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FRANCISCO SALOME RENOJ HERNANDEZ

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

FRANCISCO SALOME RENOJ
HERNANDEZ, individually and on behalf
of others similarly situated,

Plaintiff,

vs.

BALTAZAR CONSTRUCTION, INC., a
California corporation; and DOES 1 through
50, inclusive,

Defendants.

Case No.: 21STCV11456

*Assigned for All Purposed to the Honorable
Yvette M. Palazuelos, Dept. 9*

**AMENDED DECLARATION OF
HEATHER M. DAVIS IN SUPPORT OF
PLAINTIFF'S MOTION FOR FINAL
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Hearing Date: June 14, 2023

Hearing Time: 10:00 a.m.

Dept: 9

Complaint filed: March 24, 2021

Trial: None Set

DECLARATION OF HEATHER M. DAVIS

I, Heather M. Davis, declare as follows:

1. I am an attorney duly licensed to practice law before all courts of the State of California and all United States District Courts in the State of California. I am a partner of the Protection Law Group, LLP, attorneys of record for named Plaintiff Francisco Salome Renoj Hernandez. I have personal knowledge of the facts stated herein and if called as a witness I could and would competently testify thereto.

CLASS COUNSEL'S BACKGROUND AND EXPERIENCE

2. I am a duly licensed attorney and have been a member of the Colorado State Bar since 1998, the California State Bar since 2005, and the Arizona State Bar since 2007. I graduated from the University of Denver School of Law in 1998, and I am licensed to practice before all courts of the State of California and Colorado as well as the State of Arizona and District Courts throughout the country.

3. Prior to opening my law firm, I developed particular experience in the area of wage and hour litigation. For instance, between 2004 and 2007, I worked for a national law firm solely devoted to the representation of employers and largely represented Wal-Mart and Sam's Club, as the largest employer in the United States in hundreds of employment matters. Further, between 2007 and 2013, I joined the law firm of Littler Mendelson, P.C., the largest labor and employment law firm in the United States.

4. During my employment with Littler Mendelson, P.C., I continued my practice of employment law and was responsible for and defended dozens of complex class actions involving some of the largest representative and class actions brought under the California Labor Code, including meal and rest break violations, overtime, minimum wage claims, off-the-clock work and other related wage claims. My practice included the management of dozens of class actions. My management of these cases included taking and defending hundreds of depositions and interviews of hundreds of putative class members as well as extensive state, federal and appellate briefing on hundreds of wage and hour issues involving class actions.

1 5. During my employment at Littler Mendelson, I played a significant role in the class
2 actions for which I was responsible. In particular, I was often in charge of leading the strategy of the
3 cases and drafting all of the briefs. I received a wide-array of wage and hour class action experience
4 performing the following types of tasks: drafting demurrers; motions to strike and/or dismiss;
5 removing actions from state court to federal court; drafting and responding to written discovery;
6 drafting and opposing discovery related motions; arguing discovery related motions; drafting motions
7 to consolidate related matters; interviewing putative class members and obtaining declarations in
8 connection with class certification; drafting oppositions to motions for class certification; drafting
9 motions for decertification following class certification; conducting exposure analyses to assess the
10 strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification and
11 potential damages resulting from such claims; drafting mediation briefs; serving as the primary
12 contact to in-house counsel; deposing Plaintiff and putative class members; deposing retained expert
13 witnesses; and defending the depositions of corporate witnesses. In short, I played an integral role in
14 all aspects of litigation from the inception of a matter through and beyond class certification.

15 6. During my practice in other jurisdictions and continuing today, I have been primarily
16 devoted to working in employment law and on complex class action and representative litigation and
17 multi-plaintiff work.

18 7. Protection Law Group LLP is a law firm specifically devoted to the representation of
19 employees against Employers in California involving claims relating to violations of the California
20 Labor Code, including claims for failure to pay all wages owed, failure to pay overtime premiums,
21 failure to any meal and rest premiums and failure to provide accurate wage records. The practice of
22 employment law is a very specific, narrow field which requires diligence in an ever-evolving field of
23 substantive and procedural law.

24 8. Although not exhaustive, below is a representative list of several of the wage and hour
25 class actions that I performed substantial work on while I was an attorney with Littler Mendelson,
26 including, but not limited to: *Villacres v. ABM Industries, Inc.*, 189 Cal.App.4th 562 (2010); *Brizuela*
27 *v. Copart, Inc.*, CIVRS11101592, (San Bernardino Superior Court class action settlement); *Augustus*
28 *v. ABM Industries, Inc.*, BC336416, 2 Cal. 5th 257 (2016); *Tagaki v. United Airlines*, 2:11-CV9191

(Central District class action settlement), *Babasa v. Comerica, Inc.*, 3:11-CV00595, *Leyva v. Medline Industries, Inc.* 5:11-cv-00164 (Central District), *Blue v. Coldwell Banker Residential Brokerage Co.*, BC417335, (Los Angeles Superior Court, class action settlement), and *Acosta v. Texwood Industries, Inc.*, 2:07-cv-03237-DDP-PLA (Central District class action settlement).

9. Since opening my firm, I have served as lead counsel or co-class counsel in several wage and hour class and/or representative actions seeking wages and penalties owed on behalf of employees for which final approval of the settlement or class certification has been granted, including, but not limited to the following:

- *Holzer v. Wedbush Securities, Inc.*, BC550462 (Los Angeles Superior Court wage and hour class action certifying class and appointing Protection Law Group, LLP as class counsel);
- *White v. Windy Pizza Plus, LLC*, Case No BC593377 (Los Angeles Superior Court wage and hour class action certifying class and appointing Protection Law Group, LLP as class counsel);
- *Fong et al. v. Regis Corporation*, 3:13-cv-13-04497 VC, (United States District Court, Northern District of California, appointing Protection Law Group, LLP as class counsel in settlement);
- *Byrd v. Masonite Corp.*, 5:16-cv-00035-JGBKK (United States District Court, Central District of California appointing Protection Law Group, LLP as class counsel in settlement);
- *Utterbach v. Daylight Transport, LLC* BC600994 (Los Angeles Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Mendoza v. Cruise America, Inc.* Case No. RG18922083 (Alameda Superior Court wage and hour class action certifying class and appointing Protection Law Group, LLP as class counsel in settlement);
- *Lemus v. Slater Inc.*, CIVDS1703633 (San Bernardino Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Deluna v. Amerit Fleet Solutions et al.*, CIVDS1721564 (San Bernardino Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- *Commick v. Prometheus Real Estate Group*, CIV531264 (San Mateo Superior Court wage and hour class action appointing Protection Law Group, LLP as class counsel in settlement);

- 1 • *Martinez v. AMRO Fabricating Corp.*, BC681938 (Los Angeles Superior Court wage and
2 hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- 3 • *Hernandez v. Access Dental Plan et. al*, 34-2017-00220944 (Sacramento Superior Court wage
4 and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- 5 • *Fernandez v. Sumitomo Rubber North America, Inc.*, CIVDS 1803211 (San Bernardino
6 Superior Court wage and hour class action appointing Protection Law Group, LLP as class
7 counsel in settlement);
- 8 • *Stone v. Universal Protection Services*, AAA Case No. 01-15-0002-7497 (American
9 Arbitration Association wage and hour class action appointing Protection Law Group, LLP as
10 class counsel in settlement);
- 11 • *Fuentes v. Communications Test Design, Inc.* Case No. CIVDS1802427 (San Bernardino
12 Superior Court wage and hour class action appointing Protection Law Group, LLP as class
13 counsel in settlement);
- 14 • *Hartline v. Senior Operations, LLC*, Case No. BC697665 (Los Angeles Superior Court wage
15 and our class action appointing Protection Law Group, LLP as class counsel in settlement);
- 16 • *Carrozzella v. Basalite Concrete Products, LLC*, Case No. 34-2017-00220214 (Sacramento
17 Superior Court wage and hour class action appointing Protection Law Group, LLP as class
18 counsel in settlement);
- 19 • *Howey v. Battery Systems, Inc.*, Case No. 2026114 (Stanislaus Superior Court wage and hour
20 class action appointing Protection Law Group, LLP as class counsel in settlement);
- 21 • *Correa v. Cashbak, LLC*, Case No. BC723845 (Los Angeles Superior Court wage and hour
22 class action appointing Protection Law Group, LLP as class counsel in settlement);
- 23 • *Lemus v. Cass Construction*, Case No 37-2017-00028180 (San Diego Superior Court wage
24 and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- 25 • *Lopez v. Payal Hotels, Inc.* 30-2017-00935941-CU-OE-CXC (Orange County Superior Court
26 wage and hour class action appointing Protection Law Group, LLP as class counsel in
27 settlement);

- 1 • *Sales v. J.S. International Shipping Corp.*, Case No. 18CIV05048 (San Mateo Superior Court
2 wage and hour class action appointing Protection Law Group, LLP as class counsel in
3 settlement);
- 4 • *Adams v. West Marine Products, Inc.*, Case No. 19CIV00436 (San Mateo Superior Court
5 wage and hour class and representative PAGA action appointing Protection Law Group, LLP
6 as class counsel in settlement);
- 7 • *Quijas v. Petfood Express*, Case No. RG18906712) (Alameda Superior Court wage and hour
8 class action appointing Protection Law Group, LLP as class counsel in settlement);
- 9 • *Trejo v. Teledirect Communications*, Case No. 34-2019-00249262-CU-OE-GDS (Sacramento
10 Superior Court wage and hour class action appointing Protection Law Group, LLP as class
11 counsel in settlement);
- 12 • *Palmerin v. Golden State Medical Supply*, Case No. 56-2019-00524873-CU-OE-VTA
13 (Ventura Superior Court wage and hour class action appointing Protection Law Group, LLP
14 as class counsel in settlement);
- 15 • *Quintana v. Stanford Park Hotel*, Case No. 19CIV01194 (San Mateo Superior Court wage
16 and hour class action appointing Protection Law Group, LLP as class counsel in settlement);
- 17 • *Piceno v. Meyer Distributing*, Case No. CIVDS1829056 (San Bernardino Superior Court
18 wage and hour class action appointing Protection Law Group, LLP as class counsel in
19 settlement);
- 20 • *Hurns v. Vantage LED*, Case No. CIVDS1833272 (San Bernardino Superior Court wage and
21 hour class action appointing Protection Law Group, LLP as class counsel in settlement); and
- 22 • *McCalebb v. De Well Logistics, LLC*, Case No. BC705076 (Los Angeles Superior Court wage
23 and hour class action appointing Protection Law Group, LLP as class counsel in settlement).

24 10. I am fully familiar with the legal and factual issues in this case and have specific
25 experience litigating complex wage and hour actions as class actions, including employment cases as
26 set forth above.

27 11. The Settlement presented here only resulted after having engaged in extensive
28 discovery and investigation and is the product of hard-fought litigation and extensive arms' length

1 negotiations. In my opinion as an experienced class counsel, the Settlement is fair, reasonable,
2 adequate, and in the best interests of the Class.

3 **PROCEDURAL HISTORY AND FACTUAL BACKGROUND**

4 12. Defendant holds licenses for General Building Contractor and General Engineering
5 Contractor and its work in the construction industry includes both residential and government
6 projects. Plaintiff was employed by Defendant from approximately May 1, 2017, to approximately
7 March 2020 as an hourly-paid, non-exempt Rebar Installer at Defendant's various work sites
8 throughout California.

9 13. On March 22, 2021, my office, on behalf of Plaintiff, provided notice to the California
10 Labor Workforce Development Agency ("LWDA") and Defendant of his intent to investigate and
11 seek civil penalties under Labor Code § 2699, et seq. ("PAGA"). On March 24, 2021, my office filed
12 a wage and hour class action complaint ("Complaint") with the Los Angeles County Superior Court
13 (Case No. 21STCV11456) against Defendant, alleging the following causes of action: (1) Unpaid
14 Overtime; (2) Unpaid Meal Period Premiums; (3) Unpaid Rest Period Premiums; (4) Unpaid
15 Minimum Wages; (5) Final Wages Not Timely Paid; (6) Failure to Provide Accurate Wage
16 Statements; (7) Failure to Reimburse Necessary Business Expenses; and (8) Violation of Business
17 and Professions Code § 17200, et seq. On July 5, 2021, my office filed a First Amended Complaint
18 ("FAC"), which added a cause of action under PAGA.

19 14. On May 19, 2021, my office served Defendant with formal discovery including Form
20 Interrogatories-General, Set One; Special Interrogatories, Set One; and Requests for Production of
21 Documents, Set One. Plaintiff also served Defendant with a Notice of Deposition of Defendant's
22 Person Most Knowledgeable and Requests for Production of Documents. On July 5, 2021, Defendant
23 provided objection only responses to all of Plaintiff's discovery requests.

24 15. Thereafter, my office and Defendant's Counsel (collectively, "the Parties") met and
25 conferred with respect to the potential resolution of this Action, staying formal discovery, and agreed
26 to exchange informal discovery and engage in a private mediation. However, on approximately July
27 13, 2021, as a result of my office's investigation, my office discovered Defendant was offering
28

1 individual settlement releases to the putative class members covering the claims in Plaintiff's
2 Complaint.

3 16. Defendant had entered into individual settlement agreements with approximately 186
4 class members totaling \$93,000.00 in value ("Prior Release Payments").

5 17. On August 25, 2021, the Parties executed a Joint Mediation Stipulation to attend
6 private mediation with Deborah Crandall Saxe, esq. to be held on September 14, 2021. As part of the
7 Parties' Mediation Stipulation, Defendant agreed to and eventually did provide Plaintiff's counsel the
8 following data points ("Informal Data Points"); (i) Total number of covered employees from March
9 27, 2017 to the present; (ii) Total number of PAGA eligible employees from March 24, 2020 to the
10 present; (iii) Total number of eligible employees during the one year prior to the filing of the
11 complaint; (iv) Total number of current employees; (v) Total number of terminated employees during
12 the class covered period; (vi) Total number of terminated employees during the three years prior to
13 the filing of the complaint; (vii) Average number of employees per pay period during the class
14 covered period; (viii) Average number of employees per pay period during the PAGA period; (ix)
15 Total workweeks during the class covered period; (x) Total pay periods during the PAGA period; (xi)
16 Total pay periods one year prior to the filing of the complaint; (xi) Average rates of pay for 2017-
17 2021; and the (xii) Average overtime rate of pay.

18 18. Pursuant to the Parties' Mediation Stipulation, Defendant provided my office with
19 extensive informal discovery, including Plaintiff's personnel file, and all relevant policies and
20 handbooks in place during the Class Covered Period which included Defendant's 2015 and 2018
21 Employee Handbooks that were used during the Class Covered Period. Moreover, pursuant to the
22 Parties' Mediation Stipulation, Defendant provided a 20% sampling of time records (which were
23 poorly formatted) and payroll records for the putative class members during the covered period.

24 19. Defendant eventually claimed it was suffering from financial difficulties and provided
25 Plaintiff's counsel the following documents ("financial documents"); (i) three years tax returns; (ii)
26 Balance sheet for recent closed account period; (iii) Income statement/profit/loss statement for most
27 recent closed year to date; (iv) Year-end balance sheet for each of the three prior fiscal/calendar years;
28 (v) Income statement for each of the three prior fiscal or calendar years; (vi) Detailed Annual General

1 Ledger for 2020; (vii) Monthly interim financial statements for 2021; (viii) All documents related to
2 Defendant obtaining a Payroll Protection Program (PPP) loan; and (ix) All documents related to
3 proving the expected forgivable portion of the PPP loan. Defendant also provided Plaintiff a copy of
4 the Release Agreement that was offered to the putative class members covering the claims in
5 Plaintiff's Complaint.

6 20. In preparation for the Parties' private mediation on September 14, 2021, my office
7 had Defendant's financial documents analyzed by my office's financial expert regarding Defendant's
8 claim of financial difficulties. Moreover, my office analyzed Defendant's 20% sampling which
9 indicated a 100% synthetic rate of time records worked by employees. In combination with
10 Defendant's Informal Data Points, Plaintiff's personnel file, Defendant's 2015 and 2018 Employee
11 Handbooks, the Release Agreement offered to Employees, and informal conversations with Plaintiff,
12 my office was able to intelligently evaluate the strengths and weaknesses of the claims of the Action.

13 21. After extensive review of these documents, on September 14, 2021, the Parties
14 attended a full day mediation with Deborah Saxe, Esq., a mediator with substantial experience
15 handling complex wage and hour matters.

16 22. At the mediation, the Parties engaged in intensive settlement discussions during which
17 they debated their respective positions and exchanged views regarding the strengths and weaknesses
18 of the alleged claims.

19 23. After a full day of mediation, and with the help of the mediator, the Parties were able
20 to reach an agreement to resolve this dispute on a class and representative basis for a Gross Settlement
21 Amount of \$540,000.00, and shortly thereafter executed a memorandum of understanding
22 memorializing the key settlement terms.

23 24. Thereafter, the Parties worked diligently to negotiate and memorialize the terms on a
24 long form settlement agreement.

25 25. On April 4, 2022, my office filed Plaintiff's motion for preliminary approval of the
26 proposed class action and PAGA Settlement and uploaded the proposed settlement to the LWDA. On
27 June 29, 2022, the Court issued a checklist of items for counsel to address. In response, on October
28 19, 2022, the Parties filed a Second Amended Settlement Agreement ("Settlement Agreement").

1 26. On November 9, 2022, the Parties submitted on the Court's Tentative Ruling. On
2 November 10, 2022, the Court issued an order granting Plaintiff's Motion for Preliminary Approval
3 and ordered that notice be provided to the class. Now, following notice to the class and the opportunity
4 for class members to opt-out of the settlement and be heard, Plaintiff moves for final approval of the
5 proposed settlement.

6 **REASONABLENESS OF THE TERMS OF THE SETTLEMENT**

7 27. Plaintiffs seek final approval of a Class and PAGA Settlement with Defendant. The
8 Settlement provides for: (1) a Gross Settlement Amount of \$540,000.00; (2) attorneys' fees in the
9 amount of \$189,000.00 to Class Counsel; (3) actual litigation costs and expenses incurred by Class
10 Counsel in the amount of \$14,700.78; (4) payment of \$50,000.00 in PAGA penalties including
11 \$37,550.00 to the LWDA and \$12,500.00 to employees who worked during the PAGA Period; (5)
12 payment of \$15,000.00 to the Settlement Administrator; and (6) the requested Class Representative
13 Incentive Payment of \$5,000.00 Plaintiff. The result is a Net Settlement Amount ("NSA") of
14 \$266,299.22 (which includes a credit of \$93,000.00 to compensate Defendant for settlement payments
15 previously made to Participating Class Members for individual releases of the claims at issue and
16 which was deducted from the calculation of the class portion of these individuals' Individual
17 Settlement Payments) which will be distributed to a Settlement Class consisting of 313 participating
18 individuals who worked for Defendant hourly-paid, non-exempt employees in California at any time
19 from March 24, 2017, and November 13, 2021.

20 28. The parties agreed to attend mediation with Deborah Crandall Saxe, Esq., a highly
21 respected and neutral mediator with extensive experience mediating wage and hour class actions.

22 29. At all times the settlement negotiations were arms-length non-collusive, and
23 adversarial. With the help of the mediator the Parties were able to reach an agreement to resolve these
24 claims.

25 30. Prior to the settlement of this matter, my office spent a substantial amount of time
26 researching and investigating the alleged claims. This included legal research regarding the applicable
27 Labor Code Sections, investigation into Defendant's business and business practices, and substantial
28 formal and informal discovery. Prior to attending mediation my office reviewed and analyzed an

1 extensive sampling of Class Members' time and payroll records, as well as Defendant's relevant
2 employment policies. Defendant produced information regarding the number of putative class
3 members, the number of current versus former employees, the total workweeks at issue; and the
4 average rate of pay during the class period and through this formal and informal discovery and
5 investigation my office was able to conduct a class-wide assessment and analysis of potential
6 damages. This analysis and prior investigation permitted my office to effectively and intelligently
7 negotiate the Settlement.

8 31. Based on my experience, and as discussed extensively in Plaintiff's motion for
9 preliminary approval, I believe this settlement represents a fair and reasonable compromise of the
10 class's claims against Defendant. Defendant vigorously contested its liability and raised defenses
11 regarding whether these claims were appropriate for class certification and the merits of the individual
12 claims. This included arguments regarding the potential for individualized issues with respect to
13 Plaintiff's meal period claims, rest period claims, claims regarding off-the-clock work, and Plaintiff's
14 claim for unreimbursed business expenses.

15 32. Based on my experience litigating similar and complex matters and the history of this
16 litigation I would reasonably expect a vigorous and lengthy defense to both class certification and
17 merits absent a settlement with substantial risk that class members could be forced to wait years and
18 incur additional costs for the same or possibly worse result.

19 33. The lack of any objections to the terms of the proposed settlement and participation of
20 99.68% of the settlement class also supports the reasonableness of the proposed settlement.

21 34. Accordingly, the factors assessed by Class Counsel both here and in the motion for
22 preliminary approval, strongly support the conclusion that the settlement is not only presumed fair
23 but is reasonable.

24 **THE ADMINISTRATION PROCESS AND PLAN OF DISTRIBUTION**

25 35. As approved by the Court, the Settlement Administrator for this matter is ILYM
26 Group, Inc. ("ILYM")

27 36. On November 10, 2022, my office sent ILYM a copy of the Second Amended Joint
28 Stipulation of Class Action and PAGA Settlement, the Court-approved text for the Notice Packet and

1 a copy of the Court's Ruling granting Plaintiff's Motion for Preliminary Approval. The Agreement
2 included the formula for determining the estimated sum to paid to each individual.

3 37. The Settlement Agreement included the formula for determining the estimated sum to
4 be paid to Participating Class Members and PAGA Members.

5 38. On November 22, 2022, ILYM informed me that it has received the class list from
6 Defendant which contained the name, social security number, last known mailing address, the total
7 number of applicated workweeks worked by each Class Member. The Class List contained 314 Class
8 Members and the total number of applicable workweeks for each Settlement Member.

9 39. On or about November 23, 2022, ILYM provided a formatted notice packet for my
10 office's review and approval.

11 40. After receiving the Order and Notice Packet, and as part of the preparation for mailing,
12 ILYM processed all 314 names and addresses contained in the class list against the National Change
13 of Address database maintained by the U.S. Postal Service in an attempt to verify the Class Members
14 mailing address and then mailed the Notice Packet to the Class Members on November 30, 2022. If
15 a notice was returned to ILYM without a forwarding address, ILYM performed a computerized skip
16 trace in an effort to obtain an updated address to remail the Notice Packet. Using these processes,
17 ILYM successfully delivered 10 out of 26 returned notices.

18 41. According to the terms of the Settlement Agreement, within 14 days of the Effective
19 Date, Defendant shall provide ILYM with the Gross Settlement Amount. Thereafter, within 7 days of
20 the funding date, the Settlement Administrator shall make all Court-approved payments, including
21 payments to (a) the Participating Class Members and PAGA Members; (b) Plaintiff; (c) Plaintiff's
22 Counsel; (d) the LWDA; and (e) itself, for Court-approved services.

23 **CLASS COUNSEL FEES**

24 42. Class Counsel seek attorneys' fees in the amount of \$189,000.00 which is thirty-five
25 percent (35%) of the Gross Settlement Amount. The percentage award of the attorneys' fees is
26 commensurate with: (1) the economic risk Class Counsel took in commencing this action on a
27 contingency basis, knowing that there would likely be a long battle with a premier defense firm; (2)
28 the time, effort and expense dedicated to the case; (3) the skill and determination this case has

1 required; (4) the results achieved throughout the litigation; and (5) the value of the settlement
2 achieved for class members.

3 43. Protection Law Group is a small law firm specifically devoted to the representation of
4 employees against employers in California involving claims relating to violations of the California
5 Labor Code, including claims for failure to pay all wages owed, failure to pay overtime premiums,
6 failure to pay meal and rest premiums and failure to provide accurate wage records. The practice of
7 employment law is a very specific, narrow field which requires diligence in an ever-evolving field of
8 substantive and procedural law. My office devoted significant time and attention to this case. The
9 significant time and attention spent on this case meant we could not spend time on other cases or
10 clients.

11 44. As discussed above, Class Counsel undertook extensive investigation, analysis, and
12 research prior to filing the lawsuit and during litigation and mediation.

13 45. Plaintiff's Counsel was able to convince Defendant to attend mediation and thereafter
14 spent substantial time reviewing and analyzing the documents and discovery in preparation for
15 mediation and participating in settlement negotiations. Even after an agreement was reached in
16 principle, Class Counsel spent numerous hours drafting and revising the Settlement Agreement,
17 drafting the motion for preliminary approval, and coordinating the notice process with the settlement
18 administrator. A settlement was achieved despite all of the obstacles that had to be overcome, because
19 Class Counsel used their complex wage-and-hour litigation experience and skills to obtain the
20 settlement.

21 46. In addition to the time and effort required, this matter also required substantial skill to
22 litigate. Shortly after filing the lawsuit, counsel for the Parties met and conferred regarding early
23 resolution, and agreed to exchange informal discovery and participate in private mediation. As pre-
24 condition for early mediation, Plaintiff required a formal stipulation providing that, in the event that
25 mediation fails, the names and contact information for putative class members will be disclosed
26 pursuant to a *Belaire* notice, which shall be mailed by ILYM Group no later than September 21, 2021.
27 An order requiring the mailing of the *Belaire* notice if mediation is unsuccessful was entered by the
28 Court. If the parties failed to settle at mediation, Plaintiff intended to move swiftly to secure all

1 outstanding discovery, take the deposition of Defendant's Person Most Qualified, and prepare for class
2 certification.

3 47. Substantial skill was also necessary in order to adequately evaluate the alleged claims
4 and negotiate the substantial settlement reached in this matter on behalf of the putative class members.
5 Defendant also felt strongly that its policies and practices had at all times complied with California
6 law and that the alleged claims were not appropriate for class certification. Despite this, Class Counsel
7 were able to use their substantial experience in complex wage and hour litigation to convince
8 Defendant to discuss a potential settlement rather than proceed with further litigation. The settlement
9 reached at mediation resulted in Defendant ultimately agreeing to pay a non-reversionary Gross
10 Settlement Amount of \$540,000.00. Such a settlement, against experienced defense counsel, in a case
11 where legitimate defenses exist, may not otherwise have been possible.

12 48. Additionally, this case was litigated on a contingent basis. Had Class Counsel not been
13 successful, the time devoted to this case would have been for naught and Class Counsel would not
14 have received any fee or any reimbursement for any of the expenses incurred on behalf of the class.
15 Class Counsel has borne all the risks and costs of litigation and will not receive any compensation
16 until recovery is obtained in this case. The Covid-19 crisis and resulting economic uncertainty only
17 highlights the substantial risk imposed in taking this type of case on a contingent basis. Circumstances
18 can arise swiftly and for reasons beyond any parties' control. Class Counsel could have invested years
19 of time and effort they could ultimately have received no compensation for. This risk is a relevant
20 factor when considering the reasonableness of Class Counsel's requested fee.

21 49. Plaintiff agreed to a fee of thirty-five percent (35%) of the Gross Settlement Amount
22 and this was not objected to by any member of the class. I am aware that the common and acceptable
23 rate for representation in wage-and-hour class action litigation is normally 25 to 35 percent. A fee of
24 thirty-five percent (35%) of the Gross Settlement Amount is appropriate here because of the excellent
25 result achieved for the class despite the substantial risks described above including the risk that the
26 class members could recover nothing at all.

27 50. While the requested fee is a proper and commonly requested percentage of the
28 common fund, the fee request is also justified under a simple lodestar analysis.

1 51. Besides myself, the following attorneys at Protection Law Group expended significant
2 time in connection with this matter:

3 a. Amir Nayebdadash – Founding Partner of Protection Law Group, LLP. Mr.
4 Nayebdadash received his Bachelor of Arts degree from University of California, Los Angeles in 1998
5 and a Juris Doctor degree from Pepperdine University School of Law in 2003. He was admitted to
6 practice law in California in November of 2004, and has been admitted to practice in all federal district
7 courts in the State of California. Prior to founding Protection Law Group, LLP, Mr. Nayebdadash
8 worked at Littler Mendelson, P.C., the largest labor and employment law firm in the United States. In
9 2013, Mr. Nayebdadash and I founded Protection Law Group LLP. Since the inception of Protection
10 of Law Group, LLP, Mr. Nayebdadash has focused his practice on the representation of employees
11 against employers in California. Mr. Nayebdadash has extensive experience in all aspects of
12 employment litigation, with a focus on wage and hour class and representative action, including, but
13 not limited to taking and defending depositions, briefing and arguing motions, preparing for class
14 certification, negotiating complex wage and hour settlements, trial and appeal.

15 b. Carlos Jimenez is a partner of Protection Law Group, LLP. Mr. Jimenez
16 received his Bachelor of Arts degree from University of California, Los Angeles in 1999, and a Juris
17 Doctor degree from Loyola Law School in 2003. He was admitted to practice law in California in
18 November of 2003, and has been admitted to practice in all federal district courts in the State of
19 California. Prior to starting at Protection Law Group, LLP, Mr. Jimenez worked at Littler Mendelson,
20 P.C. (“Littler”), the largest labor and employment law firm in the United States, from May 30, 2007
21 until October 8, 2021. During his time at Littler, Mr. Jimenez specialized in defending Class and
22 PAGA actions, and was the Co-Chair of Littler’s National Class Action Practice Group. Since joining
23 Protection of Law Group, LLP, Mr. Jimenez has focused his practice on the representation of
24 employees against employers in California. Mr. Jimenez has extensive experience in all aspects of
25 employment litigation, with a focus on wage and hour class and representative action, including, but
26 not limited to taking and defending depositions, briefing and arguing motions, preparing for class
27 certification, negotiating complex wage and hour settlements, trial and appeal.

28 c. S. Emi Minne – (former) Senior Counsel for Protection Law Group, LLP. Ms.

1 Minne received her Bachelor of Arts degree from University of California, Los Angeles in 2001 and
2 a Juris Doctor degree from UCLA School of Law in 2007. She was admitted to practice law in
3 California in December of 2007, and has been admitted to practice in all federal district courts in the
4 State of California. Since being admitted to California State Bar, Ms. Minne's practice has focused
5 exclusively on the representation of employee plaintiffs, with a particular expertise in management of
6 complex wage and hour class and representative actions. Ms. Minne has extensive experience in all
7 aspects of litigation including, but not limited to taking and defending depositions, briefing and
8 arguing motions, preparing for class certification, and oversight of complex wage and hour
9 settlements.

10 d. Shahrar Kangavari – (Former) Associate at Protection Law Group, LLP. Mr.
11 Kangavari received his Bachelor of Science degree from the University of Southern California in 2011.
12 Mr. Kangavari attended Loyal Law School, Los Angeles, where he graduated in 2018. He was
13 admitted to practice law in California in December of 2018.

14 52. My billing rate and the actual rate charged clients on an hourly basis during the time
15 period involved in this lawsuit is \$800 per hour. My partner, Amir Nayebdadash's billing rate during
16 the time period involved in this lawsuit is \$725 per hour. My partner, Carlos Jimenez's billing rate
17 during the time period involved in this lawsuit is \$700 per hour. A former Senior Counsel with my
18 firm Emi Minne who worked on this matter billed \$650 an hour while employed with Protection Law
19 Group. Shahrar Kangavari, another former associate, utilized a billing rate of \$375 per hour while
20 working on this matter. While the overwhelming majority of my firm's practice is contingency-based,
21 this is the actual rate we charge billing clients if retained on an hourly basis to handle employment-
22 law related issues.

23 53. Based on my familiarity with prevailing market rates for work of similar complexity
24 in California, including my extensive involvement in fee application work on my own behalf and on
25 behalf of others, I can attest that these hourly rates are within the prevailing market rate for work of
26 similar complexity performed by attorneys of similar skill and experience. I have extensive
27 knowledge of the prevailing hourly rates in the community for work of similar nature and complexity
28 to the work in this case. My experience and knowledge in this regard comes from a variety of sources,

1 including: (a) reviewing dozens of fee applications in other matters; (b) my familiarity with fee
2 application orders in other cases; and (c) my independent research and knowledge of the prevailing
3 market rates based on fee requests of other counsel and my familiarity with rates charged in other law
4 firms; and (d) my independent reading and research regarding law firm billing rates.

5 54. As such, it is my opinion that our requested hourly rates of \$800 for myself, \$725 for
6 Mr. Nayebdadash, \$700 for Mr. Jimenez, \$650 for Ms. Minne, \$375 for Mr. Kangavari, and the use
7 of a blended rate of at least \$650 for Protection Law Group based on the work performed in this
8 matter is well within the range of a reasonable rates for attorneys of our skill, knowledge, experience,
9 and ability.

10 55. My office has spent substantial time on this Action. The tasks performed include
11 investigating Defendant's policies, practices, business model, and merits-based issues including
12 significant time investigating and reviewing Plaintiff's personnel files, time records, and payroll
13 records, researching Defendant's organization and management, and strategizing how to certify the
14 alleged claims and bring these claims to trial. Class Counsel also spent significant time drafting and
15 revising the PAGA Notices sent to the LWDA, drafting the complaint, drafting the pleadings filed
16 with this Court and investigating the alleged claims. Class Counsel engaged in extensive efforts to
17 meet and confer with Defendant's counsel and as a result were able to reach an agreement to attend
18 mediation rather than engaging in further litigation.

19 56. In advance of mediation Class Counsel engaged in extensive investigation, review,
20 and analysis of the informal discovery provided by Defendant so that they could effectively negotiate
21 the proposed settlement. Class Counsel spent many hours reviewing the documents produced by
22 Defendant and analyzing data from thousands of pages of documents. After a memorandum of
23 understanding was signed, class counsel spent significant time negotiating terms of the settlement to
24 obtain the best possible outcome for the settlement.

25 57. Since beginning work on this matter, Protection Law Group has spent a total of
26 approximately 275.00 hours litigating this case. Attached hereto as **Exhibit 4** is a time and task sheet
27 detailing the hours spent on the different tasks associated with this matter.
28

1 58. Class Counsel invested time and bore the risk that there could have been no recovery.
2 Ultimately, Class Counsel was successful in reaching a settlement of \$540,000.00 on behalf of the
3 Class. To date, the lodestar for Class Counsel is approximately \$178,750.00.

4 59. Further, I believe the use of a multiplier of 1.06 is appropriate in conjunction with the
5 estimated lodestar value.

6 60. Based on my on my experience multipliers up to four times the estimated lodestar
7 value of a case is commonly awarded by both California and Federal Courts. *See e.g. Wershba v.*
8 *Apple Computer, Inc.*, 91 Cal.App.4th 224, 234-35 (2001) (upholding multiplier of 1.42 and
9 noting that multipliers “can range from 2 to 4 or even higher.”[emphasis added]) (disapproved on
10 other grounds).

11 61. Here, the use of a multiplier is appropriate in light of (1) the outstanding results
12 obtained on behalf of the Class Members, PAGA Members, and State of California; (2) the
13 difficult questions involved and skill displayed by Class Counsel in obtaining this outstanding
14 result; and (3) the contingent risk assumed by Class Counsel.

15 62. This settlement represents an outstanding result at the conclusion of heavily contested
16 litigation. The settlement provides Class Members an average payment of approximately
17 \$551.91. In Class Counsel’s view, these amounts equal or exceeds many of the payments achieved
18 in similar litigation. While each matter faces its own unique challenges and circumstances that can
19 make direct comparison difficult, the overwhelming value obtained for the Class here demonstrates
20 the outstanding results obtained and should be an important factor in the Court’s decision to approve
21 the requested multiplier and ultimately Class Counsel’s requested fee.

22 63. Also, as noted above, this matter was litigated on a contingent basis, meaning Class
23 Counsel bore all the risks should the action have failed and still bear the risk of taking whatever
24 actions are necessary if Defendant fails to pay.

25 64. Further, despite being litigated on a contingent basis, this Action involved analysis and
26 investigation regarding complex questions surrounding class certification and required substantial
27 investigation and complex data analysis to determine Defendant’s underlying practices.

1 65. Given the complex nature of these claims and daunting legal challenges, I believe there
2 are very few law firms who could have obtained the settlement obtained here by my office. My office
3 has devoted itself to pursuing and understanding these types of cases and was able litigate this matter
4 despite risks that may have dissuaded other counsel from pursuing this Action.

5 66. I believe that the efforts of my office have resulted in substantial benefits to the
6 Settlement Class, in the form of a substantial settlement fund established to compensate Class
7 Members for Defendant's wage and hour violations. Through the efforts of Class Counsel and
8 Plaintiff in the Action, a fair and reasonable resolution has been reached that includes a non-
9 reversionary settlement payment by Defendant of \$540,000.00. I am informed and believe that,
10 without the efforts of my office, the Labor Code and Wage Order violations alleged in the Complaint
11 would have gone completely unremedied. The \$189,000.00 in fees provided for in the Settlement is
12 therefore reasonable given the result achieved.

13 **CLASS COUNSELS' COSTS**

14 67. To date, Class Counsel has borne all risks and costs of litigation and will not receive
15 any compensation until recovery is obtained by Plaintiff and the members of the Class. Protection
16 Law Group anticipates incurring approximately \$14,700.78 in costs and litigation expenses. These
17 costs include filing fees, mediation fees costs for attending hearings with the Court, court reporter
18 transcripts and other deposition costs, expert costs, and many others. These costs are less than the
19 \$20,000.00 allocated under the settlement meaning that an additional \$5,299.22 will be available to
20 for distribution to the class. Attached hereto as **Exhibit 5** is a costs sheet detailing the various costs
21 incurred by Protection Law Group associated with this matter.

22 **PLAINTIFF'S ENHANCEMENT AWARD**

23 68. Here, the requested incentive award to Plaintiff in the amount of \$5,000 is justified. It
24 is very common in my experience for Class and PAGA Representatives to recover between \$5,000
25 and \$7,500 as an enhancement. Here, this amount is justified because of the extensive time Plaintiff
26 has spent and the assistance he has provided to class counsel. Plaintiff has been intimately involved
27 in the prosecution of this action and served as an indispensable resource to my office and co-counsel.
28 Plaintiff initiated and has stepped forward in this litigation on behalf of his former co-workers, who

1 will now benefit from the settlement. Plaintiff invested substantial time and effort into this litigation,
2 reviewing documents, and extensive discussions with Class Counsel.

3 69. Plaintiff has taken actions throughout the litigation to protect the interests of those he
4 now represents. Plaintiff searched for documents and provided valuable information regarding
5 allegations, kept himself informed of the developments in this action, and participated in decisions
6 concerning the case. The information and documentation provided by Plaintiff was instrumental in
7 establishing the wage and hour violations alleged in this action, and the recovery provided for in the
8 Settlement Agreement would have been impossible to obtain without his participation.

9 70. Additionally, Plaintiff faces actual risks with his future employment and new career
10 by putting himself on public record in an employment lawsuit. As this Court is aware, prospective
11 employers conduct searches on job applicants. One type of search is to learn about an applicant's
12 litigation history. These searches are easy to run on the internet and relatively inexpensive.

13 71. Plaintiff has also agreed to a broader general release of any and all claims he may have
14 against Defendant that goes beyond the far more limited release agreed to by the putative class
15 members.

16 72. As a result of Plaintiff's actions, 313 employees have had the opportunity to participate
17 in a settlement, reimbursing them for wage violations they may have never known about or been
18 willing to pursue on their own.

19 73. As such, Plaintiff did more than simply lend his name to the lawsuit, and I believe he
20 deserves the requested enhancement award.

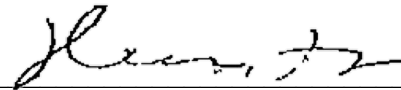
21 74. The requested amount is also extremely reasonable given the benefit gained by other
22 Class Members. For these reasons, Plaintiff requests that a Class Representative Incentive Payment
23 of \$5,000.00 to Plaintiff Francisco Salome Renoj Hernandez be preliminarily approved by the Court.

24 **PAYMENT TO THE SETTLEMENT ADMINISTRATOR**

25 75. The Settlement Agreement calls for the award of up to \$15,000.00 to the Settlement
26 Administrator, ILYM Group, Inc. for the costs associated with administration of the settlement. The
27 Settlement Administrator is a necessary third-party who has performed substantial services on behalf
28 of the putative class including sending the notice and the administration of future settlement

1 payments. ILYM is seeking \$15,000.00 for its costs associated with administration of the settlement.
2 Accordingly, I would request that the Court award ILYM Group, Inc. \$15,000.00 for the services
3 performed in this matter.

4 I declare under penalty of perjury under the laws of the State of California that the foregoing
5 is true and correct. Executed on May 10, 2023, at El Segundo, California.

6 
7

8 Heather Davis, Esq.
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Exhibit 1



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March 22, 2021
Page 1 of 7

VIA ONLINE FILING

Labor and Workforce Development Agency

800 Capitol Mall, MIC-55

Sacramento, CA 95814

PAGAfiling@dir.ca.gov

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

RE: Francisco Salome Renoj Hernandez v. Baltazar Construction, Inc.

Dear Representative:

This office represents Francisco Salome Renoj Hernandez ("**Mr. Hernandez**") with respect to his claims under the California Labor Code against Baltazar Construction, Inc. ("**Employer**"). This letter is being sent simultaneously to Employer by certified mail.

Employer has employed Mr. Hernandez since approximately May 2017, as an hourly, non-exempt employee. During his employment with Employer, Mr. Hernandez has been employed as a Rebar Installer at Employer's location at 236 E. Arrow Hwy, Covina, California 91722. Employer is in the construction industry, specializing in residential and public construction projects.

Mr. Hernandez intends to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, et seq., the Private Attorneys General Act of 2004 ("**PAGA**"). Mr. Hernandez is seeking penalties on behalf of himself and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of Employer ("**Aggrieved Employees**"). This letter is being sent in compliance with California Labor Code section 2699.3.

As detailed below, Employer violated several of California's wage and hour laws during Mr. Hernandez's employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 1771, 1774, 1815, 2800 and 2802, and the Industrial Welfare Commission Wage Orders ("**IWC Wage Order**") including *inter alia*, IWC Wage Order No. 16. The claims made on behalf of Mr. Hernandez and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employer has engaged in numerous unlawful practices which resulted in the failure to pay Mr. Hernandez and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.



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First, Employer regularly required Mr. Hernandez and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Mr. Hernandez and Aggrieved Employees to: (1) respond to Employer and work-related requests and perform work while clocked out for purported meal breaks; (2) perform work before clocking in for the start of their shift; and (3) perform work after clocking out for the end of their shift. Mr. Hernandez and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Moreover, this off-the-clock work typically caused Mr. Hernandez and Aggrieved Employees to work more than eight (8) hours in a day and forty (40) hours in week, resulting in a failure to pay overtime compensation.

In addition to requiring Mr. Hernandez and Aggrieved Employees to perform work off-the-clock without compensation, Employer also utilized time rounding practices that resulted in the systematic underpayment of wages to Mr. Hernandez and Aggrieved Employees, including minimum wages, straight time wages and overtime wages. Employer also failed to accurately record the actual time worked by Mr. Hernandez and Aggrieved Employees, which resulted in a failure to pay Mr. Hernandez and Aggrieved Employees for all hours actually worked, including minimum wages, straight time wages and overtime wages. Finally, and as a matter of policy and/or practice, Employer failed to pay overtime to Mr. Hernandez and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration.

As a result of the foregoing practices, Employer has failed to pay Mr. Hernandez and Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employer violated IWC Wage Order No.16 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Mr. Hernandez and Aggrieved Employees will therefore seek unpaid wages; PAGA default penalties; penalties pursuant to paragraph (18)(A) of IWC Wage Order No.16; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; compensation pursuant to Labor Code Section 1194; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employer failed to provide Mr. Hernandez and Aggrieved Employees with legally-compliant 30-minute meal periods. Mr. Hernandez and Aggrieved Employees were required by Employer to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Mr. Hernandez and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employer regularly required Mr. Hernandez and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On the occasions that Mr. Hernandez and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.



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Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Mr. Hernandez and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employer's management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employer failed to adequately inform and train Mr. Hernandez and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employer failed to adequately inform and train Mr. Hernandez and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employer failed to ensure that there was adequate staffing to allow Mr. Hernandez and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employer required Mr. Hernandez and other Aggrieved Employees remain on-call and respond to work-related requests at all times, including during meal periods, which included responding to telephone calls, text messages, pages, intercom announcements, and in-person verbal interruptions; and (7) Employer's policy and culture prevented Mr. Hernandez and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees right to receive timely, uninterrupted, and duty-free meal periods.

Mr. Hernandez and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law.

Accordingly, Employer violated IWC Wage Order No. 16 and California Labor Code sections 226.7(a), 512(a) and 1198.

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (18)(A) of IWC Wage Order No. 16; penalties pursuant to California Labor Code California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

Employer failed to authorize and permit Mr. Hernandez and Aggrieved Employees take legally-compliant 10-minute periods. Employer required Mr. Hernandez and Aggrieved Employees to work through rest periods. Mr. Hernandez and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Mr. Hernandez and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Mr. Hernandez and Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).



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Page 4 of 7

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Mr. Hernandez and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employer's management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employer failed to adequately inform and train Mr. Hernandez and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employer failed to adequately inform and train Mr. Hernandez and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employer failed to ensure that there was adequate staffing to allow Mr. Hernandez and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer required Mr. Hernandez and other Aggrieved Employees remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to telephone calls, text messages, pages, intercom announcements, and in-person verbal interruptions; and (7) Employer's policy and culture prevented Mr. Hernandez and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees right to receive rest periods.

Mr. Hernandez and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employer violated IWC Wage Order No. 16 and California Labor Code sections 226.7(a), and 1198.

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (18)(A) of IWC Wage Order No. 16; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

As to each pay period, Employer has failed to timely pay all wages earned because Mr. Hernandez and Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employer violated California Labor Code section 204(a).

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

As a result of the practices described above, the wage statements provided to Mr. Hernandez and



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March 22, 2021
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Aggrieved Employees failed to include the actual hours worked, the actual gross wages earned, and the correct rates of pay. Accordingly, Employer violated California Labor Code section 226(a).

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

Employer has failed to maintain accurate records relating to Mr. Hernandez and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employer violated IWC Wage Order No. 16 and California Labor Code sections 1198.5 and 1174(d).

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (18)(A) of IWC Wage Order No. 16; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 16 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Mr. Hernandez and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employer. These costs include, but are not limited to, use of their personal vehicles, tools and cellphones for work-related purposes.

Accordingly, Employer violated IWC Order No. 16 and California Labor Code sections 2800 and 2802.

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (18)(A) of IWC Wage Order No. 16; and attorneys' fees and costs.

8. FAILURE TO PAY PREVAILING WAGES

Employer failed to pay Mr. Hernandez and Aggrieved Employees at the prevailing wage for public work projects. Specifically, Employer obtained public works projects as defined by California Labor Code section 1720. Mr. Hernandez and Aggrieved Employees worked on these public work projects and were therefore deemed to be employed on public works projects pursuant to *Labor Code* section 1772.



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Pursuant to Labor Code sections 1771, 1774 and 1815, Employer was required to pay Mr. Hernandez and Aggrieved Employees not less than the general prevailing rate for work performed on such public work projects. Moreover, Pursuant to Labor Code sections 1771, 1774, and 1815, for work performed by Mr. Hernandez and Aggrieved Employees in excess of 8 hours per day, and 40 hours during any one week, Employer was required to pay Mr. Hernandez and Aggrieved Employees not less than 1 ½ times the Prevailing Wage. Employer failed to do so. Instead, Employer intentionally, fraudulently and maliciously sought to defraud Mr. Hernandez and Aggrieved Employees from receiving the prevailing rate and such conduct was at the direction, approval and ratification by Employer and its officers, directors and/or managing agents.

9. FAILURE TO PROVIDE POTABLE WATER AND/OR HAND WASHING MATERIALS.

Pursuant to Labor Code section 1198 “. . . the standard conditions of labor fixed by the commission . . . shall be . . . the standard conditions of labor for employees. The employment of any employee. . . under conditions of labor prohibited by the order is unlawful.” IWC Wage Order No. 16, paragraph 10(c) requires employers to provide an adequate supply of potable water, soap or other suitable cleansing agent, and single use towels for handwashing. Employer failed to provide Mr. Hernandez and Aggrieved Employees with potable water, soap or other suitable cleansing agent, and single use towels for handwashing. Accordingly, Employer violated Labor Code section 1198 and IWC Order No. 16.

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to paragraph (18)(A) of IWC Wage Order No. 16; and attorneys’ fees and costs.

10. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

Upon the termination of employment, Mr. Hernandez and Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employer’s practices of requiring Mr. Hernandez and Aggrieved Employees to work off-the-clock without compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employer failed to pay Mr. Hernandez and Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employer also failed to pay Mr. Hernandez and Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employer violated California Labor Code sections 201 and 202.

Mr. Hernandez and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 203, 1199, and 2699(f)(2); and attorneys’ fees and costs.

Therefore, on behalf of himself, the State of California and all Aggrieved Employees, Mr. Hernandez may seek all applicable penalties related to these violations of the California Labor Code pursuant to PAGA.



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March 22, 2021
Page 7 of 7

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read 'Amir Nayebdadash', is written over a horizontal line.

Amir Nayebdadash

Notice provided to Employer via Certified Mail (7019 1120 0002 3020 3049)

Baltazar Construction, Inc.
Attn: Grace Moreno, Agent for Service of Process
236 E. Arrow Hwy
Covina, California 91722

Notice provided to Employer via Certified Mail (7019 1120 0002 3020 3032)

Baltazar Construction, Inc.
Attn: Grace Moreno, Agent for Service of Process
704 N. Bradish Ave.
San Dimas, CA 91773

Exhibit 2

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Spring Street Courthouse, Department 9

21STCV11456

**FRANCISCO SALOME RENOJ HERNANDEZ vs
BALTAZAR CONSTRUCTION, INC.**

November 10, 2022

10:00 AM

Judge: Honorable Yvette M. Palazuelos
Judicial Assistant: J. Grodell
Courtroom Assistant: M. Tavakoli

CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): No Appearances

For Defendant(s): No Appearances

NATURE OF PROCEEDINGS: Hearing on Motion for Preliminary Approval of Settlement

The matter is NOT called for hearing.

The Court's Tentative Rulings/Orders was issued and served on the parties via Case Anywhere on 11/09/2022.

The parties submitted to the Court's tentative ruling via the Case Anywhere message board on 11/09/2022.

The Court now adopts its RULINGS/ORDERS RE: MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT as the final order of the court. Said ruling is signed and filed this date and is incorporated into the case file.

The Court's ruling is as follows:

The Notice of Motion and Motion for Preliminary Approval of Class Action Settlement; Memorandum of Points and Authorities in Support Thereof filed by Francisco Salome Renoj Hernandez on 04/04/2022 is Granted. as the settlement is fair, adequate, and reasonable.

The essential terms are:

A. The Gross Settlement Amount ("GSA") is \$540,000.

1. Defendants receive a credit towards the GSA in the amount of \$91,500.00 for Prior Release Payments already paid to Class Members by Defendant. Thus, the additional total payment to be made by Defendants in connection with the Settlement shall be \$448,500. (¶15.)

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Spring Street Courthouse, Department 9

21STCV11456

**FRANCISCO SALOME RENOJ HERNANDEZ vs
BALTAZAR CONSTRUCTION, INC.**

November 10, 2022

10:00 AM

Judge: Honorable Yvette M. Palazuelos
Judicial Assistant: J. Grodell
Courtroom Assistant: M. Tavakoli

CSR: None
ERM: None
Deputy Sheriff: None

2. Defendant represented there are approximately 13,722 Workweeks during the Class Period. Should the actual number of Workweeks exceed this number by more than ten percent (10%) (i.e., increase by more than 1,372 Workweeks), the Gross Settlement Amount shall increase on a pro-rata basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10% (for example, if the number of Workweeks increases by 11% to 15,231 Workweeks, the Gross Settlement Amount will increase by 1%). (§38.)

B. The Net Settlement Amount (“Net”) \$ (\$182,000) is the GSA minus the following:

Up to \$189,000 (35% if including the prior release payments) for attorney fees (§41). [Inclusion of Prior Release Payments: Defendant acknowledged that the payment of \$91,500 in Prior Release Payments was in direct response to the actions of Plaintiff and Class Counsel and that Class Counsel’s actions had a catalytic effect on Defendant issuing such payments. Accordingly, for Class Counsel’s role in helping create, discover, and spur Defendant to issue the Prior Release Payments, Class Counsel is permitted to recover attorneys’ fees based on the total value of this common fund. (Davis Supp. Decl., §§29-30.)]

Up to \$20,000 for litigation costs (§41);
Up to \$5,000 for a service award (§42);
Up to \$15,000 for class administration (§43); and
\$37,500 (75% of \$50,000 PAGA penalty) to the LWDA (44).

C. All Employer Taxes shall be paid by Defendants separately. (§15.)

D. Plaintiffs release of Defendants from claims described herein.

The Parties’ Motion for Final Approval of Class Action Settlement must be filed by May 10, 2023. The parties are ordered to contact the Clerk in Department 9 to obtain a hearing date for their motion.

The Parties’ Motion for Final Approval of Class Action Settlement must include a concurrently lodged [Proposed] Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out; and the parties must email the [Proposed] Judgment in Word format to Dept. 9 staff at sscdept9@lacourt.org.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Spring Street Courthouse, Department 9

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CSR: None

ERM: None

Deputy Sheriff: None

A Non-Appearence Case Review Re: Filing Motion for Final Approval of Class Action Settlement and lodged [Proposed] Judgment is scheduled for 05/17/2023 at 08:30 AM in Department 9 at Spring Street Courthouse.

Clerk to give notice to Moving Party. The Moving party to give notice to all other parties.

Clerk's Certificate of Service By Electronic Service is attached.

Exhibit 3

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Attorneys for Defendant
BALTAZAR CONSTRUCTION, INC.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

FRANCISCO SALOME RENOJ
HERNANDEZ, individually and on behalf of
others similarly situated,

Plaintiff,

vs.

BALTAZAR CONSTRUCTION, INC., a
California Corporation; and DOES 1 through
50, inclusive,

Defendants.

Case No.: 21STCV11456

*Assigned for all purposes to: Honorable
Yvette M. Palazuelos, Department 9*

**SECOND AMENDED JOINT
STIPULATION OF CLASS ACTION AND
PAGA SETTLEMENT**

Complaint Filed: March 24, 2021
Trial: None Set

This Second Amended Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Francisco Salome Renoj Hernandez, individually and on behalf of the Class, and Defendant Baltazar Construction, Inc.

1. “Agreement” or “Settlement Agreement” means this Second Amended Joint Stipulation of Class Action and PAGA Settlement.

3. “Class Counsel” means Protection Law Group, LLP.

5. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator within fourteen (14) calendar days after the Court enters and order granting Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a non-exempt employee of Defendant in the State of California; (6) total Workweeks during the Class Period; (7) total Workweeks during the PAGA

Period; (8) the amount of any Prior Release Payments made by Defendant to each Class Member; and (9) any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement.

6. “Class Members,” “Putative Class Members,” “Class,” and “Putative Class” means all current and former non-exempt employees of Defendant who were employed by Defendant in the state of California at any time during the Class Period.

7. “Class Notice” means the Notice of Proposed Class Action Settlement in a form substantially similar to the form attached hereto as Exhibit A, as approved by the Court, and in both English and Spanish, that will be mailed to Class Members’ last known addresses and which will provide Class Members with information regarding the Action and information regarding the settlement of the Action.

8. “Class Period” means the period commencing on March 24, 2017, and ending on either date of Preliminary Approval, or sixty (60) days from the date of mediation (i.e, November 13, 2021), whichever date occurs earlier.

9. “Class Representative” means Plaintiff Francisco Salome Renoj Hernandez in his capacity as representative of the Participating Class Members.

10. “Class Representative Incentive Payment” means the amount that the Court authorizes to be paid to Plaintiff Salome Renoj Hernandez, in addition to his Individual Settlement Payment, in recognition of the efforts and risks he has taken in assisting with the prosecution of the Action and in exchange for the General Release of her claims as provided herein.

11. “Court” means the Superior Court of the State of California for the County of Los Angeles.

12. “Defendant” means Baltazar Construction, Inc.

13. “Effective Date” means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed; (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the Settlement.

1 14. “Final Approval” means the Court entering an order granting final approval of
2 the Settlement Agreement.

3 15. “Gross Settlement Amount” means the sum of Five Hundred Forty Thousand
4 Dollars (\$540,000.00) to be paid by Defendant in full satisfaction of all of Defendant’s liabilities
5 in the Action, including Class Counsel’s Fees and Costs, Class Representative Incentive Payment,
6 Payments to Class Members, PAGA Payment, and Settlement Administration Costs. Defendants
7 shall receive a credit towards the Gross Settlement Amount in the amount of Ninety One
8 Thousand Five Hundred Dollars and Zero Cents (\$91,500.00) for Prior Release Payments already
9 paid to Class Members by Defendant. Thus, the additional total payment to be made by
10 Defendants in connection with the Settlement shall be Four Hundred Forty-Eight Thousand Five
11 Hundred Dollars and Zero Cents (\$448,500.00). The Gross Settlement Amount does not include
12 any employer-side taxes and withholdings, which will be calculated by the Settlement
13 Administrator and separately paid for by Defendant. The Gross Settlement Amount is non-
14 reversionary; no portion of the Gross Settlement Amount will return to Defendant.

15 16. “Individual Settlement Payment” means the amount payable from the Net
16 Settlement Amount to each Participating Class Member and any payment a PAGA Member is
17 eligible to receive from the employee portion of the PAGA Penalties. Individual Settlement
18 Payments shall be paid by a settlement check made payable to Participating Class Members and/or
19 PAGA Members. Any Participating Class Members who received payments from the Prior
20 Release Payments made by Defendant shall have such amounts credited against their Individual
21 Settlement Payment. The Settlement Administrator shall undertake all necessary calculations to
22 ensure that the Individual Settlement Payment to any Participating Class Member who did not
23 receive a Prior Release Payment shall be, at a minimum, at least \$500.00 more than any
24 Participating Class Member who received a Prior Release Payment.

25 17. “Net Settlement Amount” means the funds available for payments to the Putative
26 Class, which shall be the amount remaining after the following amounts are deducted from the
27 Gross Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3) Settlement
28 Administration Costs, (4) Class Representative Incentive Payment to Plaintiff, and (5) PAGA

Penalties to the California Labor and Workforce Development Agency (“LWDA”) and PAGA Members.

18. “PAGA” means the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”).

19. “PAGA Penalties” means the amount that the Parties have agreed to allocate in order to settle claims arising under PAGA. The Parties have agreed that Fifty Thousand Dollars (\$50,000.00) of the Gross Settlement Amount will be allocated to the resolution of Plaintiff’s PAGA claims. Seventy-five percent (75%) of the PAGA Penalties (i.e., \$37,500.00) will be paid to the LWDA in accordance with Labor Code §§ 2698 *et seq.* The remaining twenty-five percent (25%) of the PAGA Penalties (*i.e.*, \$12,500.00), will be distributed to PAGA Members. PAGA Members will receive payment from the employee portion of the PAGA Penalties regardless of their decision to participate in the class action if the PAGA Penalties is approved by the Court.

20. “PAGA Period” means the period commencing on March 22, 2020, and ending on either date of Preliminary Approval, or sixty (60) days from the date of mediation (*i.e.*, November 13, 2021), whichever date occurs earlier.

21. “PAGA Members” means all current and former hourly-paid, non-exempt employees of Defendant who were employed by Defendant in the state of California at any time during the PAGA Period.

22. “Parties” means Plaintiff and Defendant, collectively, and “Party” shall mean either Plaintiff or Defendant, individually.

23. “Participating Class Members” means all Class Members who do not submit a valid and timely Request for Exclusion.

24. “Plaintiff” means Francisco Salome Renoj Hernandez.

25. “Preliminary Approval” means the Court order granting preliminary approval of the Settlement Agreement.

26. “Prior Release Payments” means the Ninety One Thousand Five Hundred Dollars and Zero Cents (\$91,500.00) in release payments Defendant certifies have already been made to Class Members following the filing of the Action. Defendant further certify that 183 Class

Members who worked 10,804 Workweeks received Prior Release Payments, and that 134 Class Members have not received Prior Release Payments.

27. “Objection” means a Class Member’s valid and timely written objection to the Settlement Agreement. For an Objection to be valid, it must include: (a) the objector’s full name, address, telephone number, last four digits of the employee’s social security number or employee ID number and (b) a written statement of all grounds for the objection accompanied by legal support, if any, for such objection.

28. “Released Class Claims” means any and all claims, rights, demands, liabilities and causes of action that are alleged, or reasonably could have been alleged based on the facts and claims asserted in the operative complaint in this action including the following claims: (i) failure to pay all regular wages, minimum wages, prevailing wages, and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to provide timely pay wages during employment; (viii) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; and (ix) failure to maintain required payroll records .

29. “Released PAGA Claims” means all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 that are alleged, or reasonably could have been alleged based on the facts and claims, causes of action or legal theories described above in the Released Class Claims or any of the claims, causes of action asserted in the PAGA Notice provided to the LWDA and the legal theories pled in the operative complaint including but not limited to Labor Code sections 210, 226.3, 227.3, 1197.1, 558, and 2699.

30. “Released Parties” means Defendant Baltazar Construction, Inc., as named by Plaintiff in the operative complaint in the Action, and all of its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives,

attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

31. “Request for Exclusion” means a valid and timely written statement submitted by a Class Member requesting to be excluded from the Action. To be effective, the Request for Exclusion must contain (a) the Class Member’s name, address, telephone number, and the last four digits of the Class Member’s Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims similar to the following: “I wish to exclude myself from the class settlement reached in the matter of *Hernandez v. Baltazar Construction, Inc.* I understand that by excluding myself, I will not receive money from the settlement of my individual claims.” To be effective, the Request for Exclusion must be post-marked by the Response Deadline and received by the Settlement Administrator. The Request for Exclusion shall not be effective as to the release of claims arising under the Private Attorneys General Act.

32. “Response Deadline” means the date sixty (60) days after the Settlement Administrator mails the Class Notice to Class Members and the last date on which Class Members may submit Requests for Exclusion, written objections to the Settlement, or workweek disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion or Objections or workweek disputes will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Class Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s counsel. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the deadline for Class Members to submit a Request for Exclusion or Objection to the settlement.

33. “Settlement” means the disposition of the Action pursuant to this Agreement.

1 34. “Settlement Administrator” means ILYM Group, Inc. The Parties each represent
2 that they do not have any financial interest in the Settlement Administrator or otherwise have a
3 relationship with the Settlement Administrator that could create a conflict of interest.

4 35. “Settlement Administration Costs” means the costs payable from the Gross
5 Settlement Amount to the Settlement Administrator for administering this Settlement, including,
6 but not limited to, printing, distributing, and tracking documents for this Settlement,
7 calculating/confirming the Class Members’ Workweeks from the information contained in the
8 Class List, calculating each Participating Class Member’s Individual Settlement Payment, tax
9 reporting, distributing the Gross Settlement Amount, providing necessary reports and
10 declarations, and other duties and responsibilities set forth herein to process this Settlement, and
11 as requested by the Parties or the Court. Settlement Administration Costs shall not exceed Fifteen
12 Thousand Dollars (\$15,000.00).

13 36. “Workweek” means any calendar week (*i.e.*, a week beginning with Sunday and
14 ending with Saturday) in which a Class Member or PAGA Member worked at least one day.

15 **TERMS OF AGREEMENT**

16 37. Settlement Consideration. Defendant shall fully fund the Gross Settlement
17 Amount (less the amounts already paid by Defendant by way of the Prior Release Payments)
18 following Final Approval by the Court and the occurrence of the Effective Date. The following
19 will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments,
20 the Class Representative Incentive Payment, Class Counsel’s Fees and Costs, the PAGA
21 Penalties, and the Settlement Administration Costs, as specified in this Agreement. Except for
22 any employer-side payroll taxes due on the Individual Settlement Payments, or as a result of an
23 increase in the number of workweeks as set forth below, Defendant shall not be required to pay
24 more than the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no
25 portion of the Gross Settlement Amount will revert to Defendant.

26 38. Potential Increase to the Gross Settlement Amount. Defendant has represented
27 there are approximately 13,722 Workweeks during the Class Period. Should the actual number of
28 Workweeks exceed this number by more than ten percent (10%) (*i.e.*, increase by more than 1,372

1 Workweeks), the Gross Settlement Amount shall increase on a pro-rata basis equal to the
2 percentage increase in the number of Workweeks worked by the Class Members above 10% (for
3 example, if the number of Workweeks increases by 11% to 15,231 Workweeks, the Gross
4 Settlement Amount will increase by 1%).

5 39. Funding of the Gross Settlement Amount. Within fourteen (14) calendar days of
6 the Effective Date, Defendant will deposit the Gross Settlement Amount (less the amounts already
7 paid by Defendant by way of the Prior Release Payments), and all applicable employer-side
8 payroll taxes, into a Qualified Settlement Fund (“QSF”) to be established by the Settlement
9 Administrator. Defendant shall provide all information necessary for the Settlement
10 Administrator to calculate necessary payroll taxes including its official name, 8-digit state
11 unemployment insurance tax ID number, and other information requested by the Settlement
12 Administrator, no later than fourteen (14) calendar days after Final Approval of the Settlement.

13 40. Distribution of the Gross Settlement Amount. Within seven (7) calendar days of
14 the funding of the Settlement, the Settlement Administrator will issue payments for: (a) Individual
15 Settlement Payments; (b) the PAGA Penalties to the LWDA; (c) the Class Representative
16 Incentive Payment; (d) Class Counsel’s Fees and Costs and (e) Settlement Administration Costs.
17 If the Settlement Administrator asks for the Parties’ approval prior to distributing the court
18 approved allocations and corresponding payments, the Parties shall provide their approval within
19 three (3) business days. If either Party has an objection to the court approved allocations and
20 disbursement schedule, it must seek *ex parte* relief from the Court about its objection, unless both
21 Parties agree to an alternate date for distribution.

22 41. Attorneys’ Fees and Costs. Defendant agrees not to oppose or impede any
23 application or motion by Class Counsel for attorneys’ fees of up to thirty-five percent (35%) of
24 the Gross Settlement Amount (\$189,000.00) plus the reimbursement of costs and expenses
25 associated with Class Counsel’s litigation and settlement of the Action, in an amount not to exceed
26 Twenty Thousand Dollars (\$20,000.00), both of which will be paid from the Gross Settlement
27 Amount. Defendant agrees that it does not and shall not oppose Plaintiff’s contention that the
28 filing of the Action had the catalytic effect of prompting Defendant to pay the \$91,500.00 in Prior

1 Release Payments to Class Members, and that Class Counsel should recover attorney's fees for
2 their roles in securing the Prior Release Payments. Defendant and Defendant's counsel agree to
3 provide Class Counsel with a declaration confirming that Defendant's payment of the Prior
4 Release Payments was prompted by the filing of the Actions should the Court require additional
5 information in support of any Plaintiff's requested fee award or if necessary to obtain approval of
6 Plaintiff's requested fee award. Any portion of the requested fees or costs that is not awarded by
7 the Court to Class Counsel shall be reallocated to the Net Settlement Amount and distributed to
8 Participating Class Members as provided in this Agreement.

9 42. Class Representative Incentive Payment. Defendant agrees not to oppose or object
10 to any application or motion by Plaintiff for a Class Representative Incentive Payment of Five
11 Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Francisco Salome Renoj Hernandez.
12 The Class Representative Incentive Payment is in exchange for the General Release of Plaintiff's
13 individual claims, and for Plaintiff's time, effort and risk in bringing and prosecuting the Action.
14 Any adjustments made by the Court to the requested Class Representative Incentive Payment
15 shall not be deemed a material modification of this Agreement. In the event that the Court reduces
16 or does not approve the requested Class Representative Incentive Payment, the Settlement
17 Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the
18 settlement for that reason, it shall remain binding, and any portion of the requested Class
19 Representative Incentive Payment that is not awarded by the Court to the Class Representative
20 shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members
21 as provided in this Agreement.

22 43. Settlement Administration Costs. The Settlement Administrator will be paid for
23 the reasonable costs of administration of the Settlement and distribution of payments from the
24 Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs
25 shall not exceed Fifteen Thousand Dollars (\$15,000.00).

26 44. PAGA Penalties. Fifty Thousand Dollars (\$50,000.00) of the Gross Settlement
27 Amount shall be allocated for settlement of claims for civil penalties under PAGA. The
28 Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Penalties, or Thirty-

Seven Thousand Five Hundred Dollars (\$37,500.00), to the LWDA. The remaining twenty-five percent (25%) of the PAGA Penalties, or Twelve Thousand Five Hundred Dollars (\$12,500.00), will be distributed to PAGA Members on a *pro rata* basis based on the total number of Workweeks worked by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of the PAGA Penalties regardless of their decision to opt-out of the class settlement.

45. Net Settlement Amount for Payment of Class Claims. The Net Settlement Amount will be used to satisfy the class portion of Participating Class Members' Individual Settlement Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount	\$	540,000.00
Class Representative Incentive Payment:	\$	5,000.00
Class Counsel's Fees:	\$	189,000.00
Class Counsel's Costs:	\$	20,000.00
PAGA Penalties:	\$	50,000.00
Settlement Administration Costs:	\$	15,000.00
Estimated Net Settlement Amount:	\$	261,000.00

46. Individual Settlement Payment Calculations. Individual Settlement Payments will be paid from the Net Settlement Amount and the 25% portion of the PAGA Penalties for PAGA Members and shall be paid pursuant to the formulas set forth herein:

a) Calculation of Class Portion of Individual Settlement Payments. The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of workweeks worked by each Participating Class Member during the Class Period. The amount that each Participating Class Member will be eligible to receive will be calculated by dividing each Participating Class Member's individual Workweeks by the total Workweeks of all Participating Class Members, and multiplying the resulting fraction by the Net Settlement Amount. Any Participating Class Members who received payment from the Prior

1 Release Payments made by Defendants shall have such amounts credited against the class portion
2 of their Individual Settlement Payment. Further, the Settlement Administrator shall undertake all
3 necessary calculations to ensure that the Individual Settlement Payment paid to any Participating
4 Class Member who did not receive a Prior Release Payment shall be, at a minimum, at least
5 \$500.00 more than any Participating Class Member who received a Prior Release Payment.

6 b) Calculation of PAGA Portion of Individual Settlement Payments. The
7 Settlement Administrator will calculate the total Workweeks for all PAGA Members by adding
8 the number of workweeks worked by each PAGA Member during the PAGA Period. The amount
9 that each PAGA Member will receive will be calculated by dividing each participating PAGA
10 Member's individual Workweeks by the total Workweeks of all PAGA Members, and
11 multiplying the resulting fraction by the 25% share of the PAGA Penalties designated for
12 distribution to PAGA Members. PAGA Members shall receive this portion of their Individual
13 Settlement Payment regardless of whether they opt out of the participation regarding the class
14 claims.
15

16 c) Allocation of Individual Settlement Payments. All Individual Settlement
17 Payments will be allocated as follows: ten percent (20%) of each Individual Settlement Payment
18 will be allocated as wages, forty percent (40%) shall be allocated as interest, and forty (40%) shall
19 be allocated as penalties. The portion of the Individual Settlement Payment allocated to wages
20 will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage
21 payments will be reported on an IRS Form-1099 by the Settlement Administrator.

22 47. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
23 Participating Class Members under this Settlement, as well as any other payments made pursuant
24 to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans
25 to which any Class Members may be eligible, including, but not limited to profit-sharing plans,
26 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and
27 any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not
28

1 affect any rights, contributions, or amounts to which any Class Members may be entitled under
2 any benefit plans.

3 48. Settlement Administration Process. The Parties agree to cooperate in the
4 administration of the Settlement and to make all reasonable efforts to control and minimize the
5 costs and expenses incurred in administration of the Settlement. The Settlement Administrator
6 will provide the following services:

7 48(a) Establish and maintain a Qualified Settlement Fund.

8 48(b) Calculate the Individual Settlement Payment each Participating Class
9 Member is eligible to receive and the portion of the PAGA Penalties
10 each PAGA Member shall receive.

11 48(c) Translate the Class Notice from English to Spanish.

12 48(d) Print and mail the Class Notice in English and Spanish.

13 48(e) Perform address searches as detailed herein, including conduct
14 additional address searches and skip traces for mailed Class Notices
15 that are returned as undeliverable.

16 48(f) Process Requests for Exclusion, Objections, calculate Participating
17 Class Members' Individual Settlement Payment, field inquiries or
18 disputes from Class Members.

19 48(g) Print and issue Settlement Payment Checks, prepare any IRS W2 and
20 1099 Tax Forms and any other filings required by any governmental
21 taxing authority.

22 48(h) Provide declarations and/or other information to this Court as requested
23 by the Parties and/or the Court.

24 48(i) Provide weekly status reports to counsel for the Parties.

25 48(j) Posting a notice of final judgment, after entry of the judgment, online
26 at the Settlement Administrator's website for a period of sixty (60) days
27 pursuant to California Rule of Court 3.769.

28 49. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary

1 Approval, Defendant will provide the Class List to the Settlement Administrator. This is a
2 material term of the Agreement, and if Defendant fails to comply, Plaintiff shall have the right to
3 void the Agreement.

4 50. Class Notice by First-Class U.S. Mail. Within seven (7) calendar days after
5 receiving the Class List from Defendant, the Settlement Administrator will mail the Class Notice
6 (in both English and Spanish) to all Class Members via regular First-Class U.S. Mail, using the
7 most current, known mailing addresses identified in the Class List. The Parties may not vary from
8 the form of the Class Notice approved by the Court. If the Settlement Administrator asks for the
9 Parties' approval prior to mailing the court approved Class Notice, the Parties shall provide their
10 approval within three (3) business days. If either Party has an objection to the court approved
11 form of the Class Notice, it must seek *ex parte* relief from the Court about its objection.

12 51. Confirmation of Contact Information in the Class List. Prior to mailing, the
13 Settlement Administrator will perform a search based on the National Change of Address
14 Database for information to update and correct for any known or identifiable address changes.
15 Any Class Notice returned to the Settlement Administrator as non-deliverable on or before the
16 Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding
17 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing
18 on the Class Notice. If no forwarding address is provided, the Settlement Administrator will
19 promptly attempt to determine the correct address using a skip-trace, or other search using the
20 name, address and/or Social Security number of the Class Member involved, and will then
21 perform a single re-mailing. If any Class Notice sent to a Class Member by the Settlement
22 Administrator is returned as undeliverable to a current employee, then Defendant shall make all
23 reasonable efforts to obtain the current address from the Class Member and provide the same
24 within seven (7) calendar days of notice from the Settlement Administrator. Those Class Members
25 who receive a re-mailed Class Notice, whether by skip-trace or by request, will have between the
26 later of (a) an additional fifteen (15) calendar days or (b) the Response Deadline to postmark a
27 Request for Exclusion, or an Objection to the Settlement, or to submit workweek disputes.

28 52. Class Notice. All Class Members will be mailed a Class Notice. Each Class Notice

1 will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's
2 principal terms; (c) the Class definition; (d) the total number of Workweeks each respective Class
3 Member worked for Defendant during the Class Period; (e) each Class Member's estimated
4 Individual Settlement Payment and the formula for calculating Individual Settlement Payments;
5 (f) the dates which comprise the Class Period and PAGA Period; (g) the deadlines by which the
6 Class Member must postmark Requests for Exclusion, Objections to the Settlement, or workweek
7 disputes; (h) the claims to be released, as set forth herein; and (j) the date for the final approval
8 hearing.

9 53. Disputed Information on Class Notice. Class Members will have an opportunity
10 to dispute the information provided in their Class Notice. To the extent Class Members dispute
11 the number of Workweeks with which they have been credited or the amount of their Individual
12 Settlement Payment, Class Members may produce evidence to the Settlement Administrator
13 showing that such information is inaccurate. Absent evidence rebutting Defendant's records,
14 Defendant's records will be presumed determinative. However, if a Class Member produces
15 evidence contrary to Defendant's records by the Response Deadline, the Settlement Administrator
16 shall notify Class Counsel, and Defendant's counsel to discuss and resolve the dispute, including
17 providing all available relevant information to all counsel. The Parties will resolve all disputes
18 jointly, which shall be final and binding on any Class Member disputes, and shall thereafter
19 instruct the Settlement Administrator how to proceed in processing the dispute. If the Parties
20 cannot reach an agreement, disputes shall be referred to the Settlement Administrator for a
21 determination and if the dispute remains unresolved after that, the dispute shall be submitted to
22 the Court for final determination. All such disputes are to be resolved or submitted to the Court
23 no later than fourteen (14) calendar days after the Response Deadline.

24 54. Defective Submissions. If a Class Member's Request for Exclusion is defective as
25 to the requirements listed herein, that Class Member will be given an opportunity to cure the
26 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
27 business days of receiving the defective submission to advise the Class Member that his or her
28 submission is defective and that the defect must be cured to render the Request for Exclusion

1 valid. The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15)
2 calendar days from the date of the cure letter, whichever date is later, to postmark a revised
3 Request for Exclusion. If a Class Member responds to a cure letter by filing a defective claim,
4 then the Settlement Administrator will have no further obligation to give notice of a need to cure.
5 If the revised Request for Exclusion is not postmarked within that period, it will be deemed
6 untimely. Any dispute regarding the validity of a Request for Exclusion falls solely within the
7 discretion of the Settlement Administrator unless both Parties stipulate otherwise.

8 55. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
9 Action must sign and postmark a written Request for Exclusion to the Settlement Administrator
10 by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name,
11 address, telephone number, and the last four digits of the Class Member's Social Security number
12 and/or the Employee ID number and (b) a clear statement requesting to be excluded from the
13 settlement of the class claims similar to the following: "I wish to exclude myself from the class
14 settlement reached in the matter of *Hernandez v. Baltazar Construction, Inc.* I understand that by
15 excluding myself, I will not receive money from the settlement of my individual claims." The
16 date of the postmark on the return mailing envelope receipt confirmation will be the exclusive
17 means to determine whether a Request for Exclusion has been timely submitted. All Requests for
18 Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class
19 Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted. All
20 Class Members who do not request exclusion from the Action will be bound by all terms of the
21 Settlement Agreement if the Settlement is granted final approval by the Court. The Request for
22 Exclusion shall not be effective as to the release of claims arising under the Private Attorneys General Act.

23 56. Defendant's Right to Rescind. If ten percent (10%) or more of the Class Members
24 (rounded to the next whole number) elect not to participate in the Settlement, Defendant may, at
25 its election, rescind the Settlement Agreement and all actions taken in furtherance of it will be
26 thereby null and void. Defendant must meet and confer with Class Counsel prior to exercising
27 this right and must make clear its intent to rescind the Agreement no later than ten (10) calendar
28 days after the Response Deadline. If Defendant exercises its right to rescind the Agreement,

1 Defendant shall be responsible for all Settlement Administration Costs incurred to the date of
2 rescission.

3 57. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
4 Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid
5 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released
6 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
7 Settlement. Class Members who opt-out of the Settlement shall not be bound by such Judgment
8 or release. The names of Class Members who have opted-out of the settlement shall be disclosed
9 to the Counsel for Plaintiff and Defendant and noted in the proposed Judgment submitted to the
10 Court.

11 58. Objection Procedures. To object to the Settlement, a Participating Class Member
12 must postmark a valid Objection to the Settlement Administrator on or before the Response
13 Deadline. The Objection must be signed by the Participating Class Member and contain all
14 information required by this Settlement Agreement including the Class Member's full name,
15 address, telephone number, the last four digits of their social security number and/or Employee
16 ID number, and the specific reason including any legal grounds for the Participating Class
17 Member's objection. The postmark date will be deemed the exclusive means for determining that
18 the Objection is timely. Any dispute regarding the validity of an Objection falls solely within the
19 discretion of the Settlement Administrator unless both Parties stipulate otherwise. Participating
20 Class Members who fail to object in the manner specified above will be foreclosed from making
21 a written objection, but shall still have a right to appear at the Final Approval Hearing in order to
22 have their objections heard by the Court. At no time will any of the Parties or their counsel seek
23 to solicit or otherwise encourage Participating Class Members to submit written objections to the
24 Settlement or appeal from the Order and Judgment. Class Counsel will not represent any
25 Participating Class Members with respect to any objections to this Settlement.

26 59. Certification Reports Regarding Individual Settlement Payment Calculations. The
27 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report
28 which certifies: (a) the number of Class Members who have submitted Requests for Exclusion;

1 (b) the number of re-mailed and/or undeliverable Class Notices; and (c) whether any Class
2 Member has submitted a challenge to any information contained in the Class Notice. Additionally,
3 the Settlement Administrator will provide to counsel for all Parties any updated reports regarding
4 the administration of the Settlement Agreement as needed or requested. The Settlement
5 Administrator will provide a declaration to Class Counsel in advance of the hearing on Final
6 Approval of the settlement which Class Counsel shall be responsible for reviewing and approving.

7 60. Uncashed Settlement Checks. Any checks issued by the Settlement Administrator
8 to Participating Class Members and PAGA Members will be negotiable for at least one hundred
9 eighty (180) calendar days. If a Participating Class Member and/or PAGA Member does not cash
10 his or her settlement check within 180 days, the uncashed funds, subject to Court approval, shall
11 be distributed to the Controller of the State of California to be held pursuant to the Unclaimed
12 Property Law, California Civil Code § 1500, *et. seq.* for the benefit of those Participating Class
13 Members and/or PAGA Members who did not cash their checks until such time that they claim
14 their property. The Parties agree that this disposition results in no “unpaid residue” under
15 California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to
16 Participating Class Members and PAGA Members, whether or not they all cash their settlement
17 checks. Therefore, Defendant will not be required to pay any interest on such amounts. The
18 Individual Settlement Payments provided to Participating Class Members and to PAGA Members
19 shall prominently state the expiration date or a statement that the settlement check will expire in
20 one hundred eighty (180) days, or alternatively, such a statement may be made in a letter
21 accompanying the Individual Settlement Payment. Expired Individual Settlement Payments will
22 not be reissued, except for good cause and as mutually agreed by the Parties in writing. The parties
23 agree no unclaimed funds will result from the settlement process detailed in this Agreement.

24 61. Administration of Taxes by the Settlement Administrator. The Settlement
25 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class
26 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid
27 pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding
28 all payroll taxes and penalties to the appropriate government authorities.

1 62. Tax Liability. Defendant makes no representation as to the tax treatment or legal
2 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are
3 not relying on any statement, representation, or calculation by Defendant or by the Settlement
4 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that
5 except for Defendant's payment of the employer's portion of any payroll taxes, they will be solely
6 responsible for the payment of any taxes and penalties assessed on the payments described herein.
7 Defendant's share of any employer-side payroll taxes and other required employer withholdings
8 due on the Individual Settlement Payments, including, but not limited to, Defendant's FICA and
9 FUTA contributions, shall be paid separate and apart from the Gross Settlement Amount.

10 63. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this
11 section, the "acknowledging party" and each Party to this Agreement other than the
12 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this
13 Agreement, and no written communication or disclosure between or among the Parties or their
14 attorneys and other advisers, is or was intended to be, nor shall any such communication or
15 disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United
16 States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging
17 party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for
18 advice (including tax advice) in connection with this Agreement, (b) has not entered into this
19 Agreement based upon the recommendation of any other Party or any attorney or advisor to any
20 other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney
21 or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging
22 party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects
23 the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such
24 limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or
25 tax structure of any transaction, including any transaction contemplated by this Agreement.

26 64. No Prior Assignments. The Parties and their counsel represent, covenant, and
27 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
28 to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,

1 action, cause of action or right herein released and discharged.

2 65. Release by Participating Class Members, PAGA Members, the LWDA and the
3 State of California. Upon the funding of the Gross Settlement Amount and all applicable
4 employer-side payroll taxes by Defendant, Participating Class Members shall fully release and
5 discharge the Released Parties from any and all Released Claims arising during the Class Period.
6 This release shall be binding on all Participating Class Members. All PAGA Members, the
7 LWDA, and the State of California shall release the Released PAGA Claims for the PAGA
8 Period. All PAGA Members shall release claims arising under PAGA during the PAGA Period
9 regardless of their decision to participate in the class settlement.

10 66. Release of Additional Claims & Rights by Plaintiff. Upon the funding of the Gross
11 Settlement Amount, Plaintiff will agree to the additional following General Release: In
12 consideration of Defendant's promises and agreements as set forth herein, Plaintiff hereby
13 releases the Released Parties from all claims, demands, rights, liabilities and causes of action of
14 every nature and description whatsoever, known or unknown, asserted or that might have been
15 asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation
16 arising out of, relating to, or in connection with any act or omission by or on the part of any of
17 the Released Party committed or omitted prior to the execution thereof. Specifically, Plaintiff
18 will expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights
19 and benefits afforded of section 1542 of the California Civil Code, or any other provision under
20 federal or state law, which provides:

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

26 This release specifically excludes claims for unemployment insurance, disability, social
27 security, and workers' compensation (with the exception of claims arising pursuant to California
28 Labor Code sections 132(a) and 4553).

1 67. Neutral Employment Reference. Defendant agrees that it will adopt a neutral
2 reporting policy regarding any future employment references related to Plaintiff. In the event that
3 any potential or future employers of Plaintiff request a reference regarding Defendant's
4 employment of Plaintiff, Defendant shall only provide Plaintiff's dates of employment, job titles
5 during employment, and final rate of pay. Defendant shall not refer to the Action or this
6 Settlement.

7 68. Nullification of Settlement Agreement. In the event that: (a) the Court does not
8 finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any
9 material term of this Settlement Agreement; or (c) the Settlement does not become final as written
10 and agreed to by the Parties for any other reason, then this Settlement Agreement, and any
11 documents generated to bring it into effect, will be null and void, all amounts deposited into the
12 QSF will be returned to Defendant, and the Parties shall be returned to their original respective
13 positions. Any order or judgment entered by the Court in furtherance of this Settlement
14 Agreement will likewise be treated as void from the beginning. Pursuant to California Evidence
15 Code § 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding
16 to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the
17 Parties agree that this Settlement Agreement is void, and remains protected by California
18 Evidence Code § 1152. Should the Court fail to approve this settlement for any reason, the Parties
19 agree that they will return to and attend mediation with a mutually agreed mediator in an effort to
20 reach a settlement that may be approved by the Court.

21 69. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to
22 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
23 Approval Order for: (a) conditional certification of the Putative Class for settlement purposes only,
24 (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final
25 Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the
26 Class Notice to be sent to all Class Members as specified herein. In conjunction with the
27 Preliminary Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of
28 the Settlement, and will include the proposed Class Notice attached as Exhibit A. Class Counsel

1 will be responsible for drafting all documents necessary to obtain Preliminary Approval but shall
2 provide the Motion for Preliminary Approval to Defendant's Counsel at least three (3) calendar
3 days in advance of submission for their review and comment. Defendant may provide additional
4 information regarding Defendant's contentions and alleged defenses, which Plaintiff may dispute,
5 but shall include in the preliminary approval papers. Plaintiff will work in good faith with
6 Defendant regarding other revisions and comments to the Motion for Preliminary Approval,
7 which Plaintiff shall consider, but shall not be required to accept. Defendant shall file a notice of
8 non-opposition that states it either joins in Plaintiff's Motion for Preliminary Approval or that it
9 will not file any response to Plaintiff's unopposed Motion for Preliminary Approval. This is a
10 material term of the settlement and any opposition by Defendant will be grounds for Plaintiff to
11 withdraw from the settlement. Any failure by the Court to fully and completely approve the
12 Agreement as to the Action, or the entry of any Order by another Court with regard to any of the
13 Action which has the effect of preventing the full and complete approval of this Settlement
14 Agreement as written and agreed to by the Parties, will result in this Settlement Agreement and
15 the Memorandum of Understanding entered into by the Parties, and all obligations under this
16 Settlement Agreement and the Memorandum of Understanding being nullified and voided.

17 70. Final Settlement Approval Hearing and Entry of Judgment. Upon completion of the
18 Class Notice process, including the expiration of the deadlines to postmark Requests for
19 Exclusion or Objections to the Settlement Agreement, a Final Approval/Settlement Fairness Hearing
20 will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts
21 properly payable for: (a) Individual Settlement Payments; (b) the PAGA Penalties to the LWDA; (c) Class
22 Counsel's Attorneys' Fees and Costs; (d) the Class Representative Incentive Payment; and (e) the
23 Settlement Administration Costs. Any failure by the Court to fully and completely approve the
24 Settlement Agreement as to all of the Action, or the entry of any Order by another Court with
25 regard to any of the Action which has the effect of modifying material terms of this Agreement
26 or preventing the full and complete approval of the Settlement Agreement as written and agreed
27 to by the Parties, will result in this Agreement and all obligations under this Agreement being null
28

1 and void. Defendant agrees it shall not oppose the granting of the Motion for Final Approval,
2 provided Defendant has not exercised its right to rescind pursuant to the terms of this Agreement.

3 71. Judgment and Continued Jurisdiction. Upon Final Approval of the Settlement by
4 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
5 Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing
6 jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms
7 of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as
8 may be appropriate under court rules or as set forth in this Settlement.

9 72. Exhibits Incorporated by Reference. The terms of this Settlement include the terms
10 set forth in any attached Exhibits, which are incorporated by this reference as though fully set
11 forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

12 73. Entire Agreement. This Settlement Agreement and any attached Exhibits
13 constitute the entirety of the Parties' Settlement. No other prior or contemporaneous written or
14 oral agreements may be deemed binding on the Parties.

15 74. Amendment or Modification. This Settlement Agreement may be amended or
16 modified only by a written instrument signed by counsel for all Parties or their successors-in-
17 interest.

18 75. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
19 and represent they are expressly authorized by the Parties whom they represent to negotiate this
20 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
21 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
22 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
23 counsel will cooperate with each other and use their best efforts to affect the implementation of
24 the Settlement. If the Parties are unable to reach agreement on the form or content of any
25 document needed to implement the Settlement, or on any supplemental provisions that may
26 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance
27 of the Court to resolve such disagreement.

28 76. Binding on Successors and Assigns. This Settlement Agreement will be binding

upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

78. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

79. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

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

81. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that either party may appeal any court order that materially alters the Settlement Agreement's terms.

82. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to class action certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Agreement

1 will not be admissible in this or any other proceeding as evidence that either: (a) a class action
2 should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than
3 according to the Settlement's terms.

4 83. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
5 dispute that has arisen between them and to avoid the burden, expense and risk of continued
6 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it
7 has violated any federal, state, or local law; violated any regulations or guidelines promulgated
8 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached
9 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
10 engaged in any other unlawful conduct with respect to its employees. Neither this Agreement, nor
11 any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as
12 an admission or concession by Defendant of any such violations or failures to comply with any
13 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
14 Agreement and its terms and provisions shall not be offered or received as evidence in any action
15 or proceeding to establish any liability or admission on the part of Defendant or to establish the
16 existence of any condition constituting a violation of, or a non-compliance with, federal, state,
17 local or other applicable law.

18 84. Captions. The captions and section numbers in this Agreement are inserted for the
19 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
20 provisions of this Agreement.

21 85. Waiver. No waiver of any condition or covenant contained in this Settlement
22 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
23 to imply or constitute a further waiver by such party of the same or any other condition, covenant,
24 right or remedy.

25 86. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
26 and conditions of this Agreement. Accordingly, this Agreement will not be construed more
27 strictly against one Party than another merely by virtue of the fact that it may have been prepared
28 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations

1 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

2 87. Representation By Counsel. The Parties acknowledge that they have been
3 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
4 and that this Agreement has been executed with the consent and advice of counsel and reviewed
5 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
6 Agreement.

7 88. All Terms Subject to Final Court Approval. All amounts and procedures described
8 in this Settlement Agreement herein will be subject to final Court approval.

9 89. Cooperation and Execution of Necessary Documents. The Parties agree to
10 cooperate to promote participation in the Settlement, and in seeking court approval of the
11 Settlement. The Parties and their counsel agree not to take any action to encourage any Class
12 Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any
13 settlement agreement waivers, Pick Up Stix agreements or arbitration agreements from any Class
14 Member prior to the funding of the Gross Settlement Amount concerning claims released via this
15 Agreement, or enter into any arbitration agreement with any Class Member that covers the claims
16 released via this Agreement during the Settlement approval process prior to the funding of the
17 Gross Settlement Amount and that the Parties will work in good faith to reach an agreement
18 approved by the Court.

19 90. Enforcement and Continuing Jurisdiction of the Court. To the extent consistent
20 with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant
21 to California Code of Civil Procedure § 664.6. The Court shall retain continuing jurisdiction over
22 this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate
23 the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this
24 Settlement Agreement. The Court shall award attorneys' fees and costs to the prevailing party in
25 any motion or action taken and based on an alleged violation of any material term of the
26 Settlement Agreement and/or in any action taken to enforce the terms of this Settlement
27 Agreement.

28 91. Voluntary Agreement. The Parties acknowledge that they have entered into this

1 Settlement Agreement voluntarily, on the basis of their own judgment and without coercion,
2 duress, or undue influence of any Party, and not in reliance on any promises, representations, or
3 statements made by the other Parties other than those contained in this Settlement Agreement.
4 Each of the Parties hereto expressly waives any right they might ever have to claim that this
5 Settlement Agreement was in any way induced by fraud.

6 92. Confidentiality. The Parties and their counsel agree that there will be no publicity,
7 marketing, posting, publishing, reporting, or advertising of the Settlement or any of its terms.
8 However, Class Counsel may list the case name, number, and a brief description of the claims in
9 their declarations in support of qualifications as class counsel in future filings. Notwithstanding
10 anything in this provision, Class Counsel can discuss the Settlement with Plaintiff and with Class
11 Members and can include it in all necessary Court and ancillary documents supporting the
12 resolution of this Action. Nothing in this paragraph is intended to interfere with Class Counsel's
13 duties and obligations to faithfully discharge their duties as Class Counsel, including but not
14 limited to, communicating with Class Members regarding the settlement.

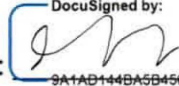
15 93. Binding Agreement. The Parties warrant that they understand and have full
16 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
17 fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
18 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality
19 provisions that otherwise might apply under federal or state law.

20
21 ***[Remainder of Page Intentionally Left Blank]***
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23
24
25
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27
28

1 APPROVED AS TO FORM AND CONTENT:

2 Dated: 10/17/2022

3 **PLAINTIFF**

4 By: 
 9A1AD144BA5B456

5 Francisco Salome Renoj Hernandez

6
7 Dated: _____

8 **DEFENDANT BALTAZAR**
9 **CONSTRUCTION, INC.**

10 By: _____

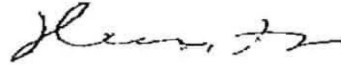
11 Name: _____

12 Title: _____

13
14 APPROVED AS TO FORM ONLY:

15
16 Dated: 10/17/2022

17 **PROTECTION LAW GROUP, LLP**

18 By: 

19 Heather Davis, Esq.

20 Amir Nayebdadash, Esq.

21 Attorneys for Plaintiff

22
23 Dated: _____

24 **ATKINSON, ANDELSON, LOYA, RUDD &**
25 **ROMO**

26 By: _____
27 Thomas W. Kovacich, Esq.

28 Joshua N. Lange, Esq.

Attorneys for Defendant

1 APPROVED AS TO FORM AND CONTENT:

2 Dated: _____

3 PLAINTIFF

4 By: _____

5 Francisco Salome Renoj Hernandez

6
7 Dated: Oct 17, 2022

8 DEFENDANT BALTAZAR
CONSTRUCTION, INC.

9 By: Grace Moreno

10 Name: GRACE MORENO

11 Title: PRESIDENT

12
13
14 APPROVED AS TO FORM ONLY:

15 Dated: _____

16 PROTECTION LAW GROUP, LLP

17 By: _____

18 Heather Davis, Esq.

19 Amir Nayebdadash, Esq.

20 Attorneys for Plaintiff

21
22 Dated: 10/17/22

23 ATKINSON, ANDELSON, LOYA, RUDD &
ROMO

24 By: [Signature]

25 Thomas W. Kovacich, Esq.

26 Joshua N. Lange, Esq.

27 Attorneys for Defendant

Exhibit “A”

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Francisco Salome Renoj Hernandez v. Baltazar Construction, Inc., et. al
Los Angeles Superior Court, Case No. 21STCV11456

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To:	All current and former non-exempt employees of Baltazar Construction, Inc. who were employed in the State of California at any time from March 24, 2017, to November 13, 2021.
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BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by a former employee of Baltazar Construction, Inc. (“Defendant”) on March 24, 2021. The case is currently pending in the Los Angeles Superior Court, Case No. 21STCV11456 (“Lawsuit”).

The Lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendant failed to provide compliant meal and rest periods and associated premium wages, did not properly pay employees all wages owed for time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The Lawsuit claims that the Defendant violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution. Defendant denies all alleged violations and denies that they owe Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case, Francisco Salome Renoj Hernandez, also known as “Plaintiff”), sue on behalf of people who appear to have similar claims (in this case all current and former non-exempt or hourly-paid employees who are or were employed by Defendant in the State of California at any time from March 24, 2017, through November 13, 2021. All these people are referred to here as Class Members. In a class action one court resolves the issues for all Class Members in one Lawsuit, except for those who exclude themselves from the Class. The Los Angeles County Superior Court is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On [Date of Preliminary Approval] the Court granted preliminary approval of the Settlement, appointed Plaintiff Francisco Salome Renoj Hernandez as the Class Representative, and appointed his attorneys at Protection Law Group, LLP as counsel for the Class (“Class Counsel”).

The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendant as a non-exempt employee in the state of California at any time between March 24, 2017, through November 13, 2021.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of Five Hundred and Forty Thousand Dollars (\$540,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel. The Gross Settlement Amount also includes the “Prior Release Payments” previously paid by Defendant to Class Members, in the amount of Ninety-One Thousand Five Hundred Dollars (\$91,500.00).

The “Net Settlement Amount” is the portion of the Class Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Class Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 35% of the Class Settlement Amount or One Hundred Eight Nine Thousand Dollars (\$189,000.00);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Twenty Thousand Dollars (\$20,000.00);
- C. **Incentive Payment to the Class Representative** in an amount not to exceed Five Thousand Dollars (\$5,000.00);
- D. **Settlement Administration Costs** which are currently estimated to be Fifteen Thousand Dollars (\$15,000.00); and
- E. **PAGA Penalties** in the amount of Fifty Thousand Dollars (\$50,000.00) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount, (\$37,500.00) shall be paid to the LWDA. The remaining twenty-five percent (25%) (\$12,500.00) will be distributed to hourly-paid, non-exempt employees of Defendant in the state of California at any time from March 22, 2020, through November 13, 2021, for the release of their claims arising under PAGA.

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment” will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly-paid, non-exempt employee of Defendant from March 24, 2017, through November 13, 2021 (“Workweeks”) and whether you previously entered a settlement with Defendant for the Released Claims.

If you previously entered a settlement with Defendant, the amount you previously received will be subtracted from your estimated share of the Net Settlement Amount. Class Members who did not receive a Prior Release Payment shall be paid, at a minimum, at least \$500.00 more than any Class Member who already received a Prior Release Payment.

Your Individual Settlement Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest and forty percent (40%) penalties. The wage portion of the Individual Settlement Payment will be subject to

withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Class Settlement Amount. The penalties and interest portions of each class member's settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked XX workweeks during the class period. Your estimated Individual Settlement Payment is \$XXX.XX. This amount includes your portion from the Net Settlement Amount (minus any prior settlement payment) and, if eligible, your share of the PAGA Payment. The amount of this payment is subject to change.

This Amount was determined based on Defendant's record of your employment between March 24, 2017, through November 13, 2021, and is presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. All disputes regarding your workweeks will be resolved and decided by the Parties or if the Parties cannot agree, the Court, after you submit evidence to the Settlement Administrator. The Settlement Administrator's contact information is listed below:

ILYM GROUP, INC.

[Address]

[Telephone No].

[Fax No.]

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Class Settlement Amount, in exchange for the consideration set forth by the Settlement, Plaintiffs and all Class Members who do not submit a timely request for exclusion shall release the "Released Parties" from the "Released Claims" for the Class Period.

The "Released Parties" include Defendant Baltazar Construction, Inc., as named by Plaintiff in the operative complaint in the Action, and all of its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The "Released Claims" means all claims, rights, demands, liabilities and causes of action that are alleged, or reasonably could have been alleged based on the facts and claims asserted in the operative complaint in this action including the following claims: (i) failure to pay all regular wages, minimum wages, prevailing wages, and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to provide timely pay wages during employment; (viii) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; and (ix) failure to maintain required payroll records.

This release of claims pertains to the period of March 24, 2017, through November 13, 2021.

All PAGA Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 that are alleged, or reasonably could have been alleged based on the facts and claims, causes of action or legal theories described above in the Released Class Claims or any of the claims, causes of action asserted in the PAGA Notice provided to the LWDA and the legal theories pled in the operative complaint including but not limited to Labor Code sections 210, 226.3, 227.3, 1197.1, 558, and 2699 with respect to all of the Released Parties irrespective of whether a Class Member submits a request for exclusion.

This release of PAGA claims pertains to the period of March 22, 2020, through November 13, 2021.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Class Claims, then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from the Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Penalties because the Request for Exclusion does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Class Claims you must submit a written request for exclusion. You must include your name, address, telephone number and the last four digits of your social security number and/or Employee ID number. Your request for exclusion must also include a statement that you do not wish to be included in this action similar to the following: I wish to exclude myself from the class action settlement reached in the matter of *Hernandez v. Baltazar Construction, Inc.* I understand that by excluding myself I will not receive money from the class portion of the settlement.”

The written request for exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone.

ILYM Group, INC.

[Address]

[Telephone No.]

[Fax No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims.

You may be able to sue Defendant and/or the Released Parties or continue any suit you have pending against Defendant and/or the Released Parties, regarding the Released Class Claims.

9. If I don't exclude myself, can I sue Defendant for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendant and the Released Parties for the Released Class Claims. If you have a pending Lawsuit involving the Released Class Claims, speak to your lawyer in that Lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

No (except if you worked between March 22, 2020, through November 13, 2021, in which case you will still receive the portion of your Individual Settlement Payment for Released PAGA Claims.). But if you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against and/or the Released Parties for Released Class Claims.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP, as Class Counsel. The firms' contact information is:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.
Amir Nayebdadash, Esq.
Carlos Jimenez, Esq.
237 California Street
El Segundo, California 90245
Telephone: (424) 290-3095
Facsimile: (866) 264-7880

Class Counsel will ask the Court for attorneys' fees of up to \$189,000.00 and reimbursement of litigation cost/expenses of up to \$20,000. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don't like the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than [DATE]. Your objection must be signed and must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, and the specific reason for your objection. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement (“Final Approval Hearing”). You may attend, but you do not have to attend.

14. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at [redacted] a.m./p.m. on [Date], in Department 9 of the Los Angeles Superior Court—Spring Street Courthouse, located at 312 N. Spring St. Los Angeles, CA 90012.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I have to come to the hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Remote appearances may be scheduled through “LA Court Connect” at <https://www.lacourt.org/lacc/>.

16. How will I learn if the settlement was approved?

A notice of final judgment will be posted on the Settlement Administrator website located at www.ilymgroup.com.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Claims. You will not be able to start a Lawsuit, continue with a Lawsuit, or be part of any other Lawsuit against Defendant and/or the Released Parties about the Released Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be transferred to the Controller of the State of California’s Unclaimed Property Fund. You may then claim these funds from there.

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator’s website at [www.\[redacted\]](http://www.[redacted]) or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE
CLERK OF THE COURT OR THE JUDGE**

Exhibit 4

ATTORNEY TASK AND TIME CHART
FRANCISCO SALOME RENOJ HERNANDEZ v. BALTAZAR COSTRUCTION, INC.
(LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 21STCV11456)

TASK	PROTECTION LAW GROUP, LLP
Investigation and Research – Due Diligence	
Pre-Lawsuit Investigation of the Key Facts with a Focus on Class Certification Elements Including: Adequacy, Typicality, Superiority, and Commonality	8.0
Pre-Lawsuit Investigation of the Merits of Plaintiff Francisco Salome Renoj Hernandez’s (“Plaintiff”) Claims and the Merits of the Claims of the Putative Class Members	5.5
Pre-Notice Investigation of the Merits of the Private Attorneys General Act (“PAGA”) Claims of State of California with Respect to Plaintiff and Aggrieved Employees	4.5
Pre-Lawsuit Legal Research and Analysis of Latest Off-the-Clock, Meal and Rest Break, and Class/PAGA Decisions in California	2.8
Pre-Lawsuit Investigation of Potential Damages and Penalties Exposure of Defendant Baltazar Construction, Inc., (“Defendant”) with Respect to Plaintiff and the Putative Class	5.0
Investigation of Defendant, Defendant’s Business Relationships, and Industry in which Defendant Operates	3.0
Investigation of Defendant’s Organizational and Corporate Structure, and Executive Reporting Structure as They Relate to the Employment and Management of the Putative Class Members	1.9
Research and Investigation Re: Defendant’s Policies, Practices, and Procedures Relating to Reporting Time, Timekeeping, Meal/Rest Breaks, Overtime Compensation, and Reimbursement of Business-Related Expenses	5.0
Investigation of Defendant’s Executives, Officers, and Leadership with a Focus on Involvement in Wage-and-Hour Issues and Establishing Willfulness and Uniformity	1.4

Legal Research and Analysis of Potential Defenses Defendant May Raise, Including <i>De Minimis</i> Work, Non-Compensable Off-the-Clock Work, Waiver, and Complaint Policies	2.5
Analysis of Competitors in Various Relevant Geographic Areas Within Which Defendant Operates, and Comparing and Contrasting Defendant's Policies, Practices, and Procedures with the Policies, Practices, and Procedures of Defendant's Competitors	3.3
Legal Research and Investigation Re: Post- <i>Duran v. U.S. Bank</i> Trial Manageability Issues, including Research Regarding Which Experts to Retain and for What Purpose	3.7
Research and Investigation Re: Location(s), Division(s), and/or Department(s) Owned, Managed, Serviced, and/or Operated by Defendant in California During the Class Period, Including Differences Between Them to Determine Whether Those Differences Will Cause Individual Issues to Predominate Over Common Ones	3.2
Research and Investigation re Impact of COVID-19 Pandemic on Defendant, its operations, and the Putative Class Members	1.8
Research and Analysis of Defendant's Past and Recent History Involving Wage-and-Hour Issues and Other Related Employment Issues and Complaints in Court and/or Other Forums (e.g., Administrative Agencies)	2.3
Comparative Analysis and Cross-Checking of All Available Job Posting and Job Reviews Regarding Defendant in Order to Identify Wage and Hour Issues, Determine Any Variation, and Identify Job Duties and Responsibilities That Would be Susceptible to Being Performed Off-the-Clock or during Meal or Rest Breaks	4.2
Research and Investigation Re: Workforce, Staffing Models, and Staffing Levels at Locations at Which Putative Class Members Worked Throughout California	3.7
Research and Investigation Re: Defendant's Written and Unwritten Policies, Practices, and Procedures Relating to Attendance, Timekeeping, Scheduling, Customer Service, Client Meetings, Individual and Team Goals/Quotas, Meal/Rest Breaks, On-Premises Breaks, Meal/Rest Premiums, Non-Discretionary Commission/Bonus/Shift Differential/Performance/Incentive Pay (e.g., Quarterly Bonuses, Add-On Commissions, and Gift Cards), Pre-Shift and Post-Shift Tasks, Overtime Compensation, Paid Sick Leave, Dress Code, Trainings, Marketing Work, Use of Personal Cell Phones, Use of Personal Vehicle/Gas/Mileage/Travel, Reimbursement of Business-Related Expenses, and Alternative Dispute Resolution/Arbitration Agreements	13.5

Research and Investigation Re: Various Software Programs/Applications, Systems, and Other Technology Defendant Uses to Conduct Its Everyday Business, Including Resource Management, Sales, Client/Customer Service, Telecommunications, Project Management, and Timekeeping Systems, with a Focus on What Records (Both Paper and Electronic) Are Created in the Normal Course of Business Relating to Overtime Worked, Off-the-Clock Time Worked Pre/Post-Shift, and Time Worked During Meal Breaks	4.1
Prepare a Discovery Strategy Plan of Action, Including Topics of Inquiry Important to Class Certification, Manageability, Liability, Damages, and Penalties	3.2
Research and Analysis of Defendant's Litigation History Involving Wage-and-Hour Issues and Other Related Employment Issues	2.4
Meet and Communicate with Plaintiff throughout the Pendency of the Case	10.0
Investigate, Meet and Communicate with, and/or Interview Putative Class Members, Aggrieved Employees, and Percipient Witnesses	9.1
Pleadings and Court Filings	
Drafted Plaintiff's Class Action Complaint for Damages and Legal Research and Analysis of All Claims Involved (filed March 24, 2021)	6.0
Reviewed Initial Conference Order (filed April 16, 2021)	0.2
Drafted Unilateral Initial Status Conference Statement (filed May 13, 2021)	0.4
Reviewed Notice of Appearance (filed May 14, 2021)	0.2
Drafted Notice of Initial Status Conference Order (filed May 17, 2021)	0.4
Reviewed Clerk's Case Management Order (filed May 19, 2021)	0.1
Drafted First Amended Class Action and Representative Action Complaint (filed May 28, 2021)	1.4
Reviewed Defendant Baltazar Construction, Inc.'s Answer to First Amended Class Action and Representative Action Complaint (filed June 22, 2021)	0.6

Drafted, Reviewed, and Revised Stipulation regarding Discovery and Mediation (filed August 27, 2021)	2.0
Review Notice of Entry of Order re Stipulation regarding Discovery and Mediation (filed September 24, 2021)	0.3
Drafted Joint Initial Status Conference Statement (filed September 27, 2021)	0.2
Drafted Joint Initial Status Conference Statement (filed October 13, 2021)	0.2
Review Minute Order re Initial Status Conference (filed October 27, 2021)	0.1
Drafted, Reviewed, and Revised Notice of Settlement (filed November 8, 2021)	0.1
Reviewed Minute Order re Notice of Settlement (filed November 15, 2021)	0.2
Reviewed Minute Order re Proofs of Service (filed January 10, 2022)	0.2
Drafted, Reviewed, and Revised Declaration of Heather Davis re Court's January 10, 2022 Minute Order (filed January 26, 2022)	1.4
Drafted Joint Statement re Trial Setting Conference (filed February 1, 2022)	0.4
Reviewed Minute Order re Plaintiff's Motion for Preliminary Approval (filed April 18, 2022)	0.2
Reviewed Minute Order re Plaintiff's Motion for Preliminary Approval (filed June 29, 2022)	0.2
Reviewed Minute Order re Filing and Serving Supplemental Declaration (filed October 26, 2022)	0.2
Drafted Notice of Order Granting Plaintiff's Motion for Preliminary Approval (filed November 9, 2022)	0.4
Appearances	
Prepare for and Attend Initial Status Conference (February 4, 2022)	0.8

Prepare for and Attend Hearing on Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement (March 3, 2022)	1.5
Prepare for and Attend Hearing on Plaintiff's Motion for Final Approval of Class Action Settlement, Attorneys' Fees, Litigation Expenses, and Enhancement Payment (June 14, 2023) (Anticipated)	1.5
Letters and Correspondence	
Draft Request for Personnel File on behalf of Plaintiff	0.8
Research and Draft PAGA Notice to California Labor and Workforce Development Agency Re: Plaintiff's Claims for Penalties Under California Labor Code section 2698, et seq. (served March 19, 2021)	3.5
Draft Correspondence to and Upload Correspondence with California Labor and Workforce Development Agency Re: Plaintiff's Claims for Penalties Under California Labor Code section 2698; Payment of Filing Fees; Proposed Settlement; and Additional Communications	1.5
Preparation for and Discussions with Defendant's Counsel, Draft Correspondence to Defendant's Counsel, and Review and Respond to Correspondence from Defendant's Counsel	13.8
Draft Correspondence to and Review and Respond to Correspondence from Mediators and Mediator's Assistants regarding Mediation Scheduling, and Mediation Settlement Discussions	1.0
Draft Correspondence to and Review and Respond to Correspondence from Third Party Settlement Administrators Regarding Settlement Administration Quote, Individual Settlement Payment Calculations and Settlement Administration	2.2
Mediation/Settlement	
Review and Analyze Information, Data, and Documents Produced by Defendant in advance of September 14, 2021, Mediation with Deborah Crandall Saxe, Esq. Including Employee Handbook and Operations and Employment Policies Practices and Procedures, Sampling of Employee Time Data, Sampling of Employee Earning Statements, Sampling of Employee Pay Data, Exemplar Arbitration Agreement, and Job Descriptions	26
Prepare for Mediation, Including Researching Settlement-Related Issues and Merits of Claims, Drafting the Mediation Brief, and Compiling Exhibits in Support of Mediation Brief; Analyzing Class	20.5

List and preparing Comprehensive Damages Analysis in advance of September 14, 2021, Mediation (submitted September 7, 2021)	
Remotely Attend Mediation via Zoom with Deborah Crandall Saxe, Esq. (September 14, 2021)	9.5
Draft, Revise, Negotiate, and Finalize Memorandum of Understanding (executed on September 14, 2021)	3.0
Draft, Revise, Negotiate, and Finalize Stipulation of Settlement; Notice of Class Action Settlement; Notice of Settlement Award (executed March 22, 2022)	12.0
Coordinate Settlement Administration with Settlement Administrator, Ongoing Monitoring of Settlement Administration, and Respond to Inquiries	4.8
Law and Motion	
Research and Draft Plaintiff's Notice of Motion and Motion for Preliminary Approval of Class Action Settlement, Declaration of Heather Davis in Support Thereof, Declaration of Plaintiff Francisco Salome Renoj Hernandez in Support Thereof, [Proposed] Order (filed April 4, 2022)	27.0
Draft, Review, and Revise Supplemental Declaration of Heather Davis in Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement (filed October 19, 2022)	2.2
Review and Analyze Settlement Administrator's Declaration Regarding Settlement Notice Administration; and Research and Draft Plaintiff's Motion for Final Approval of Class Action and PAGA Settlement; Declaration of Heather Davis in Support Thereof; and [Proposed] Order and Judgment (filed May 10, 2023) (Anticipated)	23.9
Total Hours:	275.00

Exhibit 5

FRANCISCO SALOME RENOJ HERNANDEZ v. BALTAZAR COSTRUCTION, INC.
(LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 21STCV11456)

PROTECTION LAW GROUP LLP – EXPENSE REPORT

Date	Memo	Debit
March 2021	LWDA Fees	\$ 75.00
March 2021 – October 2021	Court Filings and Attorney Service Fees	\$ 2,293.54
March 2021 – March 2022	Service Expenses (Mail/UPS/Case Anywhere)	\$ 1,484.26
September 2021	Mediation with Deborah Crandall Saxe (September 14, 2021)	\$ 10,172.98
January 2021	Expert Analysis of Time/Payroll Records	\$ 675.00
	TOTAL COSTS:	\$ 14,700.78