

STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is between Plaintiffs ROBERT DE LA HOYA, JR. and MARISAL DOBBINS (“Plaintiffs”), and Defendant SIERRA WEST FINISH, INC. (“Defendant”). Plaintiffs and Defendant collectively are referred to in this Agreement as the “Parties.”

I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

- A. **Action:** *Robert De La Hoya, et al. v. Sierra West Finish, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2107351.
- B. **Administration Costs:** The costs incurred by the Settlement Administrator to administer this Settlement, which shall not exceed \$10,000.00. All Administration Costs shall be paid from the Gross Settlement Amount. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- C. **Aggrieved Employees:** All non-exempt employees employed by Defendant from March 5, 2020 through the earlier of January 31, 2022 and/or preliminary approval of this Settlement.
- D. **Agreement, Settlement Agreement, Stipulation, or Settlement:** The settlement agreement reflected in this document, titled “Stipulation and Settlement Agreement.”
- E. **Attorney Fee Award:** An amount not to exceed one-third of the Gross Settlement Amount or \$208,333.33, finally approved by the Court and awarded to Class Counsel. The Attorney Fee Award shall be paid from the Gross Settlement Amount and will not be opposed by Defendant. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members. The attorneys’ fees in this action will be divided as follows: 50% to Winston Law Group, P.C and 50% to Crosner Legal, P.C. The division of fees disclosed above by no means increases the amount of legal fees that the client will pay or has agreed to pay Attorneys for services rendered on the client’s behalf. Clients are aware of and previously consented to this division of attorneys’ fees.
- F. **Class:** All non-exempt employees employed by Defendant from March 16, 2017, through the earlier of January 31, 2022 and/or preliminary approval of this Settlement.

- G. **Class Counsel:** David Winston of Winston Law Group, P.C., and Zachary Crosner, Blake Jones, and Chad Saunders of Crosner Legal, P.C. Blake Jones and Chad Saunders shall only be Class Counsel so long as they are employed by Crosner Legal, P.C.
- H. **Class Member:** Each person eligible to participate in this Settlement who is a member of the Class as defined above.
- I. **Class Notice or Notice:** The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
- J. **Class Period:** March 16, 2017, through the earlier of January 31, 2022 and/or preliminary approval of this Settlement.
- K. **Class Representatives or Plaintiffs:** Robert De La Hoya, Jr. and Marisal Dobbins.
- L. **Class Representative Service Award:** The amount the Court awards to Plaintiffs, which will not exceed \$8,000.00 each. This payment shall be paid from the Gross Settlement Amount and will not be opposed by Defendant. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- M. **Cost Award:** The amount that the Court orders Defendant to pay Class Counsel for payment of actual litigation costs, which shall not exceed \$20,000.00. The Cost Award will be paid from the Gross Settlement Amount and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- N. **Counsel for Defendant:** Gary Bethel, Ivy Fitzgerald, and Andrew Woo of Littler Mendelson, P.C.
- O. **Defendant:** Sierra West Finish, Inc.
- P. **Effective Date:** The Effective Date is the date on which this Agreement is approved by the Court by entry of a Final Approval Order and Judgment and that Final Approval Order and Judgment has become final without any recourse for appeal, writ, or other appellate proceeding. The Final Approval Order and Judgment shall become final when the later of the following events occurs: (a) the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (b) any appeal, writ, or other appellate proceeding

opposing the Settlement has been dismissed finally and conclusively with no right by any appellant or objector to pursue further remedies or relief; or (c) any appeal, writ, or other appellate proceeding has upheld the Final Approval Order and Judgment with no right by any appellant or objector to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's Final Approval Order and Judgment is completely final, and no further recourse exists by an appellant or objector who seeks to contest the Settlement. The occurrence of the Effective Date is a prerequisite to any obligation of Defendants to pay any amount of the Gross Settlement Amount.

- Q. Funding of Settlement:** Defendant shall fund the Gross Settlement Amount within ten (10) business days of the Effective Date.
- R. Gross Settlement Amount or GSA:** The non-reversionary sum of Six Hundred and Twenty-Five Thousand Dollars and Zero Cents (\$625,000.00). Aside from the employer's payroll taxes which Defendant shall pay separately, this is the total amount Defendant can be required to pay under this Settlement Agreement, which includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Service Award paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and to Participating Class Members, as approved by the Court. No portion of the GSA will revert to Defendant for any reason.
- S. Individual Settlement Share(s):** The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Participating Class Members will receive an Individual Settlement Share automatically and do not need to submit a claim to participate in the Settlement.
- T. LWDA:** California Labor and Workforce Development Agency.
- U. Net Settlement Amount or NSA:** The total amount of money available for payout to Participating Class Members after the following deductions from the GSA: (1) the Attorney Fee Award, (2) Cost Award, (3) Class Representative Service Awards, (4) the portion of the PAGA Payment paid to the LWDA, and (5) Administration Costs.
- V. PAGA:** The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- W. PAGA Payment:** The PAGA Payment consists of \$25,000 of the GSA allocated to satisfy the PAGA penalties claim as alleged in the Complaint. Seventy-five percent (75%) of the PAGA Payment (\$18,750) shall be paid to

the LWDA, and twenty-five percent (25%) (\$6,250) of the PAGA Payment shall be part of the Net Settlement Amount distributed to the Aggrieved Employees.

- X. **PAGA Period:** March 5, 2020, through the earlier of January 31, 2022, and/or preliminary approval of this Settlement.
- Y. **Participating Class Members:** All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
- Z. **Preliminary Approval or Preliminary Approval Order:** The Court's order preliminarily approving the proposed Settlement.
- AA. **Qualified Settlement Fund or QSF:** The Parties agree that the GSA is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such.
- BB. **Released Claims:** All Claims asserted in the operative Complaint or that could have been asserted in the operative Complaint based on the facts alleged therein, including claims for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate wage statements; (6) failure to pay all wages due at termination; (7) failure to reimburse business expenses; (8) violation of the Unfair Competition Law; (9) civil penalties for violation of PAGA based upon the facts alleged in the Plaintiffs' PAGA Notices and/or the operative Complaint. The Class Members shall release the Released Parties for all such claims through January 31, 2022 and/or preliminary approval of this Settlement, whichever is earlier.
- CC. **Released Parties:** Defendant and all of their affiliated entities, parents, subsidiaries, owners, officers, shareholders, executives, and managers.
- DD. **Response Deadline:** Sixty (60) calendar days from the initial mailing of the Notice.
- EE. **Settlement Administration:** The Settlement Administrator will conduct a skip trace for the address of all former employee Class Members. The Settlement Administrator will mail the Notice by first class U.S. mail to all Class Members at the address Defendant has on file for those Class Members and to all former employee Class Members at the address resulting from the skip trace. The Notice will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out of the Settlement. Any Class Member who does not receive Notice after the steps outlined above have been taken will still be bound by the Settlement and/or judgment.

FF. Settlement Administrator: The third party administrator agreed upon by Parties to administer this Settlement is ILYM Group, Inc.

GG. Superior Court: San Bernardino County Superior Court.

II. RECITALS

A. The Action was filed by Plaintiff Robert De La Hoya in the San Bernardino County Superior Court on March 16, 2021. The complaint alleged causes of action on behalf of Plaintiff and the Class for (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate wage statements; (6) failure to pay all wages due at termination; (7) failure to reimburse business expenses; (8) violation of the Unfair Competition Law; (9) civil penalties for violation of PAGA. On September 22, 2021, Plaintiffs filed an amended complaint that added Marisal Dobbins as a Plaintiff.

B. Prior to mediation, Plaintiffs reviewed a substantial amount of data and documents relating to the size and scope of the class that permitted an analysis and evaluation of the class-wide claims. In addition, Plaintiffs hired Berger Consulting to analyze a sample of class-wide data.

C. The Parties attended mediation with respected mediator Laurie Saldaña on October 12, 2021. After a full day of arms-length mediation, the Parties were able to reach a settlement, the terms of which are reflected herein.

D. Benefits of Settlement to Class Members. Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiffs and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiffs and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.

Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiffs, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action.

E. Defendant's Reasons for Settlement. Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is

made, will continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.

- F. Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Action is not appropriate for class treatment. Defendant asserts a number of defenses to the claims, and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. There has been no final determination by any court as to the merits of the claims asserted by Plaintiffs against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.

However, in the event that this Settlement is finally approved by the Court, the Plaintiffs, Class Members, and Class Counsel will not oppose Defendant's efforts to use this Agreement to prove that Plaintiffs and Class Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

- A. Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount, including payroll taxes, that Defendant is obligated to pay under this Settlement Agreement is Six Hundred and Twenty-Five Thousand Dollars and Zero Cents (\$625,000.00).
- B. Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members.
- C. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiffs and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with, the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. If the Settlement does not become effective, Defendant reserves the right to contest any issues relating to class certification and liability.

- D. Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiffs Robert De La Hoya and Marisal Dobbins shall be appointed as representative for the Class.
- E. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- F. Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the NSA to each Participating Class Member.

1. Calculation.

- a. Individual Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of pay periods he or she worked for Defendant in California based on the Class data provided by Defendant, divided by (ii) the total number of pay periods worked by all Participating Class Members based on the same Class data, which is then multiplied by the NSA. One day worked in a pay period will be credited as a week for purposes of this calculation. Therefore, the value of each Class Member's Individual Settlement Share ties directly to the amount of pay periods that he or she worked.

2. Tax Treatment.

- a. Participating Class Member Taxes:** Each Class Member's gross settlement award will be apportioned as follows: 20% wages and 80% penalties and interest. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported on IRS W-2 forms. The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported on IRS 1099 forms.
- b. Employer Taxes:** Defendant's portion of payroll taxes as the Class Members' current or former employer will be paid separate and apart from the Gross Settlement Amount.

G. Preliminary Approval.

- 1. Preliminary Approval Motion.** Plaintiffs will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and approving the Class Notice.
- 2. Preliminary Approval Hearing.** At the Preliminary Approval hearing, Counsel for the Parties will appear to support the granting of the motion.

H. Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties stipulate and agree that the Settlement Administrator shall be retained to serve as Settlement Administrator, subject to Court approval and appointment.

- 1. Responsibilities of Settlement Administrator.** The Settlement Administrator shall be responsible for preparing, printing, and mailing the Notice to the Putative Class Members; keeping track of any objections or requests for exclusion from Class Members; performing skip traces and re-mailing Notices and Individual Settlement Shares to Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; providing weekly status reports to Defendant's Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing Individual Settlement Shares to Participating Class Members; calculating and mailing the PAGA Payment to the LWDA; distributing the Attorney Fee Award and Cost Award to Class Counsel; printing and providing Class Members and Plaintiffs with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the Cy Pres Beneficiary, in the amounts directed per this Settlement, including the administration of related tax reimbursements; and for such other tasks as the Parties mutually agree.
- 2. No Interest in Settlement Administrator.** The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

I. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice in accordance with the following procedure:

- 1. Class Data to Settlement Administrator.** Within seven (7) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator an electronic database, which will list for each Class Member: (1) first and last name; (2) last known mailing address; (3) social security number; (4) hire and termination dates; and (5) the total number of pay periods during which the Class Member performed work during the Class Period (“Class Data”). The Class Data shall be based on Defendant’s payroll, personnel, and other business records. If any or all of this information is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will use the National Change of Address Database (“NCOA”) on the addresses of all former employee Class Members. The Settlement Administrator shall maintain the Class Data as private and confidential.
- 2. Notice Mailing.** Within seventeen (17) calendar days after entry of the Preliminary Approval Order, the Settlement Administrator will mail the Class Notice to all identified Class Members via first-class regular U.S. Mail, using the mailing address information provided by Defendant and the NCOA search results.
- 3. Returned Class Notices.** If a Class Notice is returned because of an incorrect address, within five (5) calendar days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the NCOA and skip traces to attempt to find current addresses. The Settlement Administrator will note for its own records the date and address of each re-mailing.
- 4. Undeliverable Class Notices.** The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Class Notice will be deemed undeliverable.
- 5. Weekly Reports.** The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant’s Counsel of the number of Class Notices mailed, the number of Class Notices returned as undeliverable, the number of Class Notices re-mailed, and the number of requests for exclusion or objections received.

6. **Final Report.** No later than five (5) calendar days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Class Notices mailed to Class Members, the number of Class Notices returned as undeliverable, the number of Class Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.
7. **Declaration re: Administration.** No later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will circulate to the Parties a declaration of administration setting forth its compliance with its obligations under this Stipulation. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel with the Motion for Final Approval, or as soon as practicable. The Settlement Administrator will supplement its declaration if any material changes occur from the date of its prior declaration or upon request by the Parties.

J. Responses to Class Notice.

1. **Objections to Settlement.** The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing no later than the Response Deadline. The timeframe to submit an objection will not be increased for returned mailings.
 - a. **Format.** Written objections should state: (a) the objecting person's full name; (b) their current address for correspondence and identity verification purposes, (c) provide each specific reason for the objection, (d) be signed by the Class Member. Failure to follow this format will not render the objection invalid, and (e) be postmarked or fax receipt dated no later than the Response Deadline.
 - b. **Appearance at Final Approval Hearing.** Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through his or her own counsel.
 - c. **Objections Received.** The Settlement Administrator will provide copies of any objection it receives to Class Counsel and Defendant's Counsel. Class Counsel will file the objections with the Court prior to the Final Approval Hearing. Class Counsel and Defense Counsel will be permitted to file a response to any objections received at any time leading up to the Final Approval Hearing.

2. Request for Exclusion from the Settlement (“Opt-Out”). The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail or fax to the Settlement Administrator a written request for exclusion.

a. Format. The written request for exclusion must: (a) state the Class Member’s name and address; (b) state the Class Member’s intention to exclude themselves from or opt-out of the Settlement; (c), be signed by the Class Member and (d) be postmarked or fax receipt dated no later than the Response Deadline.

b. Effect of Timely Request for Exclusion. Any Class Member who returns a timely, valid request for exclusion will not be bound by the Settlement and subsequent Final Judgment and will not receive an Individual Settlement Share.

c. Effect of Untimely Request for Exclusion. A Class Member who does not complete and mail or fax a timely request for exclusion will automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is finally approved by the Court, and by the subsequent Final Judgment. Nothing in this agreement precludes the Court from making a good cause finding that an Opt-Out request received after the Response Deadline should be treated as a valid opt-out.

3. Effect of Submitting a Request for Exclusion and Objection. If a Class Member submits both a Request for Exclusion and a written objection, the Settlement Administrator shall attempt to contact and determine whether the Class Member would like to withdraw either the Request for Exclusion or the objection. If the Class Member does not withdraw the Request for Exclusion or if the Settlement Administrator cannot contact a Class Member who submits both a Request for Exclusion and an objection, the Request for Exclusion shall be valid, and it shall be presumed that the Class Member does not wish to participate in the Settlement.

K. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment. Defendant shall not retaliate against any Class Member for participating in the Settlement.

L. Final Approval.

- 1. Final Approval Motion.** Class Counsel will file motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorney Fee Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative Service Award; and (5) PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Final Judgment) releasing and barring any Released Claims of the Participating Class Members.
- 2. Effect of Grant of Final Approval.** After entry of Final Judgment, the Court shall have continuing jurisdiction over the Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law.

M. Non-Approval of the Settlement and Appeals.

- 1. Effect of Denial of the Stipulation.** Should the Court decline to conditionally certify the Class or to approve all material aspects of the Settlement, the Parties shall undertake good faith efforts to resolve any issues raised by the Court during the approval process. If the Court denies approval with prejudice, the Settlement will be null and void, and the Parties will have no further obligations under it. The amounts of the Attorney Fee Award, Cost Award, Administration Costs, and Class Representative Service Awards shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Attorney Fee Award, Cost Award, Administration Costs, and Class Representative Service Awards shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiffs' or Class Counsel's ability to appeal any decision by the Court to award less than the requested Attorney Fee Award, Cost Award, Administration Costs, and Class Representative Service Award.
- 2. Waiver of Right to Appeal.** Provided that the Final Judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the Final Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the

time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.

3. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Final Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Final Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the GSA and an alteration in the calculation of the Net Settlement Amount.

N. Funding the Settlement. Defendant shall fund the settlement pursuant to the terms of this Stipulation and the Court's Final Approval Order.

1. **Timing.** Defendant shall wire to the Settlement Administrator the GSA within seven (7) calendar days of the Effective Date.
2. **QSF Treatment.** The Parties and Settlement Administrator shall treat the GSA as coming into existence as a QSF on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

O. Disbursement of the Settlement. The Settlement Administrator shall distribute funds pursuant to the terms of this Stipulation and the Court's Final Approval Order. The Settlement Administrator shall keep Defendant's Counsel and Class Counsel apprised of all distributions from the GSA. The Settlement Administrator shall respond to questions from Defendant's Counsel and Class Counsel. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiffs, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.

1. **Timing.** Pursuant to the terms of this Settlement Agreement, within ten (10) calendar days after the Effective Date, the Settlement Administrator shall disburse the following:
 - a. **To the Class Representative:** In addition to Plaintiffs' Individual Settlement Shares, and subject to the Court's approval, Plaintiffs will receive up to Eight Thousand Hundred Dollars and Zero Cents (\$8,000.00) each. The Settlement Administrator will pay the Class Representative Service Awards out of the GSA. Payroll tax withholdings and deductions will not be taken from the Class Representative Service Awards. An IRS Form 1099 will be issued to the Plaintiffs for this payment. If the amount awarded is less

than the amount requested for the Class Representative Service Awards, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

- b. To Class Counsel.** Class Counsel will apply to the Court for, and Defendant agrees not to oppose, a total Attorney Fee Award not to exceed one-third (1/3) or \$208,333.33 of the GSA and a Cost Award not to exceed \$20,000.00. The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the GSA. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to the Attorney Fee Award. In the event the Court does not approve the entirety of the application for the Attorney Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested for the Attorney Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- c. To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class Members' portion of payroll withholding taxes out of each Participating Class Member's Individual Settlement Share. The Settlement Administrator will calculate the amount of the Participating Class Members' portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.
- d. To the Settlement Administrator.** The Settlement Administrator will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$10,000.00. This will be paid out of the GSA. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- e. To the LWDA.** Of the \$25,000.00 allocated to PAGA penalties, the Settlement Administrator will pay seventy-five percent (75%), or \$18,500.00, to the LWDA, and twenty-five percent (25%), or \$6,500.00, shall be part of the NSA distributed to the Aggrieved Employees.

- f. To Participating Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members shall be made from the NSA.
- g. To the Aggrieved Employees.** Regardless of whether or not an Aggrieved Employee opts-out of the Settlement, they shall still be entitled to receive their share of the 25% (\$6,500.00) in PAGA penalties allocated to the Aggrieved Employees pursuant to PAGA. The Settlement Administrator shall pay each Aggrieved Employee a proportionate share of the 25% of PAGA penalties that is allocated to the Aggrieved Employees based upon (i) the number of pay periods he or she worked for Defendant in California during the PAGA Period based on the Class data provided by Defendant, divided by (ii) the total number of pay periods worked by all Aggrieved Employees during the PAGA period based on the same Class data, which is then multiplied by the NSA. One day worked in a pay period will be credited as a week for purposes of this calculation. Therefore, the value of each Aggrieved Employees' share of the PAGA penalties will be determined based upon the number of pay periods he or she worked during the PAGA period.

P. Uncashed Checks.

- 1. Check Expiration.** Participating Class Members must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them. Any funds associated with checks that have not been cashed within 180 days, will become void and the Individual Settlement Amount associated with the un-cashed check shall be paid out in accordance with Civil Code section 384 to a *cy pres* agreed to by the Parties as required by Code of Civil Procedure section 384 or any other method of distribution consistent with Code of Civil Procedure section 384. The *cy pres* recipient shall be CASA of San Bernardino County or other mutually agreeable *cy pres* recipient should the Court not approve the Parties' proposed beneficiary and/or as otherwise consistent with Code of Civil Procedure section 384.

- Q. Compliance Report by Settlement Administrator.** Within ten (10) business days after the Settlement Administrator cancels any checks remaining uncashed, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds, including all information required pursuant to the California Code of Civil Procedure section 384 (*i.e.* the total amount actually paid to Participating Class Members) and the amount remaining uncashed. Class Counsel will file the declaration with the Court, along with an Amended Judgment.

R. Amended Judgment. Pursuant to California Code of Civil Procedure section 384, the Parties shall amend the Final Judgment to direct the Settlement Administrator to pay the sum of any uncashed checks, plus any interest accrued thereon, to the Cy Pres Beneficiary.

S. Release of Claims.

- 1. Participating Class Members' Release.** Upon Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, Class Members who do not submit a timely and valid request for exclusion release the Released Parties from the Released Claims.
- 2. Plaintiffs' Release.** Plaintiffs will give upon the execution of this Agreement and Effective Date of Settlement, in addition to the Released Claims given by participating Class Members, a general release of all claims, known or unknown, based on any fact, condition, or incident occurring prior to the date of this Agreement against Defendants, including a waiver of rights under California Civil Code section 1542, which states:

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

Plaintiffs agree to release the Released Parties from all wage and hour claims, including, but not limited to, unpaid overtime or minimum wages, meal and rest period violations, untimely payment of wages, wage statement violations, failure to reimburse business expenses, penalties under the Private Attorneys General Act and all other Released Claims

T. Miscellaneous Terms

- 1. Defendant's Legal Fees.** Defendant is responsible for paying for all of Defendant's own legal fees, costs, and expenses incurred in this Action outside of the GSA.
- 2. No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This Stipulation is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Stipulation is intended or will be construed as an admission by Defendant of liability or

wrongdoing. This Settlement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Stipulation).

- 3. No Effect on Employee Benefits.** The Class Representative Service Awards and Individual Settlement Shares paid to Plaintiffs or Participating Class Members shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiffs or the Participating Class Members. The Parties agree that any Class Representative Service Awards and/or Individual Settlement Shares paid to Plaintiffs or the Participating Class Members under the terms of this Agreement do not represent any modification of Plaintiffs' or Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any Class Representative Service Award shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.
- 4. Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
- 5. Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Stipulation. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Stipulation, or on any supplemental provisions that may become necessary to effectuate the terms of this Stipulation, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Stipulation.
- 6. Exhibits and Headings.** The terms of this Stipulation include the terms set forth in the attached exhibits, which are incorporated by this reference as

though fully set forth herein. Any exhibits to this Stipulation are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Stipulation.

- 7. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by the Court.
- 8. Amendment or Modification of Agreement.** This Stipulation, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
- 9. Agreement Binding on Successors and Assigns.** This Stipulation will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- 10. No Prior Assignment.** Plaintiffs hereby represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.
- 11. Applicable Law.** All terms and conditions of this Stipulation and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- 12. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Stipulation reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Stipulation through arms-length negotiations, taking into account all relevant factors, current and potential.
- 13. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Stipulation, and that Class Members will assume any such tax obligations or consequences that may arise from this Stipulation, and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Participating Class

Member, such Participating Class Member assumes all responsibility for the payment of such taxes.

14. Jurisdiction of the Court. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Stipulation and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Stipulation and all orders and judgments in connection therewith.

15. Invalidity of Any Provision; Severability. Before declaring any provision of this Stipulation invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Stipulation valid and enforceable. In the event any provision of this Stipulation shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

16. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Stipulation. This Stipulation will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

17. Execution in Counterpart. This Stipulation may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile, PDF, DocuSign (or similar e-signature) signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

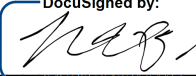
IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

AS TO CONTENT:

Dated: 1/12/2022

Robert De La Hoya, plaintiff

DocuSigned by:

81D59D6135A64AE...

Dated: 01 / 24 / 2022

Marisal Dobbins, plaintiff



Dated: _____

SIERRA WEST FINISH, INC.

Name:

Title:

Dated: 1/3/2022

SIERRA WEST FINISH, INC.



Name: Scott Nelson

Title: Owner

EXHIBIT A

SAN BERNARDINO COUNTY SUPERIOR COURT

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT

De La Hoya, et al. v. Sierra West Finish, Inc.

If you were employed by Sierra West Finish, Inc. in California, a class action settlement may affect your rights.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. The San Bernardino County Superior Court has authorized this notice in the matter of *De la Hoya, et al. v. Sierra West Finish, Inc.*, Case No. CIVSB2107351 (the “**Litigation**”). This is not a solicitation from a lawyer.

- Robert De La Hoya and Marisal Dobbins (called the “**Plaintiffs**” in this notice), were employed in California by Sierra West Finish, Inc. (called the “**Defendant**”). Plaintiff De La Hoya filed a class action lawsuit against Defendant on March 16, 2021. Plaintiffs filed an amended complaint on September 22, 2021, which added Plaintiff Dobbins as a plaintiff and class representative.
- Plaintiffs claim that Defendant failed to pay all minimum wages and overtime wages due to non-exempt employees, failed to provide meal periods and rest periods, failed to provide accurate wage statements, failed to timely pay all wages after the end of employment, failed to reimburse business expenses, violated Unfair Competition Law, and is liable for civil penalties under the Private Attorneys General Act (“**PAGA**”).
- Defendant dispute Plaintiffs’ claims. Defendants expressly and specifically deny violating any laws.
- For settlement purposes only, the Court has conditionally certified the Litigation to be a class action on behalf of all non-exempt employees employed by Defendant in California from March 16, 2017, through [the earlier of January 31, 2022, and/or preliminary approval of this Settlement] (the “**Class Period**”).
- Your legal rights may be affected by this Settlement whether you act or do not act. Your options are explained in this notice. Thus, please read this notice carefully and in its entirety.

To request to be excluded from, or object to, this Settlement, you must act before [60 calendar days from date of notice].

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

(1) DO NOTHING	(1) Receive part of the Settlement. <i>If you do not do anything upon receipt of this notice, you will receive a sum of money based on your dates of employment with Defendant; you will give up your right to sue for alleged violations and related claims released by the Settlement; you will have no right to appeal; and you will forfeit your right to bring or participate in a similar action against Defendant.</i>
(2) OPT-OUT	(2) Opt-out or exclude yourself from the Settlement. <i>If you make a valid and timely written request to be excluded from the Settlement, you will not receive any money from the Class portion of the Settlement, and you will not give up any rights you may have, except as to the PAGA portion of the Settlement.</i>
(3) OBJECT	(3) Write to the Court about why you object to the Settlement. <i>If you object to the Settlement, you can write to the Court about why you don’t agree with the Settlement. You may also present oral objections to the Court at the Final Approval Hearing. The Court may or may not agree with your objection. If the Court approves the Settlement, you will still be bound by its terms.</i>

THIS LEGAL NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.

WHAT THIS NOTICE CONTAINS

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You are receiving this notice because the San Bernardino County Superior Court has granted preliminary approval to a class action settlement for settlement purposes only, and Defendant's records indicate that you may be a member of the settlement Class. As such, you may be eligible for compensation from this Settlement.

As a Class Member, your interests are being represented at no expense to you by David Winston of Winston Law Group, P.C. and Zachary Crosner, Blake Jones, and Chad Saunders of Crosner Legal, P.C. ("**Class Counsel**"). You may also hire your own lawyer at your own expense.

I. BACKGROUND OF THE CASE

On March 16, 2021, Plaintiff Robert De La Hoya filed a complaint in San Bernardino County Superior Court ("**the Court**") on behalf of all current and former non-exempt employees employed by Defendant in the State of California (referred to as "**Class Members**"). The complaint made claims for: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide off-duty meal periods, (4) failure to authorize and permit rest breaks, (5) failure to provide accurate wage statements, (6) waiting time penalties, (7) failure to reimburse business expenses, (8) unfair competition and unfair business practices, and (9) civil penalties under PAGA. On September 22, 2021, Plaintiffs filed the First Amended Complaint, which added Marisal Dobbins as a plaintiff and class representative.

The Parties thoroughly investigated the case. Plaintiffs and Defendants were then able to agree on a Settlement of the case.

Class Counsel believe the Settlement is fair, reasonable, and in the best interests of the Class. Defendant expressly and specifically denies any liability or wrongdoing of any kind associated with the claims alleged in the Litigation. Defendant settled the Litigation in order to avoid costly, disruptive, and time-consuming litigation.

On [date of preliminary approval order], the Court gave preliminary approval to the Settlement and conditionally certified the Settlement Class for settlement purposes only. The Court was not asked to make and did not make any ruling as to whether any violations by Defendant had occurred.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. **What Are the Terms of the Settlement?**

Defendants have agreed to pay \$625,000.00 to settle the Litigation ("**Gross Settlement Amount**"). The Gross Settlement Amount includes attorneys' fees and costs, costs of settlement administration, PAGA penalties, and the Class Representatives' Service Awards.

The "**Net Settlement Fund**" is the remainder of the Gross Settlement Amount after the deductions have been made for the following items: (1) up to \$208,333.33 (one-third of the Gross Settlement Amount) for Class Counsel's attorneys' fees; (2) Class Counsel's actual litigation costs, not to exceed \$20,000; (3) the costs of settlement administration, not to exceed \$10,000; (4) \$25,000 for the PAGA penalties; and (5) up to \$8,000.00 each to Plaintiffs for serving as a Class Representatives.

B. Who is Included in the Settlement?

Included in the Settlement are all non-exempt employees employed by Defendant in California from March 16, 2017, through [the earlier of January 31, 2022, and/or preliminary approval of this Settlement].

C. How Are Settlement Payments Calculated?

Any Class Member who does not submit a written request to be excluded from the Settlement will have his or her “Settlement Payment” calculated as follows:

a. **All Participating Class Members:** The Net Settlement Fund will be divided among all Participating Class Members. Each Participating Class Member will receive a proportionate share of the Net Settlement Fund that is equal to (i) the number of pay periods he or she worked for Defendant between March 16, 2017, and [the earlier of January 31, 2022, and/or preliminary approval of this Settlement], divided by (ii) the total number of pay periods worked by all Participating Class Members between March 16, 2017, and [the earlier of January 31, 2022, and/or preliminary approval of this Settlement], and (iii) multiplied by the Net Settlement Fund.

b. **PAGA Penalties Subclass:** This Settlement covers claims brought under the California Labor Code’s Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 et seq.) (“PAGA”). “PAGA Members” are all non-exempt employees of Defendant who were employed in California between March 5, 2020, and [the earlier of January 31, 2022, and/or preliminary approval of this Settlement] (“PAGA members” or “PAGA Subclass”). The Settlement designates a total of \$25,000.00 as penalties under the PAGA. From this amount, \$6,250.00 (25%) will be allocated to the PAGA Members. The remainder of the PAGA penalties will be paid to the California Labor and Workforce Development Agency, as required by law. Each PAGA Member will receive a proportionate share of money allocated to that Subclass that is equal to (i) the number of pay periods he or she worked during the PAGA Period, divided by (ii) the total number of workweeks worked by all Participating Class Members who are members of the PAGA Subclass, and (iii) multiplied by \$6,250.00.

d. **Tax Treatment of Settlement Payments:** Twenty percent (20%) of each Settlement Payment will be designated as wages, which shall be reduced by your lawful deductions and withholdings. You will also receive a W-2 form for the wages portion. Eighty percent (80%) of each Settlement Payment will be allocated to penalties and interest for which you will receive a 1099 form.

D. Your Settlement Calculation

Your Settlement Payment is estimated to be \$[amount], based on the following dates of employment as reflected in Defendant’s records:

[insert start date(s) and end date(s) of employment and number of pay periods].

If you do not opt-out of the Settlement, then you will receive a check for your Settlement Payments. Your check will be void if you do not cash or deposit your check within 180 days following the issuance of the check. Whether or not you cash or deposit your check, you will be bound by the Settlement and will be deemed to have waived irrevocably any right or claim to your Settlement share and/or to appeal the approval of the Settlement. After the expiration of 180 days, the sum of any uncashed/undeposited checks shall be deposited with the California Unclaimed Property division.

E. Release of Claims Against Defendants.

Upon the Final Approval of the Settlement by the Court, Plaintiffs and all members of the Settlement Class who do not submit timely requests for exclusion (described below) will be deemed to have fully released and discharged Defendant and all of their affiliated entities, parents, subsidiaries, owners, officers, shareholders, executives, and managers (collectively, the “Released Parties”) from all Claims asserted in the operative Complaint or that could have been asserted in the operative Complaint based on the facts alleged therein, including claims for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to provide accurate wage statements; (6) failure to pay all wages due at termination; (7) failure to reimburse business expenses; (8) violation of the Unfair Competition Law; (9) civil penalties for violation of PAGA based upon the facts alleged in the Plaintiffs’ PAGA Notices and/or the operative Complaint. The Class Members shall release the Released Parties for all such claims through January 31, 2022, and/or preliminary approval of this Settlement, whichever is earlier.

Only those Class Members who were employed during the PAGA Period, will release their claims for PAGA penalties.

These claims are referred to in this Notice as the “**Released Claims.**” For more information regarding the scope of the release, please read the Settlement Agreement available at [insert URL].

III. LEGAL RIGHTS AND OPTIONS OF CLASS MEMBERS

A. **Option 1: Do Nothing and Receive a Settlement Payment.**

You do not need to do anything in order to receive a Settlement Payment. If you do nothing, you will automatically be included in the Settlement and will receive a Settlement Payment so long as the Settlement is approved and becomes Final. As set forth above, your Settlement Payment will be based upon whether you worked during the Class Period and, if so, the number of pay periods you worked during the Class Period.

Please keep your address current! To assist the Court and the parties in maintaining accurate lists of Class Members, please mail notice of any change in your address to the Settlement Administrator (address below), or call [Administrator 800 #]. *Please say that you are a part of the De La Hoya Settlement Class.*

B. **Option 2: Exclude Yourself from the Settlement.**

IMPORTANT: You will be bound by the terms of the Settlement unless you submit a timely and signed written request to be excluded from the Settlement. To exclude yourself from the Settlement, you must mail your request for exclusion, postmarked no later than [60 calendar days after notice date], to:

[SETTLEMENT ADMINISTRATOR]
[ADDRESS]

Your request for exclusion must contain your full name and a statement that you wish to be excluded. Your request for exclusion must be returned by mail to the Settlement Administrator at the address above and must be postmarked on or before [60 calendar days after notice date]. If you request exclusion, you will not be excluded from the PAGA Subclass. If you request exclusion, you will still be entitled to receive your share of the PAGA portion of the Settlement, if any, and will still be bound by the PAGA portion of the Settlement if you are a member of the PAGA Subclass.

C. **Option 3: Object to the Settlement.**

Any Settlement Class Member who has not submitted a request for exclusion may object to the terms of the Settlement. You may object to the proposed settlement in writing and/or orally at the Final Approval Hearing. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing should: (1) clearly identify the case name and number (*De la Hoya, et al. v. Sierra West Finish, Inc.*, Case No. CIVSB2107351); and (2) be mailed to the Settlement Administrator postmarked on or before [60 calendar days after notice date]. A Settlement Class Member may appear personally or through an attorney, at his or her own expense, at the Final Approval Hearing to present his or her objection directly to the Court.

COUNSEL FOR THE PARTIES

CLASS COUNSEL

Michael R. Crosner (Bar No. 41299)
Zachary M. Crosner (Bar No. 272295)
Blake R. Jones (Bar No. 211221)
Chad Saunders (Bar No. 257810)
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Andrew H. Woo, Esq. CA Bar No. 261120
LITTLER MENDELSON, PC
5200 North Palm Avenue, Suite 302
Fresno, CA 93704
Tel: (559) 244-7500

YOU MAY OBJECT TO THE SETTLEMENT AND STILL RECEIVE YOUR SHARE OF THE NET SETTLEMENT AMOUNT. IF THE COURT APPROVES THE SETTLEMENT DESPITE YOUR OBJECTIONS, YOU WILL RECEIVE YOUR SHARE OF SETTLEMENT PROCEEDS.

NO MATTER WHICH OPTION YOU CHOOSE, DEFENDANT WILL NOT RETALIATE AGAINST YOU.

IV. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing on [FINAL APPROVAL HEARING], at [TIME], in Department S-26, 247 West Third Street San Bernardino, CA 92415, Hon. David Cohn presiding, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The hearing may be continued or rescheduled without further notice to Class Members. You can check whether the Final Approval Hearing has been continued or rescheduled by visiting [insert Administrator URL] or by visiting the Court's website <https://portal.sb-court.org/Portal/>, clicking on "Smart Search," and then entering the case number for this action, CIVSB2107351.

You may attend the Final Approval Hearing but are not required to do so. Written objections will be considered at the Final Approval Hearing whether or not the person objecting appears at the hearing. If you object and wish to appear at the Final Approval Hearing, you may appear personally or through counsel hired at your own expense, as long as you provide the Court with timely notice of your intent to appear.

At no expense to you, Class Counsel will represent your interests as a Class Member. Or, you may hire your own lawyer at your own expense.

V. ADDITIONAL INFORMATION

This Notice is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may read the detailed Settlement Agreement, which is available at [insert Administrator URL]. You may also access Plaintiff's Motion for Preliminary Approval, Plaintiff's Motions for Final Approval and Attorneys' Fees (when available), and other important documents related to this case, at the above website. If you have any questions regarding this Notice, the Settlement, or the Litigation, you may contact Class Counsel.

DO NOT TELEPHONE THE COURT OR DEFENSE COUNSEL