

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT**

2 This Class Action and PAGA Settlement Agreement is entered into by and between
3 Plaintiffs Mayra Osorio and Troy Blanton, individually and on behalf of all others similarly
4 situated, and Defendants ISC Engineering, LLC and Mustard Seed Technologies, Inc., and is
5 approved by their respective counsel of record, subject to the terms and conditions hereof and the
6 Court's approval.

7 **A. Definitions**

8 1. "Action" or "Lawsuit" means and refers to the case entitled *Osorio, et al. v. ISC*
9 *Engineering, LLC, et al.*, Case No. 30-2021-01188961-CU-OE-CXC, filed in the Orange County
10 Superior Court.

11 2. "Allegedly Aggrieved Employees" means all non-exempt, hourly employees who
12 work or worked for Defendants in California during the PAGA Period, as defined below.

13 3. "Agreement," "Settlement Agreement," "Settlement," or "Stipulation" shall mean
14 this Class Action and PAGA Settlement Agreement, including any attached Exhibits.

15 4. "Class Claims" or "Released Class Claims" will include all claims that were pled
16 in the original Complaint and First Amended Complaint based on the facts alleged therein, or that
17 could have been alleged based upon the facts asserted therein or that arise from, are attributable
18 to, or are related to the facts asserted therein, except the claim under the PAGA, including claims
19 for (1) failure to pay minimum wages, (2) failure to pay overtime wages and/or failure to pay such
20 wages at the correct rate(s) of pay, (3) failure to pay all sick time wages and/or failure to pay such
21 wages at the correct rate(s) of pay, (4) meal and rest break violations, failure to pay meal and rest
22 break premium pay and/or failure to pay such premium pay at the correct rate(s) of pay, (6) failure
23 to provide accurate itemized wage statements, (7) failure to timely pay all wages upon separation
24 of employment, and (8) unfair and unlawful business practices.

25 5. "Class Counsel" refers to Mehrdad Bokhour of Bokhour Law Group, P.C. and
26 Jake D. Finkel of The Finkel Firm.

27 6. "Class Data" means a complete list that Defendants will diligently and in good
28 faith compile from their records and provide to the Settlement Administrator and shall include:

1 each respective Settlement Class Member's full name; last known address; last known telephone
2 number; Social Security number; and dates of employment and/or number of Workweeks worked
3 during the Class Period and the number of PAGA Periods worked during the PAGA Period, if
4 applicable. At no time during the Settlement process will any Class Member's identifying
5 information, as described in this paragraph above, be filed with the Court, except under seal and
6 only if ordered by the Court.

7 7. "Class Period" and "Class Release Period" shall mean March 15, 2017 through
8 May 31, 2023, or upon the execution of this Agreement, whichever occurs first.

9 8. "Class Representatives" or "Plaintiffs" means and refers to Mayra Osorio and Troy
10 Blanton, individually and jointly.

11 9. "Complaint" refers to the First Amended Complaint filed in Orange County
12 Superior Court action entitled *Osorio, et al. v. ISC Engineering, LLC, et al.*, Case No. 30-2021-
13 01188961-CU-OE-CXC.

14 10. "Court" means the California Superior Court, County of Orange or any Court of
15 competent jurisdiction.

16 11. "Defendants" means and refers to Interconnect Solutions Company, LLC,
17 formerly known as ISC Engineering, LLC and Mustard Seed Technologies, Inc.

18 12. "Defendants' Counsel" or "Defense Counsel" means and refer to counsel
19 identified in paragraph 92 below on behalf of each defendant.

20 13. "Effective Date" means the latter of (a) the Court's final approval of the settlement
21 if no objection(s) by or on behalf of Class Members have been filed and not withdrawn; (b) the
22 time for appeal has expired if an objection has been filed and no appeal has been filed or has been
23 filed and withdrawn; (c) the time for the Class Representatives and Plaintiffs' Counsel to appeal
24 as contemplated by paragraphs 47(f) and 47(i) has expired; or (d) the final resolution of any appeal
25 that has been filed. In no event shall the Effective Date occur before the judgment of the Court
26 granting final approval of the settlement documented by this Agreement is final and no longer
27 subject to appeal.

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1 14. “Final Approval” refers to the order of the Court granting final approval of this
2 Settlement Agreement and entering a judgment approving this Settlement on substantially the
3 same terms provided herein or as may be modified by subsequent agreement of the Parties or
4 order of the Court.

5 15. “Final Settlement Class” means, collectively, all Participating Class Members and
6 all Allegedly Aggrieved Employees.

7 16. “First Amended Complaint” means the First Amended Complaint filed in this
8 Action.

9 17. “Individual Settlement Amount” shall have the meaning ascribed to it in Paragraph
10 47(d) below.

11 18. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 47(c)
12 below.

13 19. “Notice” means the Notice of Proposed Class Action Settlement and Final
14 Approval Hearing that will be sent to the Settlement Class Members and Allegedly Aggrieved
15 Employees and is attached to this Agreement as Exhibit “A”.

16 20. “Notice Response Deadline” is sixty (60) calendar days from the date the Notice
17 is mailed to the Settlement Class Members.

18 21. “Objecting Settlement Class Member” means a Settlement Class Member, other
19 than Plaintiff, who submits a valid and timely objection to the terms of this Agreement with
20 respect to the Class Claims pursuant to Paragraph 69(c) below.

21 22. “PAGA” shall refer to the California Labor Code Private Attorneys General Act
22 of 2004, California Labor Code Sections 2698–2699.5.

23 23. “PAGA Claims” or “Released PAGA Claims” shall include any and all claims for
24 civil and statutory penalties pursuant to PAGA based on the allegations stated in the PAGA Notice
25 and that were or could have been pled in the Complaint, as defined above, based on the facts
26 alleged therein, including claims for (1) failure to pay minimum wages, (2) failure to pay overtime
27 wages and/or failure to pay such wages at the correct rate(s) of pay, (3) failure to pay all sick time
28 wages and/or failure to pay such wages at the correct rate(s) of pay, (4) meal and rest break

1 violations, (5) failure to pay meal and rest break premium pay and/or failure to pay such premium
2 pay at the correct rate(s) of pay, (6) failure to provide accurate itemized wage statements, (7)
3 failure to timely pay all wages upon separation of employment, and (8) unfair and unlawful
4 business practices.

5 24. "PAGA Notice" shall refer to the notices sent by Plaintiff, by and through counsel,
6 on or about September 25, 2020, to the Labor and Workforce Development Agency ("LWDA")
7 and to Defendants, alleging that Defendants engaged in violations of the California Labor Code
8 and California Wage Order(s).

9 25. "PAGA Period" and "PAGA Release Period" shall mean September 25, 2019
10 through May 31, 2023, or upon the execution of this Agreement, whichever occurs first.

11 26. "Participating Class Member" means any and all Settlement Class Members who
12 are deemed to participate and who do not opt-out of the settlement of the Class Claims by
13 submitting timely valid Requests for Exclusion.

14 27. "Parties" or "Settling Parties" mean Plaintiffs, the Settlement Class Members, the
15 Allegedly Aggrieved Employees, and Defendants, collectively.

16 28. "Preliminary Approval Date" means the date the Court preliminarily approves the
17 Settlement Agreement, and the exhibits thereto, and enters the Preliminary Approval Order.

18 29. "Preliminary Approval Order" means the judicial Order to be entered by the Court,
19 upon the application or motion of the Plaintiff, preliminarily approving this Settlement and
20 providing for the issuance of the Notice to the Settlement Class Members, an opportunity to opt
21 out of settlement of the Class Claims, an opportunity to submit timely objections to the terms of
22 this Settlement related to the Class Claims, and setting a hearing on the fairness of the terms of
23 Settlement, including approval of attorneys' fees and costs.

24 30. "QSF" means the Qualified Settlement Fund set up by the Settlement
25 Administrator for the benefit of the Final Settlement Class, and from which the settlement
26 payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue
27 Code Section 468.

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1 31. “Released Parties” shall refer to Defendants, and each of them, and each of their
2 parent, subsidiary, and affiliated entities, and each of their predecessors, successors, and assigns,
3 and each of their former and present directors, officers, shareholders, owners, members,
4 employees, investors, attorneys, insurers, agents, and representatives, as well as any alleged joint
5 employer of Plaintiffs, the Settlement Class Members, and the Allegedly Aggrieved Employees.

6 32. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 69(a)
7 below.

8 33. “Service Payment” or “Service Award” means the amount approved by the Court
9 to be paid to each Class Representative in addition to their Individual Settlement Amount as a
10 Participating Class Member.

11 34. “Settlement Administration Costs” means the costs payable from the Settlement
12 Amount to the Settlement Administrator for administering this Settlement, including, but not
13 limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, due
14 diligence, reporting and remittance obligations, distributing the Settlement Amount, and
15 providing necessary reports and declarations, as requested by the Parties and the Court. The
16 Settlement Administration Costs shall be paid from the Settlement Amount.

17 35. “Settlement Administrator” means and refers to ILYM Group, Inc., which the
18 Parties have mutually agreed will provide the Notice to the Class Members and distribute the
19 settlement amounts as described in this Agreement.

20 36. “Settlement Amount” or “Gross Settlement Amount” shall have the meaning
21 ascribed to it in Paragraph 47(a) below.

22 37. “Settlement Class Member” or “Class Member” refers to individual members of
23 the Settlement Class.

24 38. “Settlement Class” and “Settlement Class Members” refers to all persons who are
25 or were previously employed by Defendants in California classified as a non-exempt, hourly
26 employee during the Class Period.

27 39. “Workweeks Worked” and “PAGA Pay Periods Worked” for each Settlement
28 Class Member and Aggrieved Employee means any workweek during the Class Period and/or

1 pay period during the PAGA Period, as applicable, in which the Settlement Class Member and/or
2 Aggrieved Employee was employed by Defendants as a non-exempt, hourly employee in
3 California and worked at least one shift during the workweek or pay period, respectfully, for or
4 on behalf of Defendants for which a prior release of claims has not been signed. Workweeks
5 Worked and PAGA Pay Periods Worked shall not include weeks or pay periods where a
6 Settlement Class Member and/or Aggrieved Employee only had sick time, vacation time, was on
7 leave, or otherwise did not record any actual work time in Defendants' timekeeping system.
8 Workweeks Worked and PAGA Pay Periods Worked will be calculated based on Defendants'
9 business records.

10 **B. General Terms**

11 40. On or about March 15, 2021, Plaintiff Mayra Osorio filed a Class Action
12 Complaint in the Court against Defendants, including causes of action asserting: (1) failure to pay
13 minimum wages, (2) failure to pay overtime wages, (3) meal period violations, (4) rest period
14 violations, (5) wage statement violations, (6) waiting time penalties, (7) unfair competition, and
15 (8) PAGA penalties. On December 21, 2022, Plaintiffs filed the First Amended Complaint that
16 added Troy Blanton as a named class representative and a failure to pay all sick time wages claim.

17 41. Defendants deny Plaintiffs' claims and allegations in the PAGA Notice, the
18 original Class Action Complaint and the First Amended Complaint in their entirety and contends
19 that the Action is meritless and is not suitable for class certification and/or representative
20 treatment. Nothing in this Agreement is intended or will be construed as an admission by
21 Defendants that the claims in the Action have merit or that Defendants bear any liability to
22 Plaintiffs, the Settlement Class Members or the Allegedly Aggrieved Employees on those claims
23 or any other claims. Nevertheless, Defendants have taken into account the uncertainty and risks
24 inherent in any litigation and concluded that further defense of the Action would be protracted
25 and expensive. Defendants, therefore, have determined that it is desirable and beneficial that the
26 Action be settled in a manner and upon the terms and conditions set forth in this Settlement
27 Agreement.

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1 42. Class Representatives believe they can proceed with their class and representative
2 claims, that the Action is meritorious, and that class certification is appropriate. Nevertheless,
3 Plaintiffs also have taken into account the uncertainty and risks inherent in any litigation and
4 concluded that further litigation of the Action would be protracted and expensive. Plaintiffs,
5 therefore, have determined that it is desirable and beneficial that the Action be settled in the
6 manner and upon the terms and conditions set forth in this Settlement Agreement.

7 43. The Parties conducted a thorough investigation into the facts of the Action. This
8 includes conducting extensive exchange of informal discovery, including Defendants' written
9 policies and practices and the production of all available payroll and timekeeping records for
10 Settlement Class Members and Allegedly Aggrieved Employees. Class Counsel is both
11 knowledgeable about and has done extensive research with respect to the applicable law and
12 potential defenses to the claims of the Settlement Class Members and Allegedly Aggrieved
13 Employees. Class Counsel has diligently pursued an investigation of the Class Members' claims
14 against Defendants. Based on the foregoing data and on their own independent investigation and
15 evaluation, Class Counsel is of the opinion that the settlement with Defendants for the
16 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and
17 adequate and is in the best interest of the Settlement Class Members and Allegedly Aggrieved
18 Employees in light of all known facts and circumstances, including the risk of significant delay
19 and uncertainty associated with litigation, various defenses asserted by Defendants, and numerous
20 potential appellate issues.

21 44. On September 26, 2022, and February 17, 2023, the Parties participated in
22 mediation before Hon. Margaret Nagle (Ret.), a highly experienced class and
23 PAGA/representative action mediator. After two mediations and subsequent negotiations, the
24 Parties reached a settlement. The Parties agree that the terms and conditions of this Agreement
25 are the result of lengthy, intensive, arms-length negotiations between the Parties supervised by a
26 highly experienced class and representative action mediator. This Agreement represents a
27 compromise and settlement of highly disputed claims, and is intended to settle, compromise and
28 discharge the Released Claims against the Released Parties fully, finally, and forever.

1 45. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts
2 to be performed or judgments to be entered pursuant to the terms of the Settlement and
3 Agreement, shall be construed as an admission by Defendants of any wrongdoing or violation of
4 any statute or law or liability on the claims or allegations in the Action.

5 46. Stipulation for Class Certification and Representative Treatment. For settlement
6 purposes only, Defendants will stipulate that the Settlement Class Members described herein who
7 do not submit a Request for Exclusion from the Settlement Class may be conditionally certified
8 as a settlement class and that the Allegedly Aggrieved Employees are appropriate for
9 representative treatment for purposes of settlement. This stipulation to certification and
10 representative treatment is in no way an admission that class action certification and/or
11 representative treatment is proper and shall not be admissible in this or in any other action except
12 for the sole purposes of enforcing this Agreement. Should, for whatever reason, the Court fail to
13 issue Final Approval, the Parties' stipulation to class certification and representative treatment as
14 part of the Settlement shall become null and void *ab initio* and shall have no bearing on and shall
15 not be admissible in connection with the issue of whether or not class certification and/or
16 representative treatment would be appropriate in a non-settlement context. Defendants expressly
17 reserve their right and declare that they will continue to oppose class certification, representative
18 treatment, and the substantive merits of the case should the Court fail to issue Final Approval.
19 Plaintiffs expressly reserve their rights and declare that they will continue to pursue class
20 certification and representative treatment and a trial should the Court fail to issue Final Approval.

21 **C. Terms of Settlement**

22 47. The financial terms of the Settlement are as follows:

23 (a) Gross Settlement Amount: The Parties agree to settle this Action for Eight
24 Hundred Fifty Thousand Dollars (\$850,000.00) ("the Gross Settlement Amount"). The Gross
25 Settlement Amount is the maximum amount that will be paid by Defendants, and includes
26 Individual Settlement Amounts, attorneys' fees of Class Counsel, costs and expenses, the Service
27 Payment to Class Representatives, all Settlement Administration Costs, and payment to the Labor
28 Workforce Development Agency (LWDA) for PAGA penalties. Defendants shall separately pay

1 the employers' share of applicable payroll taxes, to be calculated by the Settlement Administrator.

2 (b) The Gross Settlement Amount is based on Defendants' representation that there
3 are approximately 32,402 total workweeks in the Class Period. In the event that the actual number
4 of workweeks worked by all Class Members during the Class Period increases by more than 10%,
5 then there shall be a pro rata upward adjustment to the Gross Settlement Amount.

6 (c) Net Settlement Amount: The "Net Settlement Amount" is defined as the Gross
7 Settlement Amount less attorneys' fees and litigation costs as approved and awarded by the Court,
8 the Service Payment to Class Representatives as approved and awarded by the Court, the
9 Settlement Administration Costs as approved and awarded by the Court, and the Twenty-Five
10 Thousand Dollars (\$25,000.00) allocated to payment for PAGA penalties as described in
11 paragraph 47(d) below. In the event that the Court reduces the attorneys' fees and litigation costs,
12 Service Awards, or Settlement Administration Costs, or either increases or decreases the amount
13 allocated to PAGA penalties, the Net Settlement Sum shall be increased or decreased accordingly.

14 (d) Individual Settlement Amounts for the Settlement Class: The Settlement
15 Administrator will use the Class Data provided by Defendants to calculate each Participating
16 Class Member's and Aggrieved Employee's Individual Settlement Amounts based on the
17 following formula:

18 i. PAGA Amount: \$25,000 of the Gross Settlement Amount has been
19 designated to the PAGA claims. Twenty-five percent (25%), or \$6,250, shall be paid out to
20 Allegedly Aggrieved Employees, while seventy-five percent (75%), or \$18,750, will be paid to
21 the LWDA. Each Aggrieved Employee shall receive a portion of the \$6,250 proportionate to the
22 number of PAGA Pay Periods Worked by the Allegedly Aggrieved Employees during the PAGA
23 Period compared to the total number of PAGA Pay Periods Worked by all Allegedly Aggrieved
24 Employees during the PAGA Period. Allegedly Aggrieved Employees shall have their settlement
25 amount for the Released PAGA claims paid one hundred percent (100%) as civil penalties for
26 which no taxes will be withheld and for which a Form 1099 will be issued by the Settlement
27 Administrator.

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1 ii. Class Amount: The Net Settlement Amount shall be allocated to each
2 Participating Class Member based on his/her/their proportionate Workweeks Worked during the
3 Class Period. This is determined by multiplying the Net Settlement Amount by a fraction, the
4 numerator of which is the Participating Class Member's total Workweeks Worked during the
5 Class Period, and the denominator of which is the total Workweeks Worked by all Participating
6 Class Members during the Class Period. If there are any timely submitted Requests for Exclusion,
7 the Settlement Administrator shall proportionately increase the Individual Settlement Amounts
8 for each Participating Class Member so that the amount actually distributed to Participating Class
9 Members equals 100% of the Net Settlement Amount allocated toward Released Class Claims.

10 (e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts
11 will be allocated for tax purposes based on the allegations in the Action as follows: one third
12 (33.33%) will be paid as wages subject to withholding of all applicable local, state, and federal
13 taxes; one third (33.33%) will be paid as interest; and one third (33.34%) will be paid as penalties.
14 Pursuant to, *e.g.*, California Labor Code Sections 203 and 226, no taxes will be withheld from the
15 two thirds (66.67%) that will be paid as interest and as civil penalties. The Settlement
16 Administrator will issue to each Participating Class Member an Internal Revenue Service Form
17 W-2 and comparable state forms with respect to the wage allocation, and a Form 1099 with respect
18 to the civil penalties and interest allocations.

19 (f) Service Payment to Class Representatives: The amount awarded to each Class
20 Representative as a Service Payment will be set by the Court in its discretion, not to exceed Seven
21 Thousand Five Hundred Dollars (\$7,500) to each Plaintiff. Defendants agree not to oppose this
22 request. The Service Payments to the Class Representatives will be paid out of the Gross
23 Settlement Amount. Class Representatives will be issued IRS Form 1099 in connection with these
24 payments. Plaintiffs shall be solely and legally responsible to pay any and all applicable taxes on
25 this payment. The Parties agree that any amount awarded by the Court as the Service Payment to
26 Plaintiffs less than the requested amount shall not be a basis for Plaintiffs or Class Counsel to
27 void this Agreement. Should the Court approve a lesser amount for the Service Payments, the
28 difference shall be added to the Net Settlement Amount to be distributed to the Participating Class

1 Members. In the event of any appeal of the amount of the service awards (if any) approved by the
2 Court, if, after the exhaustion of any such appellate review, additional amounts not awarded to
3 the Class Representatives shall be added to the Net Settlement Amount to be distributed to the
4 Participating Class Members.

5 (g) Attorneys' Fees and Costs: Defendants agree not to oppose a request by Class
6 Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of the Gross Settlement
7 Amount (approximately Two Hundred Eighty-Three Thousand Three Hundred Thirty-Three
8 Dollars and Thirty-Three Cents (\$283,333.33), plus reasonable litigation costs not to exceed
9 Twenty Thousand Dollars (\$20,000) ("Attorneys' Fees and Cost Award"). For purposes of this
10 Settlement only, Defendants agrees not to oppose any request by Class Counsel that attorneys'
11 fees should be based on the common fund theory. The Attorneys' Fee and Cost Award shall be
12 paid from the Gross Settlement Amount, and except for this award, Defendants shall have no
13 further obligation to pay any attorneys' fees, costs, or expenses to Class Counsel. Should the
14 Court approve a lesser amount than what is sought by Class Counsel, the difference shall be added
15 to the Net Settlement Amount to be distributed to the Participating Class Members. Any Court
16 order awarding less than the amount sought by Class Counsel shall not be grounds to rescind the
17 Settlement Agreement or otherwise void the Settlement. In the event of any appeal of the amount
18 of the awards of attorneys' fees and costs (if any) approved by the Court, final funding and
19 administration of the portion of the attorneys' fees and/or costs award in dispute will be
20 segregated and stayed pending the exhaustion of appellate review. If, after the exhaustion of any
21 such appellate review, additional amounts not awarded to as attorneys' fees and costs shall be
22 added to the Net Settlement Amount to be distributed to the Participating Class Members and/or
23 Allegedly Aggrieved Employees. The Settlement Administrator shall issue to Class Counsel an
24 IRS Form 1099 reflecting the amount of attorneys' fees and costs awarded by the Court. Class
25 Counsel agrees that any allocation of fees between or among Class Counsel and any other attorney
26 representing or claiming to represent the Class Members shall be the sole responsibility of Class
27 Counsel.

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1 (h) Settlement Administration Costs: The fees and other charges of the Settlement
2 Administrator will be paid from the Gross Settlement Amount, not to exceed \$10,000 subject to
3 Court approval, unless an increase in fees and/or charges is approved by all Parties and the Court.
4 Any such increase shall be paid from the Gross Settlement amount and reduce the Net Settlement
5 Amount.

6 (j) Tax Liability: Class Counsel, Defendants, and Defendants' Counsel make no
7 representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder,
8 and Plaintiffs and the Settlement Class Members are not relying on any statement or
9 representation by Class Counsel, Defendants, or Defendants' Counsel in this regard. Plaintiffs
10 and Final Settlement Class Members understand and agree that they will be solely responsible for
11 the payment of any taxes and penalties assessed on their respective Settlement Amounts described
12 herein. Income tax withholding will also be made pursuant to applicable federal, state, and/or
13 local withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times
14 and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent
15 with this Settlement Agreement. If the Code, the regulations promulgated thereunder, or other
16 applicable tax law, are changed after the date of this Agreement, the processes set forth in this
17 Section may be modified in a manner to bring Defendants into compliance with any such changes.

18 (k) No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants, nor Defendants'
19 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
20 Settlement Agreement be relied upon as such within the meaning of United States Treasury
21 Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

22 48. No Credit Towards Benefit Plans. The Individual Settlement Payments and
23 Individual PAGA Payments made to Participating Class Members and/or Allegedly Aggrieved
24 Employees under this Settlement Agreement, as well as any other payment made pursuant to this
25 Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit
26 plans to which any Participating Class Members and/or Allegedly Aggrieved Employees may be
27 eligible, including but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock
28 purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather,

1 it is the Parties' intention that this Settlement Agreement will not affect the rights, contributions,
2 or amounts to which any Participating Class Member and/or Allegedly Aggrieved Employees
3 may be entitled under benefit plans.

4 49. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under
5 no circumstances will any portion of the Settlement Amount revert to Defendants. Final
6 Settlement Class Members will not have to make a claim to receive an Individual Settlement
7 Amount. Distributions, in the form of Individual Settlement Amounts, will be made directly to
8 each Final Settlement Class Member. The Settlement Administrator shall be responsible for
9 accurately and timely reporting any remittance obligations with respect to unclaimed funds as a
10 result of a Final Settlement Class Member not cashing an Individual Settlement Amount by the
11 check cashing deadline, as set forth herein.

12 50. Class Counsel and Plaintiffs believe that the Settlement is fair and reasonable, and
13 adequate, and will so represent same to the Court.

14 **D. Release by Plaintiffs and the Final Settlement Class**

15 51. Upon the Effective Date of this Settlement, Plaintiffs and each Participating Class
16 Member, for themselves and for their respective agents, spouses, domestic partners, marital
17 community, children, estates, trusts, attorneys, heirs, predecessors, successors, beneficiaries,
18 devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and
19 representatives, will forever completely release and discharge the Released Parties from the
20 Released Class Claims for the Class Release Period.

21 52. Each Participating Class Member will be deemed to have made the foregoing
22 Release as if by manually signing it.

23 53. Upon the Effective Date of this Settlement, Plaintiffs, the LWDA, and each
24 Allegedly Aggrieved Employee, for themselves and for their respective agents, spouses, domestic
25 partners, marital community, children, estates, trusts, attorneys, heirs, predecessors, successors,
26 beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians,
27 assigns, and representatives, will forever completely release and discharge the Released Parties
28 from the Released PAGA Claims for the PAGA Release Period.

1 54. Each Aggrieved Employee and the LWDA will be deemed to have made the
2 foregoing Release as if by manually signing it.

3 55. Plaintiffs and Defendants intend that the Settlement described in this Agreement
4 will release and preclude any further claim, whether by lawsuit, administrative claim or action,
5 arbitration, demand, or other action of any kind, by each and all of the Participating Class
6 Members to obtain a recovery based on, arising out of, and/or related to any and all of the Released
7 Class Claims. The Settlement Class Members shall be notified in the Notice. This paragraph does
8 not apply to any Settlement Class Member who timely and validly opts out of the Settlement for
9 purposes of Class Claims.

10 56. Plaintiffs and Defendants intend that the Settlement described in this Agreement
11 will release and preclude any further claim, whether by lawsuit, administrative claim or action,
12 arbitration, demand, or other action of any kind, by each and all of the Allegedly Aggrieved
13 Employees and the LWDA to obtain a recovery based on, arising out of, and/or related to any and
14 all of the Released PAGA Claims. The Allegedly Aggrieved Employees and the LWDA shall be
15 so notified in the Notice.

16 57. Class Representative, on behalf of themselves and the Participating Settlement
17 Class Members, acknowledges and agrees that the Class Claims or Released Class Claims are
18 disputed, and that the payments set forth herein constitute payment of all sums allegedly due to
19 him. Class Representative, on behalf of themselves and the Participating Settlement Class
20 Members, acknowledges and agrees that California Labor Code Section 206.5 is not applicable
21 to the Parties hereto. Section 206.5 provides in pertinent part as follows:

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

25 **E. Release by Class Representatives**

26 58. As a material inducement to Defendants to enter into this Settlement Agreement,
27 in addition to Class Representatives' release of the Released Class Claims and Released PAGA
28 Claims, as discussed in Paragraphs 51 and 53 above, Class Representatives do hereby, for

1 themselves and for their respective agents, spouses, domestic partners, marital community,
2 children, estates, trusts, attorneys, heirs, predecessors, successors, beneficiaries, devisees,
3 legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives,
4 forever completely release and discharge the Released Parties from any and all charges,
5 complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies,
6 damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses
7 (including for back wages, meal and rest break premium pay, statutory penalties, civil penalties,
8 liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature
9 whatsoever, from the beginning of time through the execution of this Settlement Agreement,
10 whether known or unknown, suspected or unsuspected, concealed or hidden, including but not
11 limited to all claims arising out of, based upon, or relating to Class Representatives' employment
12 with Defendants or the remuneration for or termination of such employment (collectively, the
13 "Class Representatives' Claims").

14 59. Without limiting the generality of the foregoing release, Class Representatives,
15 and each of them, also expressly release all claims or rights against Released Parties arising out
16 of or relating to alleged violations of any contracts, express or implied (including but not limited
17 to any contract of employment); any contract or covenant of good faith and fair dealing (express
18 or implied); any tort, including but not limited to, negligence, fraud, misrepresentation and
19 violation of California Labor Code Section 970, negligent infliction of emotional distress,
20 intentional infliction of emotional distress, defamation, "retaliation" claims and claims for
21 violation of public policy, any claim for improper or unauthorized wage deductions, failure to pay
22 the applicable wage, unpaid wages, unpaid vacation benefits, penalties, liquidated damages, other
23 damages, overtime, and alleged "off the clock" work under federal and state law, including, but
24 not limited to, California Labor Code Sections 204 and 558, waiting time penalties pursuant to
25 California Labor Code Section 203, damages, or penalties pursuant to California Labor
26 Code Section 226, meal period and rest break payments and penalties pursuant to California Labor
27 Code Sections 226.7 and 512, failure to provide itemized wage statements pursuant to California
28 Labor Code Section 226, statutory or civil penalties pursuant to California Labor Code Section

210, failure to indemnify for business expenses pursuant to Labor Code Section 2802, failure to provide one day of rest in seven pursuant to California Labor Code Sections 551 and 552, unfair competition and unfair business practices pursuant to Business and Professions Code Section 17200, *et seq.*, interest and costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6, statutory or common law rights to attorneys' fees and costs, including those pursuant to California Labor Code Section 1194 *et seq.*; claims under the Private Attorneys General Act of 2004, Labor Code Sections 2699, *et seq.*, and the alleged violation or breach of any other state or federal statute, rule, and or regulation or local ordinance; including all applicable Industrial Welfare Commission Wage Orders, and all similar causes of action, including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs, or attorneys' fees in connection with any of the foregoing, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any "wrongful discharge," "constructive discharge," and "retaliation" claims; any claims relating to any breach of public policy; any legal restrictions on Defendants' right to discharge employees; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination or harassment, including retaliation for reporting discrimination or harassment); (2) 42 U.S.C. Section 1981 (discrimination); (3) Equal Pay Act, 29 U.S.C. Section 209(d)(1) and California Labor Code Section 1197.5 (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. Section 12100, *et seq.* (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. Section 2601, *et seq.* (family/medical leave); (6) California Fair Employment and Housing Act, Cal. Government Code Section 12900, *et seq.* (discrimination or harassment in employment and/or housing, including discrimination or harassment based on race, religious creed, color, national origin, ancestry, disability, marital status, sex (including pregnancy), age, or any other protected characteristic, including retaliation for reporting discrimination or harassment); (7) California Family Rights Act, Cal. Government Code Section 12945.1, *et seq.* (family/medical leave); (8) California Labor Code, including but not limited to, Section 1720 *et seq.*, or any Industrial Welfare Commission Wage Order; (9) Executive Order 11246 (race, color, religion, sex, and

1 national origin discrimination or harassment); (10) Executive Order 11141 (age discrimination);
2 (11) Sections 503 and 504 of the Rehabilitation Act of 1973 (handicap discrimination); (12) the
3 Fair Labor Standards Act; (13) Employee Retirement Income Security Act, 29 U.S.C. § 1000 *et*
4 *seq.* (employee benefits); (14) the California Civil Code; (15) the California Labor Code; (16) the
5 California Constitution; (17) the National Labor Relations Act; (18) the Americans with
6 Disabilities Act of 1990; (19) the Occupational Safety and Health Act; (20) the Consolidated
7 Omnibus Budget Reconciliation Act of 1985; (21) the Worker Adjustment and Retraining
8 Notification Act (“WARN”); (22) the Employee Retirement Income Security Act of 1974; (23)
9 the Rehabilitation Act of 1973; (23) the Internal Revenue Code of 1986, as amended; (24) the
10 California Government Code; (25) the California Constitution; (26) the Families First
11 Coronavirus Response Act; (27) the California Healthy Workplace Healthy Family Act; and (28)
12 any other federal, state, or local statute or legislation. Further, Class Representatives each agree
13 to the fullest extent permitted by law that, other than this Action, Class Representatives, and each
14 of them, will not pursue any putative class action, collective action, or representative action
15 against the Released Parties, or any of them, and that if such action is filed by any other person,
16 Class Representatives will withdraw as a participant.

17 60. Class Representatives expressly waive and relinquish all rights and benefits
18 afforded by Section 1542 of the Civil Code of the State of California and does so understanding
19 and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code
20 of the State of California states:

21 **“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
22 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
23 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING**
24 **THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD**
25 **HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH**
THE DEBTOR OR RELEASED PARTY.”

26 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a
27 full and complete release and discharge of all Released Parties, Class Representative, and Class
28 Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect,

1 without limitation, all claims that Class Representatives knew of, as well as all claims that they
2 do not know or suspect to exist in their favor against the Released Parties, or any of them, for the
3 time period from the beginning of time to the execution of this Settlement Agreement, and that
4 this Settlement Agreement contemplates the extinguishment of any and all such Class
5 Representative's claims. Notwithstanding the foregoing, the waiver and release in this agreement
6 does not apply to: (i) those rights as a matter of law that cannot be waived, including, but not
7 limited to, workers' compensation claims and this Agreement in no way affects Plaintiffs'
8 entitlement and/or benefits to be received by Plaintiffs in workers' compensation pursuant to the
9 jurisdiction of workers' compensation.

10 **F. Interim Stay of Proceedings**

11 61. Pending completion of all of the prerequisites necessary to effectuate this
12 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action
13 except such as are necessary to effectuate the Settlement.

14 **G. Notice Process**

15 62. Appointment of Settlement Administrator. The Parties have agreed to the
16 appointment of the Settlement Administrator to perform the duties of a settlement administrator,
17 including mailing the Notice, using standard devices to obtain forwarding addresses,
18 independently reviewing and verifying documentation associated with any claims or opt-out
19 requests, resolving any disputes regarding the calculation or application of the formula for
20 determining the Individual Settlement Amounts, drafting and mailing the settlement checks to
21 Final Settlement Class Members and Allegedly Aggrieved Employees, issuing Forms W-2 and
22 1099, reporting to taxing authorities, due diligence, reporting and remittance obligations, and
23 performing such other tasks as set forth herein or as the Parties mutually agree or that the Court
24 orders. The Settlement Administrator shall also be responsible for issuing to Plaintiff, Final
25 Settlement Class Members, and Class Counsel any Forms W-2, Forms 1099, or other Tax Forms
26 as may be required by law for all amounts paid pursuant to this Agreement. The Settlement
27 Administrator shall also be responsible for setting up all necessary tax accounts and forwarding
28 all payroll taxes and penalties to the appropriate government authorities.

1 63. Disputes Regarding Settlement Administration. Any and all disputes relating to
2 administration of the Settlement by the Settlement Administrator (except for disputes regarding
3 Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction
4 over the terms and conditions of this Settlement Agreement, until Plaintiffs and Defendants notify
5 the Court that all payments and obligations contemplated by this Settlement Agreement have been
6 fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in
7 good faith to resolve the dispute without the necessity of Court intervention.

8 64. Class Data. Within fourteen (14) calendar days after entry of the Preliminary
9 Approval Order, Defendants shall each provide the Class Data in their possession to the
10 Settlement Administrator. The Settlement Administrator will run a check of the Class Members'
11 addresses against those on file with the U.S. Postal Service's National Change of Address List.
12 The Class Data provided to the Settlement Administrator will not be provided to Class Counsel
13 and it will remain confidential, it shall be used solely to administer the Settlement, and it will not
14 be used or disclosed to anyone, except as required by applicable tax authorities, pursuant to
15 Defendants' express written consent, or by order of the Court.

16 65. Notice. The Notice, as approved by the Court, shall be sent by the Settlement
17 Administrator to the Settlement Class Members, by first class mail, within seven (7) calendar
18 days following the Settlement Administrator's receipt of the Class Data. The Settlement
19 Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses
20 of Settlement Class Members if any envelopes are returned.

21 66. Returned Notices. The Settlement Administrator will take steps to ensure that the
22 Notice is received by all Settlement Class Members, including utilization of the National Change
23 of Address Database maintained by the United States Postal Service to review the accuracy of
24 and, if possible, update a mailing address. If no forwarding address is provided, the Settlement
25 Administrator will promptly attempt to determine the correct address using a skip-trace, or other
26 search using the name, address, and/or Social Security number of the Class Member involved and
27 will then perform a single re-mailing. In the event the procedures in this Paragraph are followed
28 and the intended recipient of a Notice packet still does not receive the Notice packet, the Class

1 Member shall be bound by all terms of the Settlement and any Judgment entered by the Court if
2 the Settlement is approved by the Court. Notices will be re-mailed to any Settlement Class
3 Member for whom an updated address is located within ten (10) calendar days following both the
4 Settlement Administrator learning of the failed mailing and its receipt of the updated address. The
5 Notice shall be identical to the original Notice, except that it shall notify the Settlement Class
6 Member that the exclusion (opt-out) request or objection must be returned by the later of the
7 Notice Response Deadline or fifteen (15) calendar days after the remailing of the Notice.

8 67. Disputes Regarding Class Data. Settlement Class Members are deemed to
9 participate in the Settlement unless they opt-out. The Notice will inform Settlement Class
10 Members of his/her/their estimated Individual Settlement Amount and the number of Workweeks
11 Worked during the Class Period and PAGA Periods Worked during the PAGA Period. Settlement
12 Class Members may dispute their Workweeks Worked if they feel they were employed more
13 workweeks in the Class Period in California than Defendants' records show by timely submitting
14 evidence to the Settlement Administrator. Defendants' records will be presumed determinative
15 absent reliable evidence to rebut Defendants' records, but the Settlement Administrator will
16 evaluate the evidence submitted by the Settlement Class Member and provide the evidence
17 submitted to Class Counsel and Defense Counsel who agree to meet and confer in good faith
18 about the evidence to determine the Class Member's actual number of Workweeks Worked and
19 estimated Individual Settlement Amount. If Class Counsel and Defense Counsel are unable to
20 agree, they agree to submit the dispute to the Settlement Administrator to render a final decision.
21 All disputes will be decided within ten (10) business days of the Notice Response Deadline.
22 Settlement Class Members will have until the Notice Response Deadline to dispute Workweeks
23 Worked, object, or opt out, unless extended by the Court. In the event that the Settlement
24 Administrator increases the number of Workweeks Worked for any Settlement Class Member,
25 then the Settlement Administrator will recalculate the Participating Class Members' Individual
26 Settlement Amounts; accordingly, in no event will Defendants be required to increase the Gross
27 Settlement Amount.

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1 68. Declaration of Due Diligence. The Settlement Administrator shall provide counsel
2 for the Parties, at least twenty-five (25) calendar days prior to the final approval hearing, a
3 declaration of due diligence and proof of mailing with regard to the mailing of the Notice.

4 69. Settlement Class Members' Rights. Each Settlement Class Member will be fully
5 advised of the Settlement, the ability to object to the provisions in the Settlement related to the
6 Class Claims, and the ability to opt out or request exclusion from the Class Claims provisions of
7 the Settlement. The Notice will inform the Settlement Class Members of the Court-established
8 deadlines for filing objections or requesting exclusion from the Class Claims provisions of the
9 Settlement in accordance with the following guidelines:

10 (a) Requests for Exclusion from Participating Settlement Class. Any
11 Settlement Class Member, other than Plaintiffs, may request to be excluded from the Participating
12 Settlement Class by submitting a "Request for Exclusion" to the Settlement Administrator,
13 postmarked on or before the Notice Response Deadline. The Request for Exclusion should state
14 in words to this effect:

15 I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN
16 THE OSORIO V. ISC ENGINEERING AND MUSTARD SEED
17 LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED
18 FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY
19 MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS
20 LAWSUIT.

21 Any Request for Exclusion must include the full name, address, telephone number, last
22 four digits of the social security number or date of birth, and signature of the Settlement Class
23 Member requesting exclusion. The Request for Exclusion must be returned by mail to the
24 Settlement Administrator at the specified address in the Notice. Any such Request for Exclusion
25 must be made in accordance with the terms set forth in the Notice. A Request for Exclusion will
26 be timely only if postmarked by the Notice Response Deadline, unless the Parties otherwise agree
27 in writing. Any Settlement Class Member who timely requests exclusion in compliance with these
28 requirements: (i) will not have any rights under this Agreement with respect to the Class Claims,
including the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to
receive any payments under this Agreement with respect to Class Claims; and (iii) will not be

1 bound by this Agreement, or the Judgment, with respect to the Class Claims.

2 (b) Binding Effect on Final Settlement Class Members. Except for those
3 Settlement Class Members who exclude themselves in compliance with the procedures set forth
4 above, all Settlement Class Members will: (i) be deemed to be Final Settlement Class Members
5 for all purposes under this Agreement; (ii) will be bound by the terms and conditions of this
6 Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise provided
7 herein, will be deemed to have waived all objections and oppositions to the fairness,
8 reasonableness, and adequacy of the Settlement.

9 (c) Objections to Settlement of Class Claims. Any Settlement Class Member,
10 other than Plaintiffs, may object to the terms of this Agreement with respect to the Class Claims
11 and may appear at the Final Approval Hearing and object whether or not they have filed a written
12 objection as outlined herein. To object, a Settlement Class Member shall inform the Settlement
13 Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice
14 Response Deadline at the address set forth in the Notice. Such objection shall include the full
15 name, address, telephone number, dates of employment with Defendants of the Objecting
16 Settlement Class Member, the case name and number, the basis for the objection, including any
17 legal support and each specific reason in support of the objection, as well as any documentation
18 or evidence in support thereof, and, if the Objecting Settlement Class Member is represented by
19 counsel, the name and address of his/her/their counsel. If any Objecting Settlement Class Member
20 wishes to speak at the Final Approval Hearing with respect to the Class Claims, that Objecting
21 Settlement Class Member's written submission should include a request to be heard, and the Court
22 will determine whether Objecting Settlement Class Members will be permitted to speak. The
23 Settlement Administrator shall provide objections, if any, to Class Counsel and Defendants'
24 Counsel within three (3) calendar days of receipt, and the Settlement Administrator shall attach
25 the same to its declaration of due diligence it files with the Court prior to the Final Approval
26 Hearing. Any Participating Class Member who files an objection remains eligible to receive
27 monetary compensation from the Settlement and will be bound by the terms of this Agreement
28 including all releases. Plaintiffs and Defendants shall not be responsible for any fees, costs, or

1 expenses incurred by any Settlement Class Member and/or his/her/their counsel related to any
2 objections to the Settlement. Submitting an objection does not preserve the right to appeal a final
3 judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and
4 properly intervening or filing a motion to vacate the judgment under Code of Civil Procedure
5 Section 663. Settlement Class Members and Allegedly Aggrieved Employees may not object to
6 or opt out of the Settlement with respect to the PAGA Claims. At no time will any of the Parties
7 or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit
8 Requests for Exclusion, Notices of Objection, or disputes regarding Class Data or to appeal from
9 the Final Approval judgment. To the extent a timely Notice of Objection is withdrawn before
10 Final Approval, such an objection shall be treated as though no objection has been made.

11 (d) Failure to Object. Any Settlement Class Member who desires to object
12 with respect to the Class Claims but fails to timely submit a written objection waives any right to
13 object and will be foreclosed from making any objection to this Settlement. Any Settlement Class
14 Member who does not timely and properly become a party of record by intervening or filing a
15 motion to vacate the judgment waives any and all rights to appeal from the judgment, including
16 all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate
17 judgment, motion for new trial, a motion under California Code of Civil Procedure Section 473,
18 and extraordinary writs.

19 (e) Responses to Objections. Counsel for the Parties may file a response to any
20 objections submitted by Objecting Settlement Class Members at least five (5) court days before
21 the date of the Final Approval hearing.

22 70. Settlement Class Members will have until the Notice Response Deadline to object
23 or submit a Request for Exclusion or a dispute regarding Class Data to the Settlement
24 Administrator by U.S. Mail. The Settlement Administrator shall disclose jointly to Class Counsel
25 and Defendants' Counsel what objections or Requests for Exclusion or disputes regarding Class
26 Data were timely submitted on a weekly basis, and upon the request of Class Counsel or Defense
27 Counsel.

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1 71. Funding of the Settlement Amount. Defendants jointly and severally shall make a
2 one-time deposit into the QSF of the Gross Settlement Amount, as described in Paragraph 47(a)
3 within fourteen (14) calendar days after the Effective Date, plus Defendants shall jointly and
4 severally separately pay their respective share of employer payroll taxes as calculated and directed
5 by the Settlement Administrator.

6 72. Distribution of Funds. Prior to the disbursement of any funds, the Settlement
7 Administrator will provide a disbursement summary of the calculations for the payments
8 described above for review and approval by Class Counsel and Defendants' Counsel. Following
9 approval by Class Counsel and Defendants' Counsel, and no later than fourteen (14) calendar
10 days after deposit of the Gross Settlement Payment into the QSF, the Settlement Administrator
11 will mail the payments to the Participating Class Members, Allegedly Aggrieved Employees, the
12 payment for the attorneys' fees and costs to Class Counsel, any Service Payment to the Class
13 Representatives, the payment to the LWDA for PAGA penalties, and will pay itself the Settlement
14 Administration Costs.

15 73. Deadline for Cashing Settlement Checks. Final Settlement Class Members and
16 Allegedly Aggrieved Employees shall have one hundred eighty (180) calendar days after mailing
17 by the Settlement Administrator to cash their settlement checks. If any Final Settlement Class
18 Member or Allegedly Aggrieved Employee's check is not cashed within that period, the check
19 will be void and a stop-payment will be issued. All unclaimed funds shall be sent to the California
20 Unclaimed Property Fund in the name of the Final Settlement Class Member or Aggrieved
21 Employee. The release will be binding upon all Final Settlement Class Members who do not cash
22 their checks within the 180-day period. In the event that any settlement check is returned to the
23 Settlement Administrator within one hundred eighty (180) days of mailing, the Settlement
24 Administrator will, within five (5) business days of receipt of the returned settlement check,
25 perform a skip trace to locate the individual. If a new address is located by these means, the
26 Settlement Administrator will have ten (10) business days to re-issue the check and will notify
27 Defendants' Counsel and Class Counsel that a re-issued check has been sent. Neither Defendants',
28 Defense Counsel, Class Counsel, Plaintiffs, nor the Settlement Administrator will have any

1 liability for lost or stolen settlement checks, forged signatures on settlement checks, or
2 unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a Final
3 Settlement Class Member notifies the Settlement Administrator that he/she/they believe that a
4 settlement check has been lost or stolen, the Settlement Administrator shall immediately stop
5 payment on such check. If the check in question has not been negotiated prior to the stop payment
6 order, the Settlement Administrator will issue a replacement check.

7 74. No person shall have any claim against Defendants, Defendants' Counsel,
8 Plaintiffs, Class Counsel, or the Settlement Administrator based on mailings, distributions,
9 payments, or reports made in accordance with or pursuant to this Agreement. This provision does
10 not, however, prevent a Party from seeking enforcement of this Agreement.

11 75. Without prejudice to any other remedies, the Settlement Administrator shall agree
12 to be responsible for any breach of its obligations (whether committed by the Settlement
13 Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from
14 and against all liabilities, claims, causes of action, costs and expenses (including legal fees and
15 expenses) arising out of any breach committed by the Settlement Administrator or its agents.

16 **H. Duties of the Parties Prior to the Court's Approval**

17 76. Not later than 14 calendar days after execution of this Agreement, Plaintiffs will
18 move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval
19 Order accomplishing the following:

20 (a) Scheduling the Final Approval hearing on the issue of whether this
21 Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members
22 and a hearing on fees, costs, and the Service Payment;

23 (b) Approving as to form and content the proposed Notice;

24 (c) Directing the mailing of the Notice by first class mail to the Settlement
25 Class Members;

26 (d) Preliminarily approving this Settlement; and

27 (e) Preliminarily certifying the class for purposes of this Settlement only.

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1 77. In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this
2 Settlement Agreement, and will include the proposed Notice packet, which will include the Notice
3 of Class Action Settlement document and proposed Mailing Envelope.

4 78. In accordance with Section 2699(1)(2) of the California Labor Code, Plaintiffs
5 shall provide a copy of this Settlement Agreement to the LWDA on the same day that Plaintiffs
6 files their motion for Preliminary Approval of this Settlement with the Court.

7 79. Defendants shall retain the right to object to the Motion for Preliminary Approval
8 and any papers filed in support thereof on the limited bases that it (a) misstates facts, (b) misstates
9 or mischaracterizes a position that Defendants took during the litigation of this Action, whether
10 factual or legal, or (c) improperly discloses confidential or settlement privileged information. In
11 order to attempt to avoid such objection, Plaintiff shall provide to Defendants' Counsel the
12 Motion for Preliminary Approval and supporting papers at least five calendar days in advance of
13 filing, in order to allow Plaintiffs' Counsel and Defendants' Counsel an opportunity to meet and
14 confer in an effort to resolve any objection prior to filing.

15 80. Reallocation of Settlement Proceeds. In the event the Court declines, on its first
16 hearing, to approve this Agreement because the amount of the PAGA penalties is not adequate,
17 then the Parties shall cooperate in good faith to reallocate the total settlement proceeds, within
18 this Agreement, to try to achieve Final Approval of the Agreement upon any subsequent Court
19 hearings.

20 **I. Duties of the Parties Following Court's Final Approval**

21 81. In connection with the Final Approval hearing provided for in this Settlement
22 Agreement, Class Counsel shall submit a proposed Final Approval Order:

23 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and
24 adequate, and directing consummation of its terms and provisions;

25 (b) Approving Class Counsel's application for an award of attorneys' fees and
26 reimbursement of litigation costs and expenses, the Service Payments to the Class
27 Representatives, and the payment to the Settlement Administrator for costs of administering the
28 settlement;

1 (c) Entering judgment approving settlement, thereby permanently barring all
2 Participating Class Members from prosecuting any Released Class Claims against any of the
3 Released Parties, permanently barring all Allegedly Aggrieved Employees and the LWDA from
4 prosecuting any Released PAGA Claims against any of the Released Parties, and permanently
5 barring Plaintiffs from asserting any claims against the Released Parties except those that cannot
6 be released as a matter of law; and

7 (d) Scheduling a conference or hearing to confirm all payments referenced above have
8 been made in accordance with this Agreement and to dismiss the Action.

9 Plaintiff shall provide the proposed judgment to Defendants' Counsel at least five calendar
10 days prior to filing for review and approval, which approval shall be obtained prior to the
11 proposed judgment being filed with the Court. Counsel for the parties shall meet and confer in
12 good faith to resolve any disagreement regarding the content of the proposed judgment.

13 **J. Voiding the Agreement**

14 82. If the Court fails or refuses to issue the Final Approval Order or fails to approve
15 any material condition of this Settlement Agreement which effects a fundamental change of the
16 Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to
17 all Parties herein at the option of any Party.

18 83. If ten percent (10%) or more of the Settlement Class Members timely submit a
19 Request for Exclusion, Defendants shall have the option of terminating or modifying this
20 Agreement without prejudice to its pre-settlement positions and defenses in the Action. If
21 Defendants exercise such option under this paragraph, it shall be relieved of any obligation to pay
22 the Gross Settlement Amount or any other obligations from the Settlement by giving notice to
23 Class Counsel and the Settlement Administrator within ten (10) calendar days of the Notice
24 Response Deadline and Defense Counsel's receipt of all Request for Exclusion reports from the
25 Settlement Administrator. If Defendants exercise their option under this paragraph, Defendants
26 shall be solely responsible for all Settlement Administration Costs incurred up to the date
27 Defendants exercise their option.

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1 84. If the Settlement is voided or fails for any reason, Plaintiffs and Defendants will
2 have no further obligations under the Settlement, including any obligation by Defendants to pay
3 the Gross Settlement Amount, or any amounts that otherwise would have been owed under this
4 Settlement.

5 85. If the Settlement is voided or fails for any reason, any costs incurred by the
6 Settlement Administrator shall be borne equally by Defendants and Plaintiffs, unless otherwise
7 specified in this Agreement.

8 **K. Other Terms**

9 86. Full and Complete Defense. This Agreement may be pleaded by any Released
10 Party as a full and complete defense to and may be used as the basis for an injunction against, any
11 action, suit, or other proceeding that has been or may be instituted, prosecuted, or attempted,
12 asserting any Released Claim.

13 87. Waiver. The waiver by one Party of any breach of this Agreement by another Party
14 shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

15 88. Parties' Authority. The signatories hereto represent that they are fully authorized
16 to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions
17 hereof.

18 89. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
19 accomplish the terms of this Settlement Agreement, including but not limited to, execution of
20 such documents and to take such other action as may reasonably be necessary to implement the
21 terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best
22 efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that
23 may become necessary by order of the Court, or otherwise, to effectuate this Settlement
24 Agreement and the terms set forth herein. As soon as practicable, Defense Counsel shall, with the
25 assistance and cooperation of Defendants and Class Counsel, to the extent it may become
26 necessary, gather Class Data from all applicable entities including any and all staffing agencies
27 that staffed any of the Class Members and/or Allegedly Aggrieved Employees to Defendants
28 during the respective Class and PAGA Periods. As soon as practicable after execution of this

1 Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendants
2 and Defendants' Counsel, take all necessary steps to secure the Court's preliminary and final
3 approval of the settlement and the final entry of judgment. This shall include Class Counsel
4 providing Defense Counsel with drafts of the proposed Preliminary Approval Order and proposed
5 Final Approval Order and/or Judgment for review, comment and approval within a reasonable
6 time before the aforementioned documents are filed or submitted to the Court. Class Counsel and
7 Defense Counsel will meet and confer regarding any proposed revisions to the foregoing
8 documents in advance of the documents being submitted to the Court, and if any unresolved issue
9 remains, counsel will bring the outstanding issue or concern to the Court's attention at the
10 appropriate hearing.

11 90. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
12 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
13 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
14 cause of action, or rights released and discharged by this Settlement Agreement.

15 91. No Admission. Defendants deny any and all liability to Plaintiffs and/or any
16 Settlement Class Member or Allegedly Aggrieved Employee in this Action, as to any and all
17 causes of action that were asserted or that might have been asserted in this Action. Nonetheless,
18 Defendants wish to settle and compromise to avoid further substantial litigation expense and the
19 inconvenience and distraction of protracted litigation. Defendants also have taken into account
20 the uncertainty and risks inherent in litigation, and without conceding any infirmity in the
21 defenses that they have asserted or could assert against Plaintiff, have determined that it is
22 desirable and beneficial that Plaintiffs' claims be settled in the manner and upon the terms and
23 conditions set forth in this Agreement.

24 92. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
25 order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be
26 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
27 of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this
28 Settlement Agreement with the intention of avoiding further disputes and litigation with the

1 attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and
2 it, along with all related documents such as the notices, and motions for Preliminary Approval
3 and Final Approval, shall, pursuant to California Evidence Code Section 1152 and/or Federal
4 Rule of Evidence Section 408, be inadmissible in evidence in any proceeding, except an action
5 or proceeding to approve the Settlement, and/or interpret or enforce this Settlement Agreement.
6 The stipulation for class certification as part of this Settlement Agreement is for settlement
7 purposes only and if, for any reason the settlement is not approved, the stipulation will be of no
8 force or effect.

9 93. Notices. Unless otherwise specifically provided herein, all notices, demands, or
10 other communications given hereunder shall be in writing via email and United States mail and
11 shall be deemed to have been duly given as of the third business day after mailing by United
12 States registered or certified mail, return receipt requested, addressed:

13 To the Settlement Class Members and Allegedly Aggrieved Employees:

14 15 16 17	Mehrdad Bokhour <i>mehrdad@bokhourlaw.com</i> 1901 Avenue of the Stars, Suite 450 Los Angeles, California 90067 Tel: (310) 975-1493; Fax: (310) 675-0861	Jake D. Finkel <i>jake@lawfinkel.com</i> 3470 Wilshire Blvd., Suite 830 Los Angeles, California 90010 Tel: (213) 787-7411; Fax: (323) 916-0521
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18 To Defendant ISC Engineering:

To Defendant Mustard Seed Technologies

19 20 21 22	Karla J. Kraft <i>kkraft@stradlinglaw.com</i> 660 Newport Center Drive, Suite 1600 Newport Beach, California 92660 Tel: (949) 725-4000; Fax: (949) 725-4100	Hema C. Bhamre <i>hbhamre@snblawnb.com</i> 485 E. 17 th Street, Suite 600 Costa Mesa, California 92627 Tel: (949) 955-0230
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23 94. Construction. The Parties hereto agree that the terms and conditions of this
24 Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the
25 Parties and that this Settlement Agreement shall not be construed in favor of or against any Party
26 by reason of the extent to which any Party or their counsel participated in the drafting of this
27 Settlement Agreement. Plaintiffs and Defendants expressly waive the common-law and statutory
28 rule of construction that ambiguities should be construed against the drafter of an agreement and

1 further agree, covenant, and represent that the language in all parts of this Agreement shall be in
2 all cases construed as a whole, according to its fair meaning.

3 95. Captions and Interpretations. Paragraph titles or captions contained herein are
4 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
5 describe the scope of this Settlement Agreement or any provision hereof. Each term of this
6 Settlement Agreement is contractual and not merely a recital.

7 96. Modification. This Settlement Agreement may not be changed, altered, or
8 modified, except in writing and signed by the Parties hereto, and approved by the Court. This
9 Settlement Agreement may not be discharged except by performance in accordance with its terms
10 or by a writing signed by all of the Parties hereto.

11 97. Dispute Resolution. Prior to instituting legal action to enforce the provisions of
12 this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide
13 written notice to the other Party and allow a reasonable opportunity to cure the alleged
14 deficiencies, and Plaintiffs and Defendants agree to seek the help of the mediator identified in this
15 Agreement to resolve any dispute they are unable to resolve informally. During this period, the
16 Parties shall bear their own attorneys' fees and costs. This provision shall not apply to any legal
17 action or other proceeding instituted by any person or entity other than Plaintiffs or Defendants.

18 98. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of
19 dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil Procedure
20 Section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action
21 over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations
22 of this Agreement.

23 99. Enforceability. Pursuant to California Evidence Code Section 1123(a) and (b), this
24 Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in
25 a court of law.

26 100. Choice of Law. This Settlement Agreement shall be governed by and construed,
27 enforced, and administered in accordance with the laws of the State of California, without regard
28 to its conflicts-of-law rules.

101. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

102. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

103. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Final Settlement Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Final Settlement Class Member.

104. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

APPROVAL AND EXECUTION BY PARTIES:

Dated: May ^{Jun 8, 2021}____, 2023

CLASS REPRESENTATIVE:



Mayra Osorio

Dated: May ____, 2023

CLASS REPRESENTATIVE:

Troy Blanton

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APPROVAL AND EXECUTION BY PARTIES:

Dated: May ___, 2023

CLASS REPRESENTATIVE:

6/4/2023

Mayra Osorio

Dated: May ___, 2023

CLASS REPRESENTATIVE:

DocuSigned by:
Troy Blanton
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Troy Blanton

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Dated: May ___, 2023

DEFENDANT:
MUSTARD SEED TECHNOLOGIES, INC.

By
Its

Dated: May 31~~st~~, 2023

DEFENDANT:
INTERCONNECT SOLUTIONS COMPANY, LLC,
formerly known as ISC ENGINEERING, LLC



By Nick Kendall-Jones, CEO
Its

1 Dated: May 31, 2023

2 **DEFENDANT:**
3 **MUSTARD SEED TECHNOLOGIES, INC.**

4  PRES. CEO

5 By
6 Its

7 Dated: May __, 2023

8 **DEFENDANT:**
9 **INTERCONNECT SOLUTIONS COMPANY, LLC,**
10 **formerly known as ISC ENGINEERING, LLC**

11 By
12 Its

1 **APPROVED AS TO FORM:**

2 **CLASS COUNSEL**

3 Dated: May ___, 2023

4 **THE FINKEL FIRM**

5
6 _____
7 Jake D. Finkel
8 Attorneys for Plaintiffs

9 Dated: May ___, 2023

10 **BOKHOUR LAW GROUP, P.C.**

11 _____
12 Mehrdad Bokhour
13 Attorneys for Plaintiffs

14 **DEFENDANTS' COUNSEL:**

15 Dated: May 31, 2023

16 **SELF & BHAMRE**

17 *Hema C. Bhamre*
18 _____
19 Hema C. Bhamre
20 Attorneys for Defendant,
21 Mustard Seed Technologies, Inc.

22 Dated: June 12, 2023

23 **STRADLING YOCCA CARLSON & RAUTH**

24 *Karla J. Kraft*
25 _____
26 Karla J. Kraft
27 Attorneys for Defendant,
28 Interconnect Solutions Company, LLC, formerly known as
ISC Engineering, LLC

1 **APPROVED AS TO FORM:**

2
3 June 8, 2023
4 Dated: May ___, 2023

CLASS COUNSEL

THE FINKEL FIRM

5 *Jake Finkel*
6 _____
7 Jake D. Finkel
8 Attorneys for Plaintiffs

9
10 Dated: June 8, 2023

BOKHOUR LAW GROUP, P.C.

11 *Mehrdad Bokhour*
12 _____
13 Mehrdad Bokhour
14 Attorneys for Plaintiffs

DEFENDANTS' COUNSEL:

15
16 Dated: May ___, 2023

SELF & BHAMRE

17 _____
18 Hema C. Bhamre
19 Attorneys for Defendant,
20 Mustard Seed Technologies, Inc.

21
22 Dated: June 12, 2023

STRADLING YOCCA CARLSON & RAUTH

23 *Karla J. Kraft*
24 _____
25 Karla J. Kraft
26 Attorneys for Defendant,
27 Interconnect Solutions Company, LLC, formerly known as
28 ISC Engineering, LLC