

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Pedro Sandoval ("Plaintiff") and defendants US FRAMING, INC., US FRAMING WEST, INC., US FRAMING INTERNATIONAL, LLC, PATRIOT CARPENTRY, LLC, M&S EAGLE FRAMING CONSTRUCTION, LLC, THOMAS ENGLISH, and MARGARITO AGUILAR-SANDOVAL ("Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

- 1.1. "Action" means the matter entitled *PEDRO SANDOVAL v. US FRAMING, INC et al.*, Los Angeles Superior Court Case No. 20STCV188711, initiated on May 15, 2020, and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. "Administrator" means Phoenix Settlement Administrators, Inc. (Phoenix), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.
- 1.4. "Aggrieved Employee" means all present and former individuals who worked for Defendants in the State of California on US FRAMING WEST, INC jobs, and were classified (or misclassified) as independent contractors, and paid by M&S EAGLE FRAMING CONSTRUCTION, LLC, at any time during the period of May 9, 2019, through January 9, 2023 (the "PAGA Period").
- 1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in M&S EAGLE FRAMING CONSTRUCTION, LLC's possession including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. "Court" means the Superior Court of California, County of Los Angeles.
- 1.8. "Defense Counsel" means John Egley and Chris C. Scheithauer of Call & Jensen, APC, 610 Newport Center Drive, Suite 700, Newport Beach, CA 92660 (For Defendants US Framing, Inc., US Framing West, Inc., US Framing International, LLC, Patriot Carpentry, LLC, and Thomas English; collectively "US Framing"); and Peter Gimino of The Gimino Law Office, APC, 1 Park Plaza, Suite 600, Irvine CA 92614 (For M&S Eagle Framing Construction, LLC, and Margarito Sandoval; collectively "M&S")

- 1.9. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment.
- 1.10. "Gross Settlement Amount" means Two Hundred Eighty Thousand Dollars (\$280,000.00) which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment.
- 1.11. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.
- 1.13. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.16. "PAGA Counsel" means Paul Denis, Esq. and Ethan Rasi, Esq. of Denis & Rasi, P.C., and Robert W. Skripko, Jr. of The Law Office of Robert W. Skripko, Jr., PC., the attorneys representing the Plaintiff in the Action.
- 1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period. A Pay Period shall mean any period for which an Aggrieved Employee was paid for work performed for Defendants during the PAGA Period.
- 1.19. "PAGA Period" means the period from May 9, 2019 to January 9, 2023.
- 1.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.21. "PAGA Notice" means Plaintiff's May 9, 2020 letter to Defendants and the LWDA and Plaintiff's May 11, 2020 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75 % to LWDA in settlement of PAGA claims.
- 1.23. "Plaintiff" means Pedro Sandoval, the named plaintiff in the Action.
- 1.24. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.25. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.26. "Released Parties" means: Defendants and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates, and their heirs, executors, and administrators.
- 1.27. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.28. "Defendants" means collectively the two groups of defendants: (1) US Framing, Inc., US Framing West, Inc., US Framing International, LLC, Patriot Carpentry, LLC, and Thomas English (grouping one is collectively "US FRAMING"); and (2) M&S Eagle Framing Construction, LLC and Margarito Aguilar-Sandoval (grouping two is collectively "M&S").

2. RECITALS.

- 2.1. On May 15, 2020, Plaintiff commenced this Action by filing a Class Action Complaint alleging sixteen causes of action against Defendants for (1) misclassification of employee status; (2) failure to pay all earned wages; (3) failure to pay all earned overtime wages; (4) failure to permit paid 10 minute rest periods; (5) failure to provide 30 minute meal periods; (6) failure to provide cool-down recover periods; (7) failure to timely pay all earned wages and compensation; (8) failure to pay all earned wages and compensation upon termination; (9) failure to provide lawful wages statements; (10) failure to provide California wage theft prevention act notice; (11) violation of labor code § 206.5; (12) failure to indemnify for work-related expenses; (13) failure to permit inspection and copying of records; (14) failure to provide sick days; (15) failure to maintain workers compensation insurance; (16) unfair business practices). Plaintiff subsequently filed a First Amended Complaint ("FAC") on July 23, 2020. Plaintiff's FAC alleged a seventieth cause of action for civil penalties pursuant to the Private Attorneys General Act ("PAGA") predicated on, among others, alleged violations of the California Labor Code sections 98, 200-204, 204.1, 204.2, 205.5, 206.5, 207, 212, 215, 216, 218, 218.5, 218.6, 226, 226.3, 226.7, 226.8, 245, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1193.6, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1198.5, 2698 et seq., 2750.3, 2750.5, 2751, 2753, 2802, 2810.5, and 3700 et seq. The FAC is the Operative Complaint in the Action. Defendants deny the allegations in the FAC, deny any failure to comply with the laws identified in in the FAC and deny any and all liability for the causes of action alleged. On July 12, 2021, the Court granted Defendant US Framing West, LLC and Thomas English's motion to compel arbitration and dismissing class claims, without prejudice.

- 2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.
- 2.3. On September 23, 2022, the Parties participated in an all-day mediation presided over by Nikki Tolt. Said mediation was unsuccessful. On January 9, 2023, the Parties attended a second mediation with Steve Pearl, which led to this Agreement to settle the Action.
- 2.4. Prior to the mediations, Plaintiff obtained, through both formal and informal discovery, relevant time and payroll data, as well as documentation addressing Defendants labor policies and practices.
- 2.5. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, defendants M&S and US FRAMING promise to pay the total gross amount \$280,000.00 and no more as the Gross Settlement Amount, on behalf of all Defendants. Specifically, and as a clarifier of the above, M&S shall be only responsible for \$115,000 of the Gross Settlement Amount and US FRAMING shall only be responsible for \$165,000 of the Gross Settlement Amount. There is no obligation to pay the Gross Settlement Amount prior to the deadlines stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of approximately 33.33% in the total amount of \$93,333.32 in the form of two drafts from the Settlement Administrator in the amount of forty-nine thousand dollars (\$46,666.66) each issued to "Denis & Rasi, PC" and the "Law Office of Robert W. Skripko, Jr., PC". In addition, PAGA Counsel Litigation Expenses Payment of \$15,529.28. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file a motion for approval of this Agreement seeking PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies

Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2. To the Administrator: An Administrator Expenses Payment of \$2,150.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$2,150.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$168,987.40 to be paid from the Gross Settlement Amount, with 75% (estimated \$126,740.55) allocated to the LWDA PAGA Payment and 25% (\$42,246.85) allocated to the Individual PAGA Payments.

3.2.3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (estimated \$42,246.85) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimates there are less than 25 Aggrieved Employees who worked PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within five (5) calendar days after full funding of the Settlement Fund by Defendants, M&S EAGLE FRAMING CONSTRUCTION, LLC will, to the extent available, deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. Concurrent therewith, M&S EAGLE FRAMING CONSTRUCTION, LLC shall provide a declaration, executed under penalty of perjury, from their respective qualified representative(s), attesting that to the best of their knowledge, the Aggrieved Employees List-Data provided to the Settlement Administrator is accurate. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. M&S EAGLE FRAMING CONSTRUCTION, LLC has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which M&S EAGLE FRAMING CONSTRUCTION, LLC must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

- 4.3. Funding of Gross Settlement Amount. Defendants M&S and US FRAMING shall each fully fund their respective portions of the Gross Settlement Amount by transmitting their respective amount of funds to the Administrator no later than fourteen (14) calendar days from the Effective Date. Specifically, M&S shall be only responsible for \$115,000 of the Gross Settlement Amount and US FRAMING shall only be responsible for \$165,000 of the Gross Settlement Amount.
- 4.4. Payments from the Gross Settlement Amount. Within 5 court days after the funding of the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.
- 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.
- 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 4.5. Declaration Re: Settlement Administration: The Settlement Administrator will provide the Parties with a declaration confirming that distribution of payments has been completed in accordance with the Settlement Agreement and the Court's orders, within ten (10) calendar days of distributing all payments under this Settlement Agreement.
5. **RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount the Aggrieved Employees and PAGA Counsel will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff and his or her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the period of four years prior to when the Action was filed, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Action and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them. This Plaintiff's Release does not release the Defendants' obligations set forth in the separate Settlement Agreement and Mutual Release of Claims (Individual Settlement) entered into by the Parties on or around the same time as this Agreement.

5.2. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.3. Release by Aggrieved Employees:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

5.4. Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees incurred in connection with the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee

Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (iv) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (v) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.
- 6.4 Any Remaining Class Claims Dismissed. Upon the Effective Date, to the extent that any Class claims in the Action have not already been dismissed, such class claims will be dismissed, without prejudice.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish an interest bearing settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE.

8.1 Based on its records, Defendants estimates that, as of the date of this Settlement Agreement, (1) there are less than 25 Aggrieved Employees.

8.2 Pro Rata Increase: If the number of Aggrieved Employees exceeds 25, the Gross Settlement Amount will increase pro rata per additional Aggrieved Employee above 25 or any of the Parties may opt to void this Settlement before the Gross Settlement Amount is paid. To the extent that there is any pro rata increase to the Gross Settlement Amount based on this Section M&S and US FRAMING shall split such amount and each only be only responsible 50/50 for such increased amount which shall be added to their respective payments.

9. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint or Action have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection

with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 10.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party. This agreement supersedes and replaces the settlement agreement executed by the parties in August 2023 which the Court declined to approve on November 16, 2023.
- 10.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 10.4 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 10.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 10.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendants unless, prior to the Administrator's payment of all Settlement Funds, Defendants makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 10.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

LAW OFFICE OF
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Robert W. Skripko, Jr.: SBN 151226
38 Corporate Park
Irvine, California 92606
Tel: (949) 476-2000; Fax: (949) 476-2007
Email: rwskipko@skripkolaw.com

DENIS & RASI, PC
Paul J. Denis: SBN 279026
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Attorneys for Defendants M & S EAGLE FRAMING CONSTRUCTION, LLC and
MARGARITO AGUILAR SANDOVAL

10.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email (PDF) which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

PLAINTIFF:

Dated: 11/21/23

By: Pedro S.C
PEDRO SANDOVAL

DEFENDANTS:

US FRAMING, INC.

Dated: 11/21/23

By: [Signature]

Title: Manager

Dated: 11/21/23

US FRAMING WEST, INC.

By: 

Title: MC

Dated: 11/21/23

US FRAMING INTERNATIONAL, LLC

By: 

Title: MC

Dated: 11/21/23

PATRIOT CARPENTRY, LLC

By: 

Title: MC

Dated: 11/21/23

THOMAS ENGLISH

By: 

Dated: 11/21/23

M&S EAGLE FRAMING
CONSTRUCTION, LLC

By: Margarito Aguilar

Title: Owner and Manager

Dated: 11/21/23

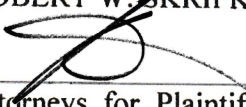
MARGARITO AGUILAR-SANDOVAL

By: Margarito Aguilar

COUNSEL:

Dated: 11-29-2023

LAW OFFICE OF
ROBERT W. SKRIPKO, JR., PC

By: 
Attorneys for Plaintiff PEDRO SANDOVAL
and his fellow Aggrieved Employees

DENIS & RASI, PC

Dated: 11/21/23

By:



Attorneys for Plaintiff PEDRO SANDOVAL
and his fellow Aggrieved Employees

CALL & JENSEN, APC

Dated: 11/21/2023

By:



Attorneys for Defendants US FRAMING
WEST INC. and THOMAS ENGLISH; and
Specially Appearing Defendants US
FRAMING, INC.; US FRAMING
INTERNATIONAL, LLC; and PATRIOT
CARPTENTRY, LLC

THE GIMINO LAW OFFICE, APC

Dated: 11/21/23

By:



Attorneys for Specially Appearing Defendants
M&S EAGLE FRAMING CONSTRUCTION,
LLC and MARGARITO AGUILAR
SANDOVAL