlement Class Member" shall mean any
9 person who is a member of the Settlement Class, or, if such person is incompetent or deceased, the
10 person's legal guardian, executor, heir or successor-in-interest.

11 **6. Class Counsel.** "Class Counsel" shall mean Jonathan Melmed of Melmed Law Group
12 P.C.

13 **7. Class Attorney Fees and Expenses.** "Class Attorney Fees and Expenses" shall mean
14 Class Counsel's attorney fees and expenses as set forth in Section IV, Paragraph 6.

15 **8. Class Notice.** "Class Notice" shall mean the Notice of Proposed Class Action Settlement
16 and Hearing Date for Court Approval, as set forth in the form of **Exhibit 1** attached hereto, or as otherwise
17 approved by the Court, which is to be mailed to Class Members along with the Share Form.

18 **9. Share Form.** "Share Form" shall mean the Share Form, as set forth in the form of **Exhibit**
19 **2** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along
20 with the Class Notice.

21 **10. Class Participants.** "Class Participants" shall mean any and all Class Members who do
22 not timely Opt-Out of the Class Settlement.

23 **11. Class Period.** "Class Period" shall mean the period from July 6, 2016 through December
24 14, 2020.

25 **12. Class Representative.** "Class Representative" shall mean Plaintiff Alfredo Avina.

26 **13. Class Settlement.** "Class Settlement" shall mean the settlement embodied in this
27 Stipulation, which is subject to Court approval.

28 **14. Complaint.** "Complaint" shall mean the operative Complaint in the Action.

1 15. **Court.** “Court” shall mean the Superior Court of Orange County.

2 16. **Defense Counsel.** “Defense Counsel” shall mean **Damian Moos of Best Best & Krieger**
3 **LLP.**

4 17. **Effective Date.** “Effective Date” refers to the date the Final Approval Order is entered if
5 no objections to the Settlement are filed. If objections are filed and overruled, and no appeal of the Final
6 Approval Order is filed, then the Final Effective Date will be sixty (60) calendar days following date the
7 Final Approval Order is signed. If an appeal is taken from the Final Approval Order, then the Final
8 Effective Date will be twenty (20) calendar days after the appeal is withdrawn or after an appellate
9 decision affirming the Final Approval Order becomes final.

10 18. **Employee’s Taxes and Required Withholding.** “Employee’s Taxes and Required
11 Withholding” shall mean the employee’s share of any and all applicable federal, state or local payroll
12 taxes, including those collected under authority of the Federal Insurance Contributions Act (“FICA”),
13 FUTA and/or SUTA on the portion of any Class Participant’s Individual Settlement Amount that
14 constitutes wages as set forth in section IV, paragraph 4. The Employee’s Taxes and Requirement
15 Withholdings will be withheld from and paid out of the Net Settlement Amount.

16 19. **Employer’s Taxes.** “Employer’s Taxes” shall mean and refer to Defendant’s share of
17 payroll taxes (e.g. UI, ETT, Social Security and Medicare taxes) that is owed on the portion of any Class
18 Participant’s Individual Settlement Amount that constitutes wages as set forth in section IV, paragraph
19 4. The Employer’s Taxes shall be separately paid by Defendant and shall not be paid from the Gross
20 Settlement Amount or Net Settlement Amount.

21 20. **Final Approval and Fairness Hearing.** “Final Approval and Fairness Hearing” shall
22 mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

23 21. **Defendant.** “Defendant” shall mean Ravco Construction, Inc.

24 22. **Hearing on Preliminary Approval.** “Hearing on Preliminary Approval” shall mean the
25 hearing held on the motion for preliminary approval of the Class Settlement.

26 23. **Individual Settlement Amount.** “Individual Settlement Amount” shall mean the amount
27 which is ultimately distributed to each Class Participant, net of any Employee’s Taxes and Required
28 Withholdings.

1 **24. Plaintiff.** “Plaintiff” shall mean the named Plaintiff Alfredo Avina.

2 **25. Net Settlement Amount.** “Net Settlement Amount” shall mean the Gross Settlement
3 Amount minus Administrative Expenses, Class Attorney Fees, Class Attorney Expenses, the PAGA
4 Payment, and Plaintiff’s Incentive Award.

5 **26. Opt-Out(s).** “Opt-Out(s)” shall mean any and all persons who timely and validly request
6 exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the
7 Response Deadline.

8 **27. Parties.** “Parties” shall mean Plaintiff and Defendant.

9 **28. Preliminary Approval Date.** “Preliminary Approval Date” shall mean the date upon
10 which the Court enters an order preliminarily approving this Stipulation.

11 **29. Released Claims.** “Released Claims” shall mean **those claims alleged in the Complaint,**
12 **including claims under California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.2, 226.3, 226.7,**
13 **246, 510, 1174, 1174.5, 1194, 1194.2, 1197, 2802, IWC Wage Order No. 16, UCL violations pursuant**
14 **to Cal. Bus. & Prof. Code §17200 based on the foregoing, and statutory penalties based on the**
15 **foregoing under California’s Private Attorney Generals Act (“PAGA”) (Labor Code §§ 2698-**
16 **2699.5) through the Class Period. No other claims are released other than those claims specifically**
17 **pled in the Complaint.**

18 It is understood and agreed that this Stipulation will not release any person, party or entity from
19 claims, if any, by Class Members for workers compensation, unemployment, or disability benefits of any
20 nature.

21 The Parties hereto, including the Class Participants, also stipulate and agree that the consideration
22 paid to the Class Participants pursuant to this Settlement Agreement fully compensates Class Participants
23 for all wages and penalties due to them in connection with the Released Claims, along with all liability
24 for alleged wage statement or pay period violations and any related penalties, including civil penalties
25 under PAGA related to any of the claims asserted by Plaintiff in the Action. Accordingly, Defendant
26 cannot be held liable henceforth for any penalties pursuant to PAGA relating to the Released Claims, and
27 the Parties hereto, including Class Participants, stipulate and agree that, following the payments made
28 pursuant to this Agreement, the Class Participants will no longer be “aggrieved employees” for purposes

1 of the PAGA as it relates to the Released Claims. In addition, the Parties, including the Class Participants,
2 further stipulate and agree that even if any Class Participant is determined to be an “aggrieved employee”
3 for purposes of PAGA as it relates to the Released Claims, said Class Participant waives any potential
4 right to any individual relief or penalty prescribed by PAGA relating to the Released Claims.

5 **30. Released Parties.** “Released Parties” shall mean Defendant and all of its subsidiaries,
6 affiliates, shareholders, members, agents, predecessors, successors, and assigns.

7 **31. Response Deadline.** “Response Deadline” shall mean the date forty-five (45) days
8 following the date on which the Settlement Administrator first mails Class Notice to the Settlement Class
9 Members and the last day on which Settlement Class Members may submit a request for exclusion and/or
10 objection to Settlement.

11 **32. Incentive Award.** “Incentive Award” shall mean any additional monetary payment
12 provided to the Class Representative for his efforts and risks on behalf of the Settlement Class in this
13 Action.

14 **33. PAGA Payment.** “PAGA Payment” means the penalties pursuant to California Labor
15 Code sections 2698, et seq., the Labor Code Private Attorneys General Act of 2004 (“PAGA”), that the
16 Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the
17 Action, which is \$10,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code
18 section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e. \$7,500) to the California
19 Labor and Workforce Development Agency (“LWDA”) and twenty-five percent (25%) (i.e. \$2,500) to
20 the Aggrieved Employees. Class Counsel shall give timely notice of the Settlement to the LWDA under
21 Labor Code section 2699(1)(2).

22 **34. PAGA Period.** “PAGA Period” shall mean the period from April 30, 2019 through
23 December 14, 2020.

24 **35. Settlement.** “Settlement” shall mean the settlement between the Parties, which is
25 memorialized in this Stipulation and subject to approval by the Court.

26 **36. Settlement Administrator.** “Settlement Administrator” shall mean ILYM Group, Inc.,
27 or CPT Group, Inc. (or another administrator to be agreed upon by the parties) which the Parties have
28 agreed will be responsible for administration of the Settlement and related matters.

1 **37. Gross Settlement Amount.** “Gross Settlement Amount” is the agreed upon non-
2 reversionary settlement amount totaling \$465,000.00 to be paid by Defendant in full settlement of the
3 Released Claims asserted in this case, including the Administrative Expenses, Employee’s Taxes and
4 Required Withholdings, Class Attorney Fees and Expenses, Incentive Award, and PAGA Payment.
5 Defendant shall separately pay its share of the Employer’s Taxes in addition to the Gross Settlement
6 Amount on the portion of each Individual Settlement Amount allocated as wages.

7 **38. Stipulation.** “Stipulation” shall mean this Joint Stipulation of Settlement and Release of
8 Class Action, including any attached exhibits.

9 **II. FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

10 **1. Plaintiff’s Claims.** On behalf of the Settlement Class, the Aggrieved Employees and the
11 State of California, Plaintiff alleged the following causes of action: (1) failure to pay minimum wage
12 (Labor Code §§ 226.2, 1194, 1194.2, 1197; IWC Wage Order No. 16); (2) failure to pay overtime wages
13 (Labor Code §§ 510, 1194; IWC Wage Order No. 16); (3) failure to provide compliant rest periods and/or
14 pay missed rest break premiums (Labor Code § 226.7; IWC Wage Order No. 16); (4) failure to reimburse
15 business expenses (Labor Code § 2802); (5) failure to provide complete and accurate wage statements
16 (Labor Code § 226); (6) failure to pay all wages due to its former employees upon termination (Labor
17 Code §§ 201-203); (7) failure to pay timely wages (Labor Code § 204); (8) unfair business practices based
18 on the foregoing (Business & Professions Code § 17200 *et seq.*); and (9) PAGA civil penalties based on
19 the foregoing, as well as Labor Code §§ 210, 226.3, 246, 510, 1174 and 1174.5.

20 **2. Discovery, Investigation, Research, and Mediation.** Class Counsel has conducted
21 significant informal discovery during the prosecution of the Action. This discovery, investigation, and
22 prosecution has included, among other things, (a) over a dozen telephonic conferences with Plaintiff; (b)
23 inspection and analysis of hundreds of pages of documents and other information produced by Plaintiff
24 and Defendant; (c) analysis of employment data from all Class Members; (d) an analysis of the legal
25 positions taken by Defendant; (d) investigation into the viability of class treatment of the claims asserted
26 in the Action; (e) analysis of potential class-wide damages, including information sufficient to understand
27 Defendant’s potential defenses to Plaintiff’s claims; (f) research of the applicable law with respect to the
28 claims asserted in the Complaint and the potential defenses thereto; and (g) assembling and analyzing of

1 data for calculating damages.

2 Plaintiff's counsel and the Class Representative have vigorously prosecuted this case, and
3 Defendant has vigorously contested it. The Parties have engaged in sufficient investigation and discovery
4 to assess the relative merits of the claims of the Class Representative and of Defendant's defenses to them.
5 On December 14, 2020, the Parties attended a full-day mediation with experienced employment law
6 mediator Hon. Mitchel R. Goldberg, Ret., which culminated in a settlement in principal, the terms of
7 which are elaborated in this Agreement.

8 **3. Allegations of the Class Representative and Benefits of Class Settlement.** The
9 document and data exchange in this matter, as well as discussions between counsel, have been adequate
10 to give the Class Representative and Class Counsel a sound understanding of the merits of their positions
11 and to evaluate the value of the claims of the Settlement Class. The informal discovery conducted in this
12 Action and the information exchanged by the Parties through pre-mediation discussions are sufficient to
13 reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and
14 equitable basis.

15 Plaintiff and Class Counsel believe that the claims, causes of action, allegations and contentions
16 asserted in the Action have merit. However, Plaintiff and Class Counsel recognize and acknowledge the
17 expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendant
18 through trial and through appeals. Class Counsel has taken into account the uncertain outcome of the
19 litigation, the risk of continued litigation in complex actions such as this, as well as the difficulties and
20 delays inherent in such litigation, and the potential difficulty of obtaining certification of the Action as
21 well as trying the claims of the class. Class Counsel is mindful of the potential problems of proof under,
22 and possible defenses to, the claims alleged in the Action.

23 Class Counsel believes that the Settlement set forth in this Stipulation confers substantial benefits
24 upon Plaintiff and the Settlement Class Members and that an independent review of this Stipulation by
25 the Court in the approval process will confirm this conclusion. Based on their own independent
26 investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation
27 is in the best interests of Plaintiff and the Settlement Class Members.

28 **4. Defendant's Denials of Wrongdoing and Liability.** Defendant has denied and continues

1 to deny each and all allegations, claims, and contentions alleged by Plaintiff in the Action. Defendant has
2 expressly denied and continues to deny all charges of wrongdoing or liability against it arising out of any
3 of the conduct, statements, acts or omissions alleged in the Action. Defendant contends that it complied
4 with California and federal wage and hour laws and has dealt legally and fairly with Plaintiff and
5 Settlement Class Members. Defendant further denies that, for any purpose other than settling this Action,
6 these claims are appropriate for class or representative treatment. Nonetheless, Defendant has concluded
7 that further proceedings in the Action would be protracted and expensive and that it is desirable that the
8 Action be fully and finally settled in the manner and upon the terms and conditions set forth in this
9 Stipulation in order to dispose of burdensome and protracted litigation, to permit the operation of
10 Defendant's respective businesses without further expensive litigation and the distraction and diversion
11 of their personnel with respect to matters at issue in the Action. Defendant has also taken into account the
12 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action. Defendant
13 has, therefore, determined that it is desirable and beneficial to it that the Action be settled in the manner
14 and upon the terms and conditions set forth in this Stipulation.

15 **5. Intent of the Class Settlement.** The Class Settlement set forth herein intends to achieve
16 the following: (1) entry of an order approving the Class Settlement; (2) entry of judgment of the Action;
17 (3) discharge of Released Parties from liability for any and all of the Released Claims; and (4) discharge
18 of Defendant from liability for any and all claims arising out of the Action.

19 **III. CONDITIONAL CLASS CERTIFICATION AND APPOINTMENT OF CLASS**
20 **COUNSEL**

21 **1. The Settlement Class.** For the purposes of this Stipulation and the Class Settlement of
22 this Action only, the Parties stipulate to conditional class certification of the Settlement Class. Defendant's
23 counsel believes this conditional certification is appropriate because the Released Claims are being
24 compromised without need to establish the elements of those claims on which liability turns. The
25 certification of the Settlement Class for settlement purposes only shall not constitute, in this or any other
26 proceeding, an admission of any kind by Defendant, including without limitation, that certification of a
27 class for trial purposes is or would be warranted, appropriate or proper; or that Plaintiff could establish
28 any of the requisite elements for class treatment of any of the claims in the Action. In the event that the

1 Agreement is not finally approved by the Court, a Final Effective Date is not achieved, or the settlement
2 is rejected, terminated or otherwise rendered null and void as set forth herein, then certification of the
3 Settlement Class shall be automatically vacated, shall be void *ab initio*, of no force or effect, and shall not
4 constitute evidence or a binding determination that the requirements for certification of a class for trial
5 purposes in this Action or in any other action which have been, are or can be, satisfied. Further, if the
6 Agreement does not reach a Final Effective Date, Plaintiff agrees that it will not argue, claim, reference
7 or otherwise raise any preliminary approval of the Settlement Class in connection with any later
8 proceeding before the Court

9 **2. Appointment of Class Counsel.** For purposes of this Stipulation and subject to the
10 Court's approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for the Class
11 and the effectuation of the Class Settlement pursuant to this Stipulation.

12 **IV. SETTLEMENT CONSIDERATION**

13 **1. Settlement Amount.** The Parties agree to settle this Action for the Gross Settlement
14 Amount of \$465,000.00. There shall be no reversion to Defendant. Defendant shall pay the Gross
15 Settlement Amount in full. The Gross Settlement Amount and other actions and forbearances taken by
16 Defendant shall constitute adequate consideration for the Settlement and will be made in full and final
17 settlement of: (a) the Released Claims, (b) Class Attorney Fees and Expenses, (c) Administrative
18 Expenses, (d) Incentive Award, (e) PAGA Payment; and (f) any other obligation of Defendant under this
19 Stipulation (other than the Employer's Taxes on the portion of the Net Settlement Amount allocated to
20 the payment of wages). After the court issues an order preliminarily approving this Settlement, the
21 Settlement Administrator will distribute the Class Notice to the Settlement Class Members, which shall
22 describe the terms of the Settlement and procedures to opt out, object or participate in the Class Settlement
23 as well as the Share Form, which shall identify the Settlement Class Member, the number of workweeks
24 worked by each Settlement Class Member during the Class Period ("Workweeks"), as well as the
25 estimated amount of the Individual Settlement Amount the Settlement Class Member can expect to receive
26 once the Class Settlement becomes Effective. Settlement Class Members shall be given the opportunity
27 to challenge their Workweeks worked information.

1 **2. Incentive Award for Plaintiff.** Plaintiff may petition the Court to approve an Incentive
2 Award in an amount up to \$7,500.00 for Plaintiff's efforts on behalf of the Settlement Class in this Action,
3 including assisting in the investigation and consulting with Class Counsel and providing crucial
4 documents to Class Counsel. Defendant shall not oppose any request by Plaintiff for an Incentive Award
5 in such an amount. Any Incentive Award approved by the Court shall be paid to Plaintiff from the Gross
6 Settlement Amount and shall be in addition to any distribution to which he may otherwise be entitled as a
7 Class Participant. The Incentive Award shall not be considered wages, and the Settlement Administrator
8 shall issue Plaintiff an IRS Form 1099 reflecting such payment. Plaintiff shall be responsible for the
9 payment of any and all taxes with respect to his Incentive Award and shall hold Defendant harmless from
10 any and all liability with regard thereto.

11 **3. Payment to Class Participants.** Each Class Participant shall be eligible to receive
12 payment of the Individual Settlement Amount, which is a share of the Net Settlement Amount based on
13 the pro rata number of weeks worked by the Settlement Class Members during the Class Period as a
14 proportion of all weeks worked by all Settlement Class Members. The Individual Settlement Amount for
15 each Settlement Class Member shall be calculated in accordance with section VII, paragraph 2. Each Class
16 Participant, including Plaintiff, shall be responsible for the payment of the Employee's Taxes and
17 Required Withholding with respect to his or her Individual Settlement Amount and shall hold Defendant
18 harmless from any and all liability with regard thereto.

19 **4. Tax Treatment and Payment.** For the purpose of calculating Employee's Taxes and
20 Required Withholding for the Individual Settlement Amounts for Class Participants (including any
21 payments to the Class Representative but exclusive of his Incentive Award), the Parties agree that 20% of
22 each Individual Settlement Amount shall constitute payment in the form of wages (and each Class
23 Participant will be issued an IRS Form W-2 for such payment to him or her), and 80% of each Individual
24 Settlement Amount shall constitute penalties and interest (and each Class Participant will be issued an IRS
25 Form 1099 for such payment to him or her). Prior to final distribution, the Settlement Administrator shall
26 calculate the total Employee's Taxes and Required Withholding due as a result of the wage portion of
27 Class Participants' anticipated Individual Settlement Amounts and such actual amount will be deducted
28 from the Net Settlement Amount. Additionally, prior to the funding of the Gross Settlement Sum and final

1 distribution, the Settlement Administrator shall calculate the total Employer's Taxes due on the wage
2 portion of the Class Participants' Individual Settlement Amounts and issue instructions to Defendant to
3 separately fund these tax obligations/withholdings. The Parties understand that Plaintiff and the Class
4 Participants who receive any payment pursuant to this Stipulation shall be solely responsible for any and
5 all other individual tax obligations associated with this Class Settlement.

6 **5. Payment to Aggrieved Employees.** Each Aggrieved Employee shall receive a pro rata
7 portion of the twenty-five percent (25%) of the PAGA Payment that is allocated to Aggrieved Employees
8 ("Aggrieved Employee PAGA Penalty Payment"). Each Aggrieved Employee's share of the Aggrieved
9 Employee PAGA Penalty Payment shall be calculated as follows: the number of weeks worked by the
10 Aggrieved Employee during the PAGA Period divided by the sum of all weeks worked by all Aggrieved
11 Employees during the PAGA Period, then multiplied by \$2,500.00. Payments to Aggrieved Employees
12 pursuant to this paragraph are for civil penalties and shall not be considered wages. The Settlement
13 Administrator shall issue Aggrieved Employees an IRS Form 1099 reflecting such payment. Aggrieved
14 Employees shall be responsible for the payment of any and all taxes with respect to any civil penalties
15 received pursuant to this paragraph and shall hold Defendant harmless from any and all liability with
16 regard thereto. Aggrieved Employees may not opt-out of this portion of the Settlement as the PAGA claim
17 is a representative action brought by Plaintiff on behalf of the State of California.

18 **6. No Effect on Employee Benefit Plans.** Neither the Class Settlement nor any amounts
19 paid under the Settlement will modify any previously credited hours, days, or weeks of service under any
20 employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not form the
21 basis for additional contributions to, benefits under, or any other monetary entitlement under Defendant's
22 sponsored benefit plans, policies or bonus programs. The payments made under the terms of this
23 Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings,
24 wages, or any other form of compensation for the purposes of any of Defendant's benefit plan, policy or
25 bonus program. Defendant retains the right to modify the language of their benefits plans, policies and
26 bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Stipulation
27 are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as defined
28 by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or any

1 other purpose, and that additional contributions or benefits are not required by this Stipulation. Defendant
2 does not consider the Class Settlement payments “compensation” for purposes of determining eligibility
3 for, or benefit accrual within, any benefit plans, policies, or bonus programs, or any other plan sponsored
4 by Defendant.

5 **7. Class Attorney Fees and Expenses.** As part of the motion for final approval of the Class
6 Settlement, Class Counsel may submit an application for an award of Class Attorney Fees and Expenses
7 with the fee portion not to exceed one third of the Gross Settlement Amount (*i.e.*, \$155,000.00) (“Class
8 Attorney Fees”) and the award of costs and expenses of up to an additional \$12,500.00 (“Class Attorney
9 Expenses”). Defendant agrees not to object to any such fee, cost or expense application in those amounts.
10 As a condition of this Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by
11 this Section. Any Class Attorney Fees or Class Attorney Expenses awarded by the Court shall be paid
12 from the Gross Settlement Amount in arriving at the Net Settlement Amount and shall not constitute
13 payment to any Settlement Class Members. If Class Counsel voluntarily reduces the request for Class
14 Attorney Fees or Expenses or the Court’s award of Class Attorney Fees or Expenses is less than set forth
15 above, the Net Settlement Amount shall be recalculated to reflect the actual Class Attorney Fees and Class
16 Attorney Expenses awarded.

17 The Class Attorney Fees and Class Attorney Expenses approved by the Court shall encompass: (a)
18 all work performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
19 represent the Settlement Class through the date of this Stipulation; (b) all work to be performed and costs
20 to be incurred in connection with approval by the Court of the Class Settlement; (c) all work to be
21 performed and costs and expenses, if any, incurred in connection with administering the Class Settlement
22 through the Effective Date and dismissal of the Action, with prejudice; and (d) may be based on the
23 Catalyst Theory and/or Common Fund Doctrine.

24 **V. CLAIMS ADMINISTRATION COSTS AND EXPENSES**

25 **1. The Settlement Administrator’s Costs and Expenses.** All costs and expenses due to the
26 Settlement Administrator in connection with its administration of the Class Settlement, including, but not
27 limited to, providing the Class Notice, locating Settlement Class Members, processing Opt-Out requests
28 and objections, distributing the PAGA Payment, and calculating, administering and distributing Individual

Settlement Amounts to the Class Participants, and the Aggrieved Employee PAGA Penalties Payment to Aggrieved Employees, as well as all related tax forms, shall be paid from the Gross Settlement Amount.

2. **Payment by Defendant.** Defendant shall deposit the GSA with the Settlement Administrator based on the following payment plan:

- a. \$240,000.00 within 15 days of Court approval of the Class Settlement;
- b. \$25,000.00 on or before March 15, 2021;
- c. \$25,000.00 on or before June 15, 2021;
- d. \$50,000.00 on or before September 15, 2021;
- e. \$125,000.00 on or before December 15, 2021.

Defendant shall separately pay its share of Employer Taxes to the Settlement Administrator prior to the distribution of the Individual Settlement Amounts to Class Participants no later than December 25, 2021. In no event shall Defendant be obligated to pay or deposit with the Settlement Administrator more than \$465,000.00 plus Employer Taxes, except where the Escalator Provision is triggered and no adjustment to the beginning and/or end dates of the Release Period are made.

VI. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS

1. **The Settlement Administrator.** The Settlement Administrator will be responsible for mailing the Class Notice and Share Form (**Exhibits 1 and 2**) to Settlement Class Members, posting notice of entry of final order and judgment certifying the Class and approving this Stipulation, handling inquiries from Settlement Class Members concerning the Class Notice, determination of Individual Settlement Amounts, maintaining the settlement funds in an appropriate interest bearing account, preparing, administering and distributing Individual Settlement Amounts to Class Participants, issuing a final report and performing such other duties as the Parties may direct. Additionally, the Settlement Administrator will handle all tax document preparation and reporting, including state and federal tax forms, if any.

On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and Defense Counsel with summary information updating them as to the number of validated and timely objections and Opt-Out Requests. The Settlement Administrator will serve on Class Counsel and Defense Counsel via e-mail date-stamped copies of the original Opt-Outs and objections no later than seven days after their receipt. The Settlement Administrator will provide Class Counsel with proof of mailing of the Class

1 Notice, without listing individual Class Member names, which the Settlement Administrator will file with
2 the Court at the time Class Counsel files its motion in support of the Court's Final Approval and Fairness
3 Hearing. No later than seven days prior to the Final Approval and Fairness Hearing, the Settlement
4 Administrator will compile and deliver to Class Counsel and Defense Counsel a report with summary
5 information regarding (a) the total amount of final Individual Settlement Amounts of each Class
6 Participant, without any identifying information, (b) the number of Class Participants to receive such
7 payments, and (c) the final number of Opt-Outs and objections.

8 Administrative Expenses are not anticipated to exceed \$10,000.00. Prior to the calculation and
9 distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the total
10 Administrative Expenses through the conclusion of their services and such actual amount will be deducted
11 from the Gross Settlement Amount prior to the final calculation of the Individual Settlement Amounts.

12 **2. Notice to Settlement Class Members.** Notice shall be provided to Settlement Class
13 Members in the following manner: Within 14 days after the Preliminary Approval Date, Defendant shall
14 provide the Settlement Administrator with an updated list of Class Members containing names, social
15 security numbers, dates of employment, last-known addresses and phone numbers (the "Database"). The
16 Database shall be marked "Confidential –Settlement Administrator's Eyes Only." Class Counsel shall not
17 receive a copy of this list.

18 Within 28 days following the Preliminary Approval Date, the Settlement Administrator shall
19 determine the number of workweeks for each Settlement Class Member, populate the Settlement Class
20 for each accordingly, and send each Settlement Class Member the Class Notice via first-class, United
21 States mail. The Class Notice shall also contain an easily understood statement alerting the Class Members
22 that, unless they elect to Opt-Out of the Class Settlement, the Settlement Class Member is releasing and
23 waiving all Released Claims against the Released Parties. The Class Notice shall also inform Aggrieved
24 Employees that they may not Opt-Out of receiving their share of the Aggrieved Employees PAGA Penalty
25 Payment and, if the Settlement is approved by the Court, then the Aggrieved Employee will receive his/her
26 share of the Aggrieved Employees PAGA Penalty Payment and will be barred from filing a PAGA
27 representative action based on the same allegations and theories supporting the PAGA cause of action in
28 the Complaint and covering the PAGA Period.

1 The Class Notice will inform each Settlement Class Member of his/her estimated Individual
2 Settlement Amount and the number of workweeks he/she worked during the Class Period. Class Members
3 may dispute their workweeks if they believe they worked more weeks in the Class Period than Defendant's
4 records show by submitting information to the Settlement Administrator no later than 45 days after being
5 mailed the Class Notice and Share Form by the Settlement Administrator, which is the defined Response
6 Deadline. The Settlement Administrator will jointly work with Plaintiff and Defendant to resolve the
7 dispute in good faith. If Plaintiff and Defendant cannot agree over the workweeks to be credited, the
8 Settlement Administrator shall make the final decision based on the information presented by the
9 Settlement Class Member and Defendant.

10 **3. Opt-Out Procedure.** Settlement Class Members who do not timely Opt-Out of the Class
11 Settlement will be deemed to participate in the Class Settlement and shall become a Class Participant
12 without having to submit a claim form or take any other action. In order to Opt-Out of the Class Settlement,
13 the Settlement Class Member must submit a letter or postcard to the Settlement Administrator by the
14 Response Deadline. The Opt-Out request must state the Settlement Class Member's name, address,
15 telephone number, and signature. The Opt-Out request should state something to the effect of: "I WISH
16 TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE AVINA V. RAVCO
17 CONSTRUCTION, INC., ET AL. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED
18 FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS
19 SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE RELEASING ANY CLAIMS I MIGHT
20 HAVE." Any Opt-Out request that is not postmarked by the Response Deadline will be invalid. In the
21 event that, prior to the Response Deadline, any Class Notice mailed to a Settlement Class Member is
22 returned as having been undelivered by the U.S. Postal Service, the Settlement Administrator shall
23 perform a skip trace search and seek an address correction for such Settlement Class Member(s), and a
24 second Class Notice will be sent to any new or different address obtained. Such Settlement Class
25 Member(s) shall have an additional 14 days in which to Opt-Out.

26 It will be presumed that, if an envelope containing the Class Notice has not been returned within
27 28 days of the mailing, the Settlement Class Member received the Class Notice. At least 30 days prior to
28 the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class Counsel and

1 Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard to the mailing of
2 the Class Notice and its attempts to locate Class Members. The declaration shall specify the number of
3 Settlement Class Members to whom Class Notices were sent and the number of Settlement Class Members
4 to whom Class Notices were not delivered, as well as information relating to the number of Opt-Outs and
5 objectors. Class Counsel shall file this declaration with the Court.

6 If the Settlement Administrator determines that an Opt-Out request returned by a Settlement Class
7 Member before the Response Deadline is deficient, then the Settlement Administrator shall mail a
8 deficiency letter to that Settlement Class Member identifying the problem. If a Settlement Class Member
9 submits both a dispute and an Opt-Out request, the Settlement Administrator shall make reasonable
10 attempts to clarify as if the Opt-Out request were deficient. If the Class Member fails to cure the
11 deficiency, the Opt-Out request shall be disregarded and the claim will be paid, and the Class Member
12 will become bound by the judgment.

13 Those Settlement Class Members who do not timely Opt-Out will be bound by the Release of
14 Released Claims set forth in Section I, Paragraph 29 of this Stipulation.

15 Aggrieved Employees may not Opt-Out of the portion of the Settlement that involves the
16 settlement of the representative PAGA claim in the Complaint. Upon the Effective Date, all Aggrieved
17 Employees shall be entitled to a share of the Aggrieved Employee PAGA Penalty Payment, even if they
18 Opt-Out of the Class Settlement, and may not pursue a representative PAGA action against Defendants
19 that involves the same allegations, claims or theories supporting Plaintiff's representative PAGA cause of
20 action in the Complaint, to the extent such action falls within the PAGA Period.

21 **4. Objections.** The Class Notice shall inform the Settlement Class Members of their right to
22 object to the Class Settlement. Any Settlement Class Member who wishes to object to the Class Settlement
23 must submit a written objection to the Settlement Administrator no later than the Response Deadline and
24 must file with the Court, and serve on all parties a written statement of objection. Only Settlement Class
25 Members who do not opt out of the Settlement may object to the Settlement. The objection must include
26 the case name and number and must set forth, in clear and concise terms, a statement of the reasons why
27 the objector believes that the Court should find that the proposed Class Settlement is not in the best interest
28 of the Settlement Class and the reasons why the Class Settlement should not be approved, including the

1 legal and factual arguments supporting the objection. If an objector also wishes to appear at the Final
2 Approval and Fairness Hearing, in person or through an attorney, he or she *must also* file a notice of
3 intention to appear at the same time as the objection is filed. The Settlement Administrator will promptly
4 serve copies of any objection or notice of intention to appear on Class Counsel and Defense Counsel.
5 Unless otherwise ordered by the Court, Settlement Class Members shall not be entitled to appear and or
6 object at the Final Approval Hearing unless they have submitted a timely written objection and notice of
7 intention to appear pursuant to this Section. Settlement Class Members who have properly and timely
8 submitted objections may appear at the Final Approval Hearing, either in person or through a lawyer
9 retained at their own expense.

10 **5. Notice of Final Judgment.** Within 10 days after the Court has held a Final and Fairness
11 Approval Hearing and entered a final order certifying the Class for settlement purposes only and
12 approving the Class Settlement, the Settlement Administrator will give notice of judgment to Settlement
13 Class Members pursuant to California Rules of Court, rule 3.771(b) by posting a copy of said order and
14 final judgment on its website at a web address to be included in the Class Notice.

15 **VII. CLASS SETTLEMENT FUNDING AND DISTRIBUTION**

16 **1. Allocation of the Gross Settlement Amount.** The claims of all Settlement Class
17 Members, the State and the Aggrieved Employees are settled for the Gross Settlement Amount of
18 \$465,000.00, which will be allocated as follows:

- 19 a. The Administrative Expenses;
- 20 b. The Class Attorney Fees not to exceed \$155,000.00;
- 21 c. The Class Attorney Expenses not to exceed \$12,500.00;
- 22 d. The Incentive Award, not to exceed \$7,500.00;
- 23 e. The PAGA Payment of \$10,000.00 (of which \$7,500.00 will go to the LWDA and
24 \$2,500.00 will go to Aggrieved Employees); and
- 25 f. The Net Settlement Amount.

26 For purposes of calculating the estimated Individual Settlement Amounts, the Settlement
27 Administrator shall calculate the estimated Net Settlement Amount based on the estimated values in
28 Section 1(a)-(e) prior to sending Notice to the Settlement Class Members. Prior to final distribution, the

1 Settlement Administrator shall calculate the final Net Settlement Amount based on the actual values in
2 Section 1 (a)-(e).

3 **2. Calculation of the Individual Settlement Amounts; Time for Payment.** Individual
4 Settlement Amounts to be paid to Class Participants shall be paid from the Net Settlement Amount. The
5 portion of the Net Settlement Amount shall be distributed pro rata on a “checks cashed” basis based on
6 the proportional number of weeks worked by each Class Member during the Class Period. Weeks where
7 a Class Member was paid on a piece-rate basis will be weighted as 1.5 weeks.

8 Defendant will provide the Settlement Administrator with any information reasonably necessary
9 to perform the calculation of number of workweeks for each Settlement Class Member, and any other
10 reasonably required information the Settlement Administrator requests to perform the calculations
11 required under this Settlement Agreement. Defendant shall have no responsibility for deciding the validity
12 of the Individual Settlement Amounts or any other payments made pursuant to this Stipulation, shall have
13 no involvement in or responsibility for the determination or payment of Employee’s Taxes and Required
14 Withholding, and shall have no liability for any errors made with respect to such Employee’s Taxes and
15 Required Withholding. Although the Settlement Administrator will calculate and pay the standard
16 Employee’s Taxes and Required Withholding on the portion of the Individual Settlement Amounts
17 constituting wages on their behalf, Plaintiff and Class Participants represent and understand that they shall
18 be solely responsible for any and all tax obligation associated with their respective Individual Settlement
19 Amounts and Incentive Awards.

20 The Settlement Administrator shall distribute to the Class Participants their respective Individual
21 Settlement Amounts, as approved by the Court, no later than December 31, 2021.

22 **3. Time for Payment of Attorney Fees and Expenses to Class Counsel.** The Settlement
23 Administrator shall distribute to Class Counsel any attorney fees and expenses approved by the Court to
24 Class Counsel no later than 20 days after the Effective Date.

25 **4. Time for Payment of Incentive Award to Class Representative.** The Settlement
26 Administrator shall distribute to Plaintiff the Incentive Award approved by the Court no later than 20 days
27 after the Effective Date.

28 **5. Time for Payment of PAGA Payment.** The Settlement Administrator shall distribute to

the LWDA and Aggrieved Employees their respective portions of the PAGA Payment due to each and approved by the Court no later than December 31, 2021.

6. Time for Payment of Taxes and Required Withholding and Individual Settlement

Amounts. The Settlement Administrator shall make every effort to pay the Employee's Taxes and Required Withholding associated with each Class Participant's Individual Settlement Amount and mail the Individual Settlement Amount to each Class Participant, by first-class U.S. mail, to the last-known address no later than December 31, 2021. If the Settlement Administrator is not able to do so within the time period set forth above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by which the Employee's Taxes and Required Withholding shall be paid and the Individual Settlement Amounts will be mailed. Under no circumstances shall the Settlement Administrator distribute checks to Class Participants until all Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the remaining monetary obligations have been calculated and accounted for. Within 120 days of mailing the Individual Settlement Amounts to Class Participants, the Settlement Administrator shall file with the Court and provide to Class Counsel a declaration of payment. In the event that any Class Participant is deceased, payment shall be made payable to the estate of that Settlement Class Member and delivered to the executor or administrator of that estate, unless the Settlement Administrator has received an affidavit or declaration pursuant to Cal. Probate Code § 13101, in which case payment shall be made to the affiant(s) or declarant(s).

7. Non-Cashed Settlement Checks. Any funds associated with checks that have not been cashed within 90 days, will become void and the funds associated with the uncashed check will be distributed pursuant to Code of Civil Procedure section 384 (a *cy pres* to be agreed upon by the parties and approved by the Court). For the purposes of determining whether Defendant has met its financial obligation to pay the Settlement, Defendant will be deemed to have fulfilled its obligation upon the transmission of payment to the Settlement Administrator, regardless of whether any Settlement Class Member or Aggrieved Employee receives payment from the Settlement Administrator or subsequently negotiates a check.

8. Disputes Regarding Settlement Class Member's Workweeks Data or Payment of Individual Settlement Share. Settlement Class Member Workweeks and corresponding Individual

1 Settlement Amount shall be calculated using the employment and payroll records of Defendant, which
2 presumptively shall be deemed to be full, complete and accurate for purposes of this Settlement. To
3 overcome that presumption, any Settlement Class Member objecting to the accuracy of the number of
4 Workweeks or amount of the Individual Settlement Amount must submit documentary evidence, such as
5 pay stubs or other written employment records, to the Settlement Administrator. Each Settlement Class
6 Member may dispute the number of Workweeks, estimated Individual Settlement Amount contained on
7 his or her Class Notice ("Workweeks Dispute"). Any such disputes must be mailed or faxed to the
8 Settlement Administrator by the Settlement Class Member, postmarked or fax-stamped on or before the
9 Response Deadline. The Settlement Administrator shall immediately provide copies of all disputes to
10 counsel for Defendant, shall inform Class Counsel of the dispute without disclosing the identity of the
11 Settlement Class Member making the dispute, and shall immediately attempt to resolve all such disputes
12 directly with relevant Settlement Class Member(s) with the assistance of Defendant and Class Counsel. If
13 the dispute cannot be resolved, it shall be submitted to the Administrator for its final, non-appealable decision.
14 The Administrator shall use its best efforts to resolve all such disputes prior to the Final Effective Date.
15 However, if a dispute arises or is not resolved until after all of the Settlement Amount has been distributed,
16 the initial calculation shall stand (as Defendant shall be under no obligation to pay *any* amounts in excess
17 of the Settlement Amount under this Agreement).

18 **VIII. NULLIFICATION OF THIS STIPULATION**

19 1. **Non-Approval of the Stipulation.** If (a) the Court should for any reason fail to approve
20 this Stipulation in the form agreed to by the Parties, or (b) the Court should for any reason fail to enter a
21 judgment with prejudice of the Action, or (c) the approval of the Class Settlement and judgment is
22 reversed, modified or declared or rendered void, then the Class Settlement and conditional class
23 certification shall be considered null and void, and neither the Class Settlement, conditional class
24 certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and all
25 Parties to the Class Settlement shall stand in the same position, without prejudice, as if the Class
26 Settlement had been neither entered into nor filed with the Court. In addition, the Settlement Administrator
27 shall return any portion of the Gross Settlement Amount paid by Defendant in accordance with Section
28 V, paragraph 2. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any perceived

1 defects in the Stipulation to facilitate approval.

2 **2. Parties' Rights to Void Class Settlement; Escalator Provision.** If 15 or more members
3 of the Settlement Class timely Opt-Out, Defendant shall have the right (but not the obligation) to void
4 this Class Settlement. In the event that the total number of weeks worked in the Class Period is greater
5 than 10,000 weeks, then the Gross Settlement Amount shall be increased proportionately for each
6 additional Workweek worked over 10,000 ("Escalator Provision").

7 **3. Invalidation.** Invalidation of any material portion of the Class Settlement shall invalidate
8 the Class Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining
9 provisions of the Class Settlement are to remain in full force and effect.

10 **4. Stay Upon Appeal.** In the event of a timely appeal from the approval of the Class
11 Settlement and judgment, the judgment shall be stayed, and Defendant shall not be obligated to fund the
12 Gross Settlement Amount or take any other actions required by this Stipulation until all appeal rights have
13 been exhausted by operation of law.

14 **IX. MOTION FOR COURT APPROVAL**

15 **1. Preliminary Approval.** As soon as practicable after execution of this Stipulation, Class
16 Counsel will submit this Stipulation to the Court along with a Motion for Preliminary Approval of the
17 Class Settlement. Each party shall cooperate to present the Class Settlement to the Court for preliminary
18 approval in a timely fashion.

19 **2. Final Approval.** The Final Approval and Fairness Hearing shall be held before the Court.
20 At the Final Approval and Fairness Hearing, Plaintiff shall move the Court for the entry of the final order
21 certifying the Class for settlement purposes only and approving the Class Settlement as being fair,
22 reasonable and adequate to the Class Participants within the meaning of California Rules of Court, Rule
23 3.769(c), (d) and (e) and for the entry of a final judgment of the Action consistent with the terms of the
24 Class Settlement and California Rule of Court 3.769(h). Class Counsel and Defense Counsel shall submit
25 to the Court such pleadings and/or evidence as may be required for the Court's determination.

26 **X. RELEASES AND WAIVERS**

27 **1. Release of Claims.** Upon the Effective Date, each Settlement Class Member who has not
28 submitted a timely Opt-Out request, Plaintiff, in his personal capacity and in his capacity as Class

1 Representative and PAGA representative, and all Persons purporting to act on their behalf or purporting
2 to assert a claim under or through them, including, but not limited to, their dependents, heirs and assigns,
3 beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators, guardians,
4 personal representatives, and successors-in-interest, whether individual, class, representative, legal,
5 equitable, direct or indirect, or any other type or in any other capacity (Releasing Parties) each releases
6 the Released Parties, and each of them, of and from any and all Released Claims during the Class Period.
7 Notwithstanding the foregoing, if the Court approves of this Settlement at the Final Approval and
8 Fairness Hearing, and any objections and appeals to such approval are disposed of, then Settlement Class
9 Members who are also Aggrieved Employees may not bring a representative PAGA action against the
10 Released Parties to the extent that such action involves the same allegations, claims or theories asserted
11 by Plaintiff in his PAGA cause of action in the Complaint, to the extent such action covers the PAGA
12 Period.

13 It is the desire of the Parties and the Settlement Class Members to fully, finally, and forever settle,
14 compromise, and discharge the Released Claims.

15 Each of the Releasing Parties, including the each Settlement Class Member, except those who
16 timely Opt-Out, will be bound to the release of Released Claims as a result of the Class Settlement and to
17 the terms of the final judgment and the satisfaction of such judgment.

18 Settlement Class Members who do not opt out will be deemed to have acknowledged and agreed
19 that their claims for wages and/or penalties in the Action are disputed, and that their Individual Settlement
20 Amount constitute payment of all sums allegedly due to them. Class Members will be deemed to have
21 acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual
22 Settlement Amount. That section provides in pertinent part as follows:

23 **“An employer shall not require the execution of a release of a claim or**
24 **right on account of wages due, or to become due, or made as an advance**
25 **on wages to be earned, unless payment of those wages has been made.”**

26 **2. Release of Claims by Plaintiff.** Plaintiff, on behalf of himself and his dependents, heirs
27 and assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators,
28 guardians, personal representatives, and successors-in-interest, whether individual, class, representative,
legal, equitable, direct or indirect, or any other type or in any other capacity, shall and does hereby forever

1 release, discharge and agree to hold harmless the Released Parties from any and all charges, complaints,
2 claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action,
3 suits, rights, demands, costs, losses, debts and expenses (including attorney fees and costs), known or
4 unknown, at law or in equity, which he may now have or may have after the signing of this Stipulation,
5 arising out of or in any way connected with his employment with either Defendant including, the Released
6 Claims, claims that were asserted or could have been asserted in the Complaint, and any and all
7 transactions, occurrences, or matters between the Parties occurring prior to the date this Stipulation is fully
8 executed. Without limiting the generality of the foregoing, this release shall include, but not be limited to,
9 any and all claims under the (a) Americans With Disabilities Act, as amended; (b) Title VII of the Civil
10 Rights Act of 1964, as amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e)
11 the Age Discrimination in Employment Act, as amended; (f) the Fair Labor Standards Act, as amended;
12 (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the
13 Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and
14 Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing
15 Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code;
16 (q) the California Civil Code; and (r) any and all other federal, state and local statutes, ordinances,
17 regulations, rules and other laws, and any and all claims based on constitutional, statutory, common law
18 or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge,
19 breach of contract or implied contract, fraud, misrepresentation, promissory estoppel or intentional and/or
20 negligent infliction of emotional distress, or damages under any other federal, state or local statutes,
21 ordinances, regulations, rules or laws. This release is for any and all relief, no matter how denominated,
22 including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious
23 damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and
24 costs, and Plaintiff hereby forever releases, discharges and agrees to hold harmless Defendant and the
25 Released Parties from any and all claims for attorney fees and costs arising out of the matters released in
26 this Stipulation.

27 Plaintiff specifically acknowledge that he is aware of and familiar with the provisions of California
28 Civil Code Section 1542, which provides as follows:

A general release does not extend to claims which 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, being aware of Section 1542, hereby expressly waives and relinquishes all rights and benefits he may have under Section 1542 as well as any other statutes or common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to or different from those which he now knows or believes to be true with respect to the subject matter of all the claims referenced herein, but stipulates and agrees that, upon the Effective Date, Plaintiff shall and hereby does fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery of existence of such different or additional facts.

Plaintiff's Initials: A.A.S

3. **Release of PAGA Claims.** Upon the Effective Date, in his capacity as a private attorney general “aggrieved employee” acting on behalf of himself, the State of California and the Aggrieved Employees (“PAGA Releasors”), and in consideration of the PAGA Payment, Plaintiff, on behalf of the PAGA Releasors, releases the Released Parties from any and all Released Claims that arose during the PAGA Period.

4. **Circular 230 Disclaimer.** Each party to this Agreement (for purposes of this section, the “Acknowledging Party”; and each party to this Agreement other than the Acknowledging Party, an “Other Party”) acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the Acknowledging Party (a) has relied exclusively upon her or its own independent legal and tax advisers for advice (including tax advice) in connection with this Agreement, (b) has not entered into this agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the Acknowledging Party; and (3) no

1 attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any
2 such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon
3 disclosure by the Acknowledging Party of the tax treatment or tax structure of any transaction, including
4 any transaction contemplated by this Agreement.

5 **XI. DUTIES OF THE PARTIES**

6 1. **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to
7 accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be limited
8 to, execution of such other documents and the taking of such other actions as may reasonably be necessary
9 to fulfill the terms of this Class Settlement. The Parties shall use their best efforts, including all efforts
10 contemplated by this Stipulation and any other efforts that may become necessary by court order or
11 otherwise, to effectuate this Stipulation and the terms set forth herein. As soon as practicable after
12 execution of this Stipulation, Class Counsel, with the cooperation of Defendant and Defense Counsel,
13 shall take all necessary and reasonable steps to secure the Court's final approval of this Stipulation.

14 2. **Duty to Support and Defend the Class Settlement.** The Parties agree to abide by all of
15 the terms of the Class Settlement in good faith and to support the Class Settlement fully and to use their
16 best efforts to defend this Class Settlement from any legal challenge, whether by appeal or collateral
17 attack.

18 3. **Duties Prior to Court Approval.** Class Counsel shall promptly submit this Stipulation
19 to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and
20 reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall apply to the Court for
21 the entry of a preliminary order substantially in the form filed concurrently herewith as **Exhibit 3**,
22 scheduling a hearing on the question of whether the proposed Class Settlement should be approved as fair,
23 reasonable, and adequate as to the Settlement Class Members, approving as to form and content the
24 proposed Class Notice and Share Form attached hereto as **Exhibit 1** and **Exhibit 2**, respectively, and
25 directing the mailing of the Class Notice to Settlement Class Members. Provided that Plaintiff and Class
26 Counsel's application for the entry of a preliminary order approving this Settlement complies with the
27 terms of this Stipulation, Defense Counsel shall file a notice of non-opposition to the granting of the
28 motion for preliminary approval or join in the motion. Notwithstanding the foregoing, Defendant

1 expressly reserves the right to object to facts or assertions made in Plaintiff's moving papers, and
2 Defendant's non-opposition shall not be deemed an admission to any fact or assertion made in Plaintiff's
3 moving papers.

4 **XII. MISCELLANEOUS PROVISIONS**

5 **1. Voiding the Stipulation.** Pending Court approval and other than as provided in Section
6 VIII herein, if any of the conditions set forth in this Stipulation are not met and satisfied, this Stipulation
7 shall, at the option of either Plaintiff or Defendant, be ineffective, void, and of no further force and effect,
8 and shall not be used or be admissible in any subsequent proceeding, either in this Court or in any other
9 court or forum. If either Party decides to void the Settlement, then the Settlement and conditional class
10 certification shall be considered void, and neither the Settlement Agreement, conditional class
11 certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and the
12 Parties shall stand in the same position, without prejudice, as if this Stipulation had been neither entered
13 into nor filed with the Court. Should any Party choose to void the Class Settlement under this paragraph,
14 such Party shall be responsible for all Settlement Administrator fees and costs actually incurred.

15 **2. Different Facts.** The Parties hereto, and each of them, acknowledge that, except for
16 matters expressly represented herein, the facts in relation to the dispute and all claims released by the
17 terms of this Stipulation may turn out to be other than or different from the facts now known by each party
18 and/or its counsel, or believed by such Party or counsel to be true, and each Party therefore expressly
19 assumes the risk of the existence of different or presently unknown facts, and agrees that this Stipulation
20 shall be in all respects effective and binding despite such difference.

21 **3. No Prior Assignments.** The Parties represent, covenant, and warrant that they have not
22 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
23 any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein
24 released and discharged except as set forth herein.

25 **4. Non-Admission.** Nothing in this Stipulation shall be construed as or deemed to be an
26 admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or
27 any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing
28 toward the each other or any other person. Each of the Parties has entered into this Stipulation with the

1 intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and
2 contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or liability, or
3 of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by
4 Defendant regarding the merits of the Claims in this Action, including but not limited to claims for unpaid
5 wages or violations under California and/or federal law. Nothing herein shall constitute an admission by
6 either Defendant that the Action was properly brought as a class or representative action other than for
7 settlement purposes. To the contrary, Defendant has denied and continue to deny each and every material
8 factual allegation and all Claims. To this end, the Class Settlement of the Action, the negotiation and
9 execution of this Stipulation, and all acts performed or documents executed pursuant to or in furtherance
10 of this Stipulation or the Class Settlement are not, shall not be deemed to be, and may not be used as, an
11 admission or evidence of any wrongdoing or liability on the part of Defendant or of the truth of any of the
12 factual allegations in the Complaint in the Action; and are not, shall not be deemed to be, and may not be
13 used as, an admission or evidence of any fault or omission on the part of Defendant in any civil, criminal
14 or administrative proceeding in any court, administrative agency or other tribunal.

15 **5. Non-Evidentiary Use.** Neither this Agreement nor any of its terms, nor any statements
16 or conduct in the negotiation or drafting of it, shall be offered or used as evidence by Plaintiff, any Class
17 Member (including any individual who requested to be excluded from the Class), Defendant, or its, her,
18 his, or their respective counsel, in the Action, except as is reasonably necessary to effectuate the
19 Agreement's purpose and terms. This Agreement may be used by Defendant and the Released Parties to
20 prove or defend against any claim released herein by any Class Member in any judicial, quasi-judicial,
21 administrative, or governmental proceeding.

22 **6. Media or Press.** Plaintiff and Defendant, and their respective counsel, recognize, and
23 accept that the Parties to this Stipulation desire that the terms of this Stipulation, the fact of the Class
24 Settlement embodied in this Stipulation, the disposition of the Action, the Action, and all matters relating
25 to the litigation of the Action, including discovery proceedings therein, and evidence obtained during the
26 course of the Action, shall not be discussed with or presented to the media or press.

27 **7. Non-Retaliation.** Defendant understands and acknowledges that it has a legal obligation
28 not to retaliate against any Settlement Class Member who elects to participate in the Class Settlement or

elects to Opt-Out of the Class Settlement. Defendant will refer any inquiries regarding this Class Settlement to the Settlement Administrator or Class Counsel and will not discourage Settlement Class Members who are employees, directly or indirectly, from making claims, opting out or objecting to the Class Settlement. Upon execution of this Stipulation, none of the Parties, or their respective attorneys or agents, shall explicitly solicit or encourage any Settlement Class Members to opt out of the Class Settlement.

8. **Construction.** The Parties hereto agree that the terms and conditions of this Stipulation are the result of lengthy, intensive, arms-length non-collusive negotiations between the Parties and that this Stipulation is not to be construed in favor of or against any party by reason of the extent to which any party or its counsel participated in the drafting of this Stipulation. If any of the dates in the Stipulation fall on a weekend, bank or court holiday, the time to act shall be extended to the next business day.

9. **Governing Law.** This Stipulation is intended to and shall be governed by the laws of the State of California, without regard to conflict of law principles, in all respects, including execution, interpretation, performance, and enforcement.

10. **Notices.** Except for Settlement Class Member notices required to be made by the Settlement Administrator, any and all notices or other communications required or permitted under this Stipulation shall be in writing and shall be sufficiently given if delivered in person to the party or their counsel by U.S. certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the party appearing in this Stipulation.

11. **Captions and Interpretations.** Section titles or captions contained herein are inserted as a matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of this Stipulation or any provision thereof.

12. **Modification.** This Stipulation may not be changed, altered, or modified, except in writing signed by the Parties and approved by the Court. This Stipulation may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

13. **Integration Clause.** This Stipulation contains the entire agreement between the Parties relating to the Class Settlement of the Action and the transactions contemplated thereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written,

1 and whether by a party or such party's legal counsel, are hereby superseded. No rights under this
2 Stipulation may be waived except in writing as provided above.

3 **14. Successors and Assigns.** This Stipulation shall be binding upon and inure to the benefit
4 of the Parties and Settlement Class Members (excluding only persons who timely Opt-Out) and their
5 respective present and former heirs, trustees, executors, administrators, representatives, officers, directors,
6 shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension
7 and welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint
8 ventures, predecessors, successors, and assigns.

9 **15. Corporate Signatories.** Any person executing this Stipulation or any such related
10 document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and promises,
11 for the benefit of all Parties hereto, that such person has been duly authorized by such corporation or
12 partnership to execute this Stipulation or any such related document.

13 **16. Execution in Counterparts.** This Stipulation shall become effective upon its execution
14 by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of
15 counterparts shall have the same force and effect as if all Settling Parties had signed the same instrument.

16 **17. Attorney Fees, Costs and Expenses.** Except as otherwise specifically provided for
17 herein, each party shall bear his or its own attorney fees, costs and expenses, taxable or otherwise, incurred
18 by them in or arising out of the Action and shall not seek reimbursement thereof from any other party to
19 this Stipulation.

20 **18. Action to Enforce Agreement.** In any suit or court action to enforce the terms of this
21 Agreement, the prevailing party shall be entitled to recover his or its attorney fees and costs.

22 **IN WITNESS WHEREOF,** the Parties and their counsel have executed this Stipulation on the
23 date below their signatures or the signature of their representatives. The date of the Stipulation shall be
24 the date of the latest signature.

25 **Alfredo Avina**

Ravco Construction, Inc.

26 
27 Dated: 04/20/21

Printed: _____

Title: _____

Dated: _____

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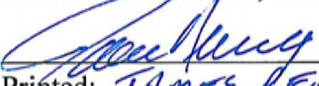
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25 **Alfredo Avina**

26 _____
27 Dated: _____

Ravco Construction, Inc.

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Printed: JAMES RENNIE
Title: PRESIDENT
Dated: 4-19-21

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Jonathan Melmed

Jonathan Melmed, Esq.

Melmed Law Group P.C.

Attorneys for Plaintiff

Dated: April 20, 2021

Damian M. Moos, Esq.

Best Best & Krieger LLP

Attorneys for Defendant

Dated: _____

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Jonathan Melmed, Esq.
Melmed Law Group P.C.
Attorneys for Plaintiff
Dated: _____



Damian M. Moos, Esq.
Best Best & Krieger LLP
Attorneys for Defendant
Dated: April 19, 2021