

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

ISMAEL REYES MORALES, individually
and on behalf of others similarly situated, and
as an aggrieved employee and Private
Attorney General,

Plaintiff,

vs.

BOGH ENGINEERING, INC., a California
corporation; MARK BOGH, an individual;
BOGH ENGINEERING, LLC, a California
limited liability company; BOGH
HOLDINGS, INC., a California corporation;
and DOES 4 through 50, inclusive,

Defendants.

Case No.: CIVSB2116581

*Assigned for all purposes to: Hon. Wilfred J.
Schneider Jr., Dept. S32*

JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT

Complaint Filed:	June 15, 2021
FAC Filed:	September 8, 2021
SAC Filed:	April 13, 2023
Trial Date:	None Set

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Ismael Reyes Morales (“Plaintiff”), individually and on behalf of all other similarly situated and alleged aggrieved employees, and as a representative of the State of California on the one hand, and Defendants Bogh Engineering, Inc., Mark Bogh, Bogh Engineering, LLC, Bogh Holdings, Inc. (“Defendants”) on the other hand in the lawsuit entitled *Ismael Reyes Morales v. Bogh Engineering, Inc., et al.*, filed in the San Bernardino County Superior Court, Case No. CIVSB2116581. Plaintiff and Defendants shall be, at times, collectively referred to as the “Parties.” This Agreement is intended by the Parties to fully, finally and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

DEFINITIONS

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

2. “Action” means the court action entitled “*Ismael Reyes Morales v. Bogh Engineering, Inc., et al.*, filed in the San Bernardino County Superior Court, Case No. CIVSB2116581, initiated on or around June 15, 2021, the First Amended Complaint filed on September 8, 2021, and the Second Amended Complaint filed on April 13, 2023 as well as the claims asserted in Plaintiff’s correspondence of May 27, 2021 to the Labor and Workforce Development Agency seeking penalties against Defendants for violations under the California Labor Code under the Private Attorneys General Act of 2004 (hereinafter the “LWDA Letter.”).

3. “Class Counsel” means Heather Davis, Amir Nayebdadash and Carlos Jimenez of Protection Law Group LLP. The term “Class Counsel” shall be used synonymously with the term “Plaintiff’s Counsel.”

4. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of the Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys’ fees not to exceed thirty-five (35%) of the Gross Settlement Amount, *i.e.* Two Hundred Eighty-Five Thousand Six Hundred Fifty-Two Dollars and Eighty-Five Cents (\$285,652.85) and

the reimbursement of reasonable costs and expenses associated with the litigation and settlement of the Action, not to exceed Fifty Thousand Dollars (\$50,000.00), subject to the Court's approval. Defendants have agreed not to oppose Class Counsel's request for fees and reimbursement of reasonable costs and expenses in the amount set forth above.

5. "Class List" means a complete list of all Class Members that Defendants will in good faith compile from their records and provide to the Settlement Administrator within Fourteen (14) calendar days after service (via email or otherwise) of the Order granting Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class Member's: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; and (5) dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)); (6) total Workweeks during the Class Period; (7) total Workweeks during the PAGA Period; and (8) any other reasonable information required by the Settlement Administrator in order to effectuate the terms of the Settlement. .

6. "Class" or "Class Members" means all current and former non-exempt employees of Defendants employed in the state of California at any time during the Class Period.

7. "Class Period" means the period from June 15, 2017 through and ending on July 31, 2024.

8. "Class Representative" means Plaintiff Ismael Reyes Morales in his capacity as a representative of the Class Members.

9. "Class Representative Enhancement Payment" means the amount that the Court authorizes to be paid to Plaintiff in addition to his Individual Settlement Payment, in recognition of the effort and risk he has taken in assisting with the prosecution of the Action and in exchange for a General Release of his claims as provided herein, at no additional cost to Defendants.

10. "Court" means the Superior Court of the State of California for the County of San Bernardino.

11. "Defendants" means Bogh Engineering, Inc., Mark Bogh, Bogh Engineering, LLC, Bogh Holdings, Inc.

12. “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; or (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, shall be referred to as the “Effective Date.” Defendant and Defendant’s counsel waive all rights to appeal the Final Approval Order.

13. “Employer Taxes” means employer-funded taxes and contributions imposed on the wage portions of the Individual Settlement Payments under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions required of employers, such as for unemployment insurance.

14. “Final Approval” means the date of final affirmation of the Court’s signed Order and Judgment granting final approval of this Settlement.

15. “General Release” means the broader release of all claims by Plaintiff in the Action, which is in addition to Plaintiff’s release of claims as a Participating Class Member.

16. “Gross Settlement Amount” means the total sum of Eight Hundred Sixteen Thousand One Hundred Fifty-One Dollars and Zero Cents (\$816,151.00) which shall be paid by Defendants into a Qualified Settlement Fund (QSF). Defendants shall receive a credit towards the Gross Settlement Amount in the amount of Thirty-Seven Thousand Seven Hundred Dollars and Zero Cents (\$35,700.00) for Prior Release Payments already paid to Class Members by Defendants, and a credit towards the Gross Settlement Amount in the amount of Two Hundred Eight Thousand Four Hundred Fifty-One Dollars and Zero Cents (\$280,451.00) for DLSE Settlement Payments already paid. Thus, the additional total payment to be made by Defendants in connection with the Settlement shall be Five Hundred Thousand Dollars and Zero Cents (\$500,000.00). The Gross Settlement Amount is non-reversionary, no portion of the Gross Settlement Amount will return to Defendants and includes: (1) payments to the Class, (2) Class Counsel’s fees, (3) Class Counsel’s costs, (4) Settlement Administration Costs, (5) Class Representative Enhance Payment to Plaintiff; and (6) the PAGA Payment to the LWDA and PAGA Members. The Gross Settlement Amount is exclusive of the employer’s share of any

1 applicable payroll taxes, and any such employer-side payroll taxes shall be paid by Defendants
2 separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount plus
3 any applicable employer-side payroll taxes shall be the maximum amount that Defendants are
4 required to pay under the Settlement. In the event that the consideration due under this Agreement
5 is not paid, then the Settlement is voidable at the option of Plaintiff. Payment shall be made per
6 the terms of this Agreement. If the Agreement is voided, then the time for Plaintiff to bring class
7 and/or aggrieved employee claims, will be tolled from the date that this Agreement is fully
8 executed.

9 17. "Individual Settlement Payment" means the amount payable from the Net
10 Settlement Amount to each Participating Class Member and any payment a PAGA Member is
11 eligible to receive from the employee portion of the PAGA Payment.

12 18. "Net Settlement Amount" means the funds available for payments to the Class,
13 which shall be the amount remaining after the following amounts are deducted from the Gross
14 Settlement Amount: (1) Class Counsel's fees, (2) Class Counsel's costs, (3) Settlement
15 Administration Costs, (4) Class Representative Enhancement Payment to Plaintiff; and (5) the
16 PAGA Payment to the LWDA and PAGA Members.

17 19. "Notice" means the Notice of Class Action Settlement in a form substantially
18 similar to the form attached hereto as **Exhibit A**, in both English and Spanish, that will be mailed
19 to Class Members' last known addresses, and which will provide Class Members with information
20 regarding the Action and information regarding the settlement of the Action.

21 20. "PAGA" means the California Labor Code Private Attorneys General Act of 2004
22 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA").

23 21. "PAGA Payment" means the payment to the State of California Labor and
24 Workforce Development Agency ("LWDA") for its seventy-five percent (75%) share of the total
25 amount allocated toward penalties under the PAGA and payments to the PAGA Members of their
26 (25%) share of the total amount allocated toward penalties under the PAGA, all of which are to be
27 paid from the Gross Settlement Amount. The Parties have agreed that Forty Thousand Dollars and
28 Zero Cents (\$40,000.00) of the Gross Settlement Amount will be allocated toward penalties under

1 the PAGA of which Thirty Thousand Dollars and Zero Cents (\$30,000.00) will be paid to the
2 LWDA and Ten Thousand Dollars and Zero Cents (\$10,000.00) will be distributed to PAGA
3 Members on a *pro rata* basis based on Workweeks worked by the PAGA Members within the
4 PAGA Period. PAGA Members will receive payment from the employee portion of the PAGA
5 Payment and will be deemed to have released any claims arising out of PAGA regardless of their
6 decision to participate in the class action if the PAGA Payment is approved by the Court.

7 22. “PAGA Period” means the period from May 27, 2020, through and ending on July
8 31, 2024.

9 23. “PAGA Members” means Class Members who were employed by Defendants
10 during the PAGA Period.

11 24. “Parties” means Plaintiff and Defendants, collectively, and “Party” shall mean
12 either Plaintiff or Defendants, individually.

13 25. “Participating Class Members” means all Class Members who do not submit valid
14 and timely Requests for Exclusion. No claim form is required for a Class Member to become a
15 Participating Class Member.

16 26. “Plaintiff” means Ismael Reyes Morales.

17 27. “Preliminary Approval” means the Court order granting preliminary approval of
18 the Settlement Agreement.

19 28. “Objection” means a Class Member’s valid and timely written objection to the
20 Settlement Agreement. For a written Objection to be valid, it must be submitted by the Response
21 Deadline and include: (a) the objector’s full name, signature, address, telephone number, the
22 approximate dates of employment in California, last four digits of the Class Member’s social
23 security number or employee ID number; (b) the case name and number; (c) a written statement of
24 all grounds for the objection accompanied by legal support, if any, for such objection; (d) copies
25 of any papers, briefs, or other documents upon which the objection is based, if any; (e) a statement
26 describing whether the objector intends to appear at the Final Approval Hearing, either in person
27 or through counsel at the Class Member’s expense; and (f) the identity of the objector’s counsel,
28 if the objector is represented by counsel.

29. “Released Class Claims” means all claims, debts, rights, demands, liabilities, obligations and causes of actions that are alleged, or reasonably could have been alleged, based on the facts alleged in the operative Complaint, First Amended Complaint, and Second Amended Complaint in the Action, including, but not limited to, factual claims regarding Defendants’ alleged: (i) failure to pay all regular wages, minimum wages, reporting time wages, and overtime wages due pursuant to California Labor Code sections 510, 1194, 1194.2, 1197, 1197.1, 1198, and 1199, and the Industrial Welfare Commission (“IWC”) Wage Orders; (ii) failure to provide meal periods or compensation in lieu thereof pursuant to California Labor Code sections 226.7, 512, and 1198, and the IWC Wage Orders; (iii) failure to provide rest periods or compensation in lieu thereof pursuant to California Labor Code section 226.7 and 1198, and the IWC Wage Orders; (iv) failure to pay wages timely at time of termination or resignation pursuant to Labor Code sections 201, 202, and 203, and the IWC Wage Orders; (v) failure to provide timely pay wages during employment pursuant to Labor Code sections 204 and 210 and the IWC Wage Orders; (vi) failure to provide complete, accurate wage statements pursuant to Labor Code section 226, 226.3, 1198, and the IWC Wage Orders; (vii) failure to reimburse necessary business expenses, pursuant to Labor Code sections 2800 and 2802 and the IWC Wage Orders; (viii) failure to pay accrued vacation time pursuant to Labor Code section 227.3; (ix) failure to pay prevailing wage for work performed on public works projects pursuant to Labor Code sections 1771, 1774, and 1815; (x) failure to provide potable water and handwashing materials pursuant to Labor Code section 1198 and the IWC Wage Orders; (xi) liquidated damages pursuant to 1194.2; (xii) failure to maintain accurate records pursuant to Labor Code sections 1198.5 and 1174(d); and (xiii) unfair business practices pursuant to Business and Professions Code section 17200 et. seq. and other related penalties for violations of California Labor Code §§ 201, 202, 203, 204, 210, 221, 226, 226(a), 226.3, 226.7, 227.3, 510, 512, 558, 558.1, 598, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1771, 1774, 1815, 2699, 2800, 2802, 17200, the applicable Wage Order of the Industrial Wage Commission, and California Business & Professions Code §§ 17200 to 17208, including without limitation all related claims for restitution and other equitable relief arising from California Business and Professions Code §§ 17200, et seq., interest on unpaid wages, unpaid wages,

1 attorneys' fees or litigation costs, and any other related claims and/or penalties, including civil
2 penalties. This release shall apply to claims arising during the Class Period.

3 30. "Released PAGA Claims" means all claims for civil penalties under the California
4 Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been
5 premised on the facts alleged in Plaintiff's May 27, 2021 PAGA Letter to the LWDA and in the
6 Complaint, the First Amended Complaint, and the Second Amended Complaint including but not
7 limited to penalties that could have been awarded pursuant to Labor Code sections 201, 202, 203,
8 204, 210, 221, 226, 226(a), 226.3, 226.7, 227.5, 510, 512, 558, 558.1, 598, 1174, 1174.5, 1194,
9 1194.2, 1197, 1197.1, 1198, 1199, 1771, 1774, 1775, 1197.1, 558, 1815, 2699, 2800, 2802, and
10 2699.

11 31. "Released Parties" means Defendants Bogh Engineering, Inc., Mark Bogh, Bogh
12 Engineering, LLC, Bogh Holdings, Inc. as named by Plaintiff in the operative complaint, and their
13 past, present and/or future, direct and/or indirect, owners, officers, directors, members, managers,
14 agents, representatives, attorneys, accountants, insurers, partners, investors, shareholders,
15 administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors,
16 assigns, and joint venturers.

17 32. "Request for Exclusion" means a valid and timely written statement submitted by
18 a Class Member requesting to be excluded from the Action. To be effective, the Request for
19 Exclusion must be submitted by the Response Deadline and contain (a) the Class Member's name,
20 signature, address, telephone number, dates of employment in California, and the last four digits
21 of the Class Member's Social Security number and/or the Employee ID number (b) the case name
22 and number; and (c) a clear statement requesting to be excluded from the settlement of the class
23 claims similar to the following: "I wish to exclude myself from the class settlement reached in the
24 matter of *Ismael Reyes Morales v. Bogh Engineering, Inc., et al.*, San Bernardino County Superior
25 Court, Case No. CIVSB2116581, I understand that by excluding myself, I will not receive money
26 from the settlement of my individual claims." To be effective, the Request for Exclusion must be
27 post-marked by the Response Deadline and received by the Settlement Administrator. The Request
28

1 for Exclusion shall not be effective as to the Released PAGA Claims as Class Members have no
2 right to exclude themselves (opt-out) of the PAGA component of the Settlement.

3 33. "Response Deadline" shall be sixty (60) calendar days after the Settlement
4 Administrator mails Notice to Class Members and the last date on which Class Members may
5 submit Requests for Exclusion, Objections to the Settlement, or Workweek Disputes. In the event
6 the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the
7 next day on which the U.S. Postal Service is open. The Response Deadline for Requests for
8 Exclusion or Objections will be extended fifteen (15) calendar days for any Class Member who is
9 re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or
10 Federal holiday, in which case the Response Deadline will be extended to the next day on which
11 the U.S. Postal Service is open. The Response Deadline may also be extended by express
12 agreement between Class Counsel and Defendant. Under no circumstances, however, will the
13 Settlement Administrator have the authority to unilaterally extend the deadline for Class Members
14 to submit a Request for Exclusion or Objection to the Settlement.

15 34. "Settlement" means the disposition of the Action pursuant to this Agreement.

16 35. "Settlement Administrator" means ILYM Group, Inc. The Parties each represent
17 that they do not have any financial interest in the Settlement Administrator or otherwise have a
18 relationship with the Settlement Administrator that could create a conflict of interest.

19 36. "Settlement Administration Costs" mean the costs payable from the Gross
20 Settlement Amount to the Settlement Administrator for administering this Settlement, including,
21 but not limited to, printing, distributing, and tracking documents for this Settlement,
22 calculating/confirming the class member Workweeks from the information contained in the Class
23 List, calculating each Participating Class Member's Individual Settlement Payment, tax reporting,
24 distributing the Gross Settlement Amount, providing necessary reports and declarations, and other
25 duties and responsibilities set forth herein to process this Settlement, and as requested by the
26 Parties. Settlement Administration Costs shall not exceed Nine Thousand Dollars and Zero Cents
27 (\$9,000.00).

37. “Workweek” shall mean any calendar week (*i.e.*, a week beginning with Sunday and ending with Saturday) during which a Class Member/PAGA Member worked at least one (1) day for Defendant during the Class Period and/or PAGA Period, and based on hire dates, re-hire dates and termination dates.

TERMS OF AGREEMENT

38. Settlement Consideration: Defendants shall fund the Gross Settlement Amount, less applicable credits pursuant to Paragraph 16 above, and all applicable employer-side payroll taxes following Final Approval by the Court and the occurrence of the Effective Date. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments, the Class Representative Enhancement Payments, Class Counsel’s Fees and Costs, the PAGA Payment, and the Settlement Administration Costs, as specified in this Agreement. Except for any employer-side taxes due on the Individual Settlement Payments, or as a result of a potential increase in the number of Workweeks as set forth below in paragraph 39, Defendants shall not be required to pay more than the Gross Settlement Amount plus any applicable employer-side payroll taxes. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendants.

39. Potential Increase to the Gross Settlement Amount: Defendants estimated that putative class members collectively worked approximately 27,253 workweeks as of March 31, 2024 (worked by 207 Class Members with the Class Period). If the actual number of workweeks increases by more than ten percent (10%) (*i.e.*, by more than 2,725 additional work weeks) through the Release Period, Defendants, in their sole discretion, have the option of either (1) increasing the Global Settlement Amount on a proportional basis, or (2) backing the release date up to where the work weeks are 10% or less and keeping the Gross Settlement Amount at \$816,151. In the event the number of workweeks worked increases by more than 10%, or 2,725 workweeks worked, and Defendants elect to increase the Gross Settlement Amount on a proportional basis, then the Gross Settlement Amount shall be increased proportionally by the workweeks in excess of 29,978 (27,253 + 10%) multiplied by the workweek value. The workweek value shall be calculated by dividing \$500,000 by 27,253. The Parties agree that the workweek value amounts to \$18.34

1 (\$500,000 / 27,253 workweeks). Thus, for example, should there be 29,979 workweeks in the
2 Class Period, then the Gross Settlement Amount shall be increased by \$18.34 (29,979 workweeks
3 – 29,978 workweeks = 1 work week x \$18.34).

4 40. Funding of the Gross Settlement Amount: Within fourteen (14) calendar days of
5 Preliminary Approval, Defendants will deposit the first of two installments of the Gross Settlement
6 Amount in the amount of Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00),
7 into a Qualified Settlement Fund (“QSF”) to be established by the Settlement Administrator.
8 Defendants will deposit the second installment of \$250,000.00 into the QSF within fourteen (14)
9 calendar days after final approval but not earlier than January 31, 2025. If the deadline for
10 Defendants to deposit the second installment occurs before January 31, 2025, Defendants will
11 deposit the second installment into the QSF by February 3, 2025. Defendants shall provide all
12 information necessary for the Settlement Administrator to calculate necessary payroll taxes
13 including its official name, 8-digit state unemployment insurance tax ID number, and other
14 information requested by the Settlement Administrator, no later than fourteen (14) calendar days
15 of the Effective Date. This information shall be kept confidential by Plaintiff. Defendants may not
16 vary from the Court approved scheduling for the funding of the Gross Settlement Amount unless
17 the Parties agree otherwise; it is not anticipated there would be a need to alter the funding date. If
18 Defendants have an objection to the Court approved funding timeline, Defendants must seek *ex*
19 *parte* relief from the Court about its objection, unless Plaintiff agrees with Defendants otherwise.

20 41. Distribution of the Gross Settlement Amount: No later than seven (7) calendar days
21 of the funding of the Settlement, the Settlement Administrator will issue payments for: (a)
22 Individual Settlement Payments; (b) the PAGA Payment to the Labor and Workforce Development
23 Agency; (c) the Class Representative Enhancement Payments; (d) Class Counsel’s Fees and Costs
24 and (e) Settlement Administration Costs.

25 42. Attorneys’ Fees and Costs: Defendants agree not to oppose any application or
26 motion by Class Counsel for attorneys’ fees up to 35% of the Maximum Settlement Amount, or
27 Two Hundred Eighty-Five Thousand Six Hundred Fifty-Two Dollars and Eighty-Five Cents
28 (\$285,652.85) plus the reimbursement of reasonable costs and expenses associated with the

litigation and settlement of the Action, in an amount not to exceed Fifty Thousand Dollars and Zero Cents (\$50,000.00), both of which will be paid from the gross Settlement Amount. Any portion of the requested fees or costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

43. Class Representative Enhancement Payment: Defendants agree not to oppose or object to any application or motion by Plaintiff for Class Representative Enhancement Payment of Ten Thousand Dollars and Zero Cents (\$10,000.00). The Class Representative Enhancement Payment is in exchange for the General Release of the Plaintiff's individual claims and for his time, effort and risk in bringing and prosecuting the Action. Any portion of the requested Class Representative Enhancement Payment that is not awarded to the Class Representative shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

44. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall not exceed Nine Thousand Dollars and Zero Cents (\$9,000.00).

45. PAGA Payment: Forty Thousand Dollars and Zero Cents (\$40,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment, or Thirty Thousand Dollars and Zero Cents (\$30,000.00), to the California Labor and Workforce Development Agency ("LWDA"). Ten Thousand Dollars and Zero Cents (\$10,000.00) 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 Payment and will be deemed to have released any claims arising out of PAGA regardless of their decision to opt-out of the class settlement.

46. 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:	\$	816,151.00
Prior Release Payments:	\$	35,700.00
DLSE Settlement Payments:	\$	280,451.00
Enhancement Payment:	\$	10,000.00
Class Counsel's Fees:	\$	285,652.85
Class Counsel's Costs:	\$	50,000.00
PAGA Payment:	\$	40,000.00
Settlement Administration Costs:	\$	<u>9,000.00</u>
Estimated Net Settlement Amount	\$	105,347.15

47. Individual Settlement Payment Calculations: Individual Settlement Payments will be paid from the Net Settlement Amount that includes the 25% portion of the PAGA Payment allocated for PAGA Members and shall be paid pursuant to the formula 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 respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the Payment Ratio for each Participating Class Member. Each Participating Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated share of the Net Settlement Amount: (Participating Class Member's Workweeks ÷ Workweeks during Class Period) × Net Settlement Amount. With respect to the Thirty-Seven Thousand Seven Hundred Dollars and Zero Cents (\$35,700.00) for Prior Release Payments already paid to Class Members by Defendants, each Participating Class Member will receive a credit for \$350.00. If the \$350.00 is more than the Participating Class Member's Individual Settlement Payment, then the Participating Class Member will not receive anything. If the Participating Class Member's

Individual Settlement Payment is less than \$350.00, then the Participating Class Member will be paid the difference.

b) Calculation of PAGA Portion of Individual Settlement Payments:

The Settlement Administrator will calculate the total Workweeks for all PAGA Members by adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The respective Workweeks for each PAGA Member will be divided by the total Workweeks for all PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate each PAGA Member's estimated share of the PAGA Payment: (PAGA Member's Workweeks ÷ Workweeks during PAGA Period) x \$10,000.00 (the employee portion of the PAGA Payment). PAGA Members shall receive this portion of their Individual Settlement Payment and will be deemed to have released any claims arising out of PAGA regardless of whether they opt out of the participation regarding the class claims.

c) Allocation of Individual Settlement Payments: All Individual

Settlement Payments will be allocated as follows: twenty percent (20%) of each Individual Settlement Payment will be allocated as wages, forty percent (40%) shall be allocated as interest, and forty percent (40%) shall be allocated as penalties. The portion of the Individual Settlement Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement Administrator. Individual Settlement Payments shall be paid exclusively from the QSF, pursuant to the settlement formula set forth herein. Also, for tax purposes, the Parties agree that 100% of each PAGA Member's individual payment amount shall constitute penalties and each PAGA Member will be issued an IRS Form-1099 for such payment to him or her, if required by law. Neither Counsel for Plaintiff nor Defendant intend anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

1 48. No Credit Toward Benefit Plans: The Individual Settlement Payments made to
2 Participating Class Members under this Settlement, as well as any other payments made pursuant
3 to this Settlement, will not modify any previously credited hours or service under any employee
4 benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts will not
5 form the basis for additional contributions to, benefits under, or any other monetary entitlement
6 under the Released Parties' sponsored benefit plans, policies, or bonus programs. The payments
7 made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going
8 forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of
9 the Released Parties' benefit plans, policies, or bonus programs. The Released Parties retain the
10 right to modify the language of their benefit plans, policies and bonus programs to effectuate this
11 intent, and to make clear that any amounts paid pursuant to this Settlement are not for "hours
12 worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable
13 plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other
14 purpose, and that additional contributions or benefits are not required by this Settlement.

15 49. Settlement Administration Process: The Parties agree to cooperate in the
16 administration of the Settlement and to make all reasonable efforts to control and minimize the
17 costs and expenses incurred in administration of the Settlement. Without prejudice to any other
18 remedies, the Settlement Administrator shall hold Defendants harmless from and against all
19 liabilities, claims, causes of action, costs, and expenses (including legal fees and expenses) arising
20 out of any failure to timely or properly compensate Participating Class Members as provided for
21 in this Agreement. No person shall have any claim against any of the Released Parties, Counsel
22 for Defendants, Plaintiff, the Class Members, Class Counsel, or the Settlement Administrator
23 based on mailings, distributions, and payments made in accordance with or pursuant to this
24 Agreement. The Settlement Administrator will provide the following services:

25 a) Establish and maintain a Qualified Settlement Fund.

26 b) Calculate the Individual Settlement Payment each Participating Class Member is
27 eligible to receive and the portion of the PAGA Payment each PAGA Member shall
28 receive.

c) Print and mail the Notice.

d) Conduct additional address searches for mailed Notices that are returned as undeliverable.

e) Process Requests for Exclusion, field inquiries from Class Members.

f) Print and issue and issue Settlement Payment Checks, prepare IRS W2 and 1099 Tax Forms and any other filings required by any governmental taxing authority.

g) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court regarding the settlement administration process.

h) Provide weekly status reports to counsel for the Parties.

i) Posting a notice of final judgment online at Settlement Administrator's website.

j) Translate the Notice from English to Spanish.

50. Delivery of the Class List: Within fourteen (14) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator. The information Defendants provides to the Settlement Administrator shall be used solely to administer the terms of the Agreement as described herein, and shall be kept confidential from Plaintiff and Class Counsel.

51. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the Class List from Defendants, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

52. Confirmation of Contact Information in the Class List: Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address telephone number

1 and/or Social Security number of the Class Member involved and will then perform a single re-
2 mailing. If any notice sent to a Class Member by the Settlement Administrator is returned as
3 undeliverable to a current employee, then Defendants shall make all reasonable efforts to obtain
4 the current address from the Class Member and provide the same within seven (7) calendar days
5 of notice from the Settlement Administrator. Those Class Members who receive a re-mailed
6 Notice, whether by skip-trace or by request, will have between the later of (a) an additional fifteen
7 (15) calendar days or (b) the Response Deadline to postmark a Request for Exclusion, or an
8 Objection to the Settlement. If the Response Deadline for any Class Member is later than the
9 original 60-day notice period, the Settlement Administrator shall include a letter with the Notice
10 advising the Class Member of the adjustment to the Response Deadline. It shall be presumed that
11 each Class Member whose Notice is not returned to the Settlement Administrator as undeliverable
12 within the 60-day notice period has actually received the Notice.

13 53. Notice: All Class Members will be mailed a Notice in English and Spanish. Each
14 Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the
15 Settlement's principal terms; (c) the Class definition; (d) the total number of Workweeks each
16 respective Class Member worked for Defendants during the Settlement Class Period; (e) each Class
17 Member's estimated Individual Settlement Payment and the formula for calculating Individual
18 Settlement Payments; (f) the dates which comprise the Class Period; (g) the total number of PAGA
19 Pay Periods each respective PAGA Employee worked for Defendants during the PAGA Period;
20 (h) each PAGA Employee's estimated Individual PAGA Settlement Payment and the formula for
21 calculating Individual PAGA Payments; (i) the dates which comprise the PAGA Period; (j)
22 information regarding disputing Workweeks or PAGA Pay Periods, Requests for Exclusion, or
23 Notice of Objections; (k) the deadlines by which the Class Member must postmark Requests for
24 Exclusion, Objections to the Settlement, or Workweek Disputes or PAGA Pay period disputes; (l)
25 the claims to be released, as set forth herein; and (m) the date for the final approval hearing.

26 54. Disputed Information on Notice: Class Members will have an opportunity to
27 dispute the information provided in their Notice. To the extent Class Members dispute the number
28 of Workweeks with which they have been credited or the amount of their Individual Settlement

1 Payment, Class Members may produce evidence to the Settlement Administrator showing that
2 such information is inaccurate. Absent evidence rebutting Defendants' records, Defendants'
3 records will be presumed determinative. However, if a Class Member produces evidence to the
4 contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class
5 Member and the Parties will make the final decision as to the number of eligible Workweeks that
6 should be applied and/or the Individual Settlement Payment to which the Class Member may be
7 entitled, in the event that Defendants cannot make this determination itself. If the Parties do not
8 agree, the dispute will be submitted to the Court.

9 55. Defective Submissions: If a Class Member's Request for Exclusion is defective as
10 to the requirements listed herein, that Class Member will be given an opportunity to cure the
11 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
12 business days of receiving the defective submission to advise the Class Member that his or her
13 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
14 The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar
15 days from the date of the cure letter, whichever date is later, to postmark a revised Request for
16 Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the
17 Settlement Administrator will have no further obligation to give notice of a need to cure. If the
18 revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

19 56. Request for Exclusion Procedures: Any Class Member wishing to opt-out from the
20 Settlement must sign and postmark a written Request for Exclusion to the Settlement Administrator
21 by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name,
22 signature, address, telephone number, dates of employment in California, and the last four digits
23 of the Class Member's Social Security number and/or the Employee ID number; (b) the case name
24 and number; and (c) a clear statement requesting to be excluded from the settlement of the class
25 claims similar to the following: "I wish to exclude myself from the class settlement reached in the
26 matter of "*Ismael Reyes Morales v. Bogh Engineering, Inc., et al.*", San Bernardino County Superior
27 Court, Case No. CIVSB2116581, I understand that by excluding myself, I will not receive money
28 from the settlement of my individual claims." The date of the postmark on the return mailing

1 envelope receipt confirmation will be the exclusive means to determine whether a Request for
2 Exclusion has been timely submitted. To be effective, the Request for Exclusion must be post-
3 marked by the Response Deadline and received by the Settlement Administrator. All Requests for
4 Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class
5 Counsel and Defendants' Counsel the Requests for Exclusion that were timely submitted. All Class
6 Members who do not request exclusion from the Action will be bound by all terms of the
7 Settlement Agreement if the Settlement is granted final approval by the Court and deemed
8 Effective under this Agreement. The Request for Exclusion shall not be effective as to the release
9 of claims arising under the Private Attorneys General Act.

10 57. Defendants' Right to Rescind: If Class Members representing more than the
11 aggregate total of ten percent (10.0%) of the Class Members opt-out of the Settlement, Defendants
12 may, at their election, rescind the Settlement Agreement and all actions taken in furtherance of it
13 will be thereby null and void. Defendants must give written notice to Class Counsel of its intent to
14 rescind the Agreement within fourteen (14) business days of the Settlement Administrator
15 notifying the Parties of these opt-outs. If Defendants exercises their right to rescind the Agreement,
16 Defendants shall be responsible for all Settlement Administration Costs incurred to the date of
17 rescission, not to exceed the amount approved by the Court in the Preliminary Approval Order. In
18 such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be
19 returned to their respective statuses as of the date and time immediately prior to the execution of
20 this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had
21 not been executed, except that any fees already incurred by the Settlement Administrator shall be
22 paid by Defendants, not to exceed the amount approved by the Court in the Preliminary Approval
23 Order, and no term of this Agreement or any draft thereof, or the negotiation, documentation, or
24 other part or aspect of the Parties' settlement discussions, shall have any effect or be admissible as
25 evidence for any purpose in the Action, or in any other proceeding.

26 58. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the
27 complete funding of the Gross Settlement Amount, any Class Member who does not affirmatively
28 opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by

all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement. Class Members who opt-out of the Settlement shall not be bound by such Judgment or release. The entry of a final order approving settlement of this Action and Judgment which discharges Defendant and Released Parties from liability for any and all of the Released Claims shall have a *res judicata* effect and bar Plaintiff and Class Members who did not submit a timely and valid Request for Exclusion from bringing any actions or claims asserting the Released Claims. The names of Class Members who have opted-out of the settlement shall be disclosed to the Counsel for both Plaintiff and Defendant and noted in the proposed Judgment submitted to the Court. PAGA group members cannot opt out of the PAGA portion of the settlement, and shall be bound by that regardless of whether they opt out of the class settlement.

59. Objection Procedures: To object to the Settlement, a Participating Class Member must postmark a valid Objection to the Settlement Administrator on or before the Response Deadline. The Objection must be signed by the Participating Class Member and contain all information required by this Settlement Agreement including the employees full name, address, telephone number, the last four digits of their social security number and/or Employee ID number, and the specific reason including any legal grounds for the Participating Class Members objection. The postmark date will be deemed the exclusive means for determining that the Notice of Objection is timely. Participating Class Members who fail to object in the manner specified above will be foreclosed from making a written objection, but shall still have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to submit written objections to the Settlement or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with respect to any objections to this Settlement.

60. Certification Reports Regarding Individual Settlement Payment Calculations: The Settlement Administrator will provide Defendants' Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member

1 has submitted a challenge to any information contained in the Notice. Additionally, the Settlement
2 Administrator will provide to counsel for both Parties any updated reports regarding the
3 administration of the Settlement Agreement as needed or requested.

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

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

26 63. Tax Liability: Defendants make no representation as to the tax treatment or legal
27 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not
28 relying on any statement, representation, or calculation by Defendants or by the Settlement

1 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that
2 they will be solely responsible for the payment of any taxes and penalties assessed on the payments
3 described herein. Defendants' share of any employer payroll taxes and other required employer
4 withholdings due on the Individual Settlement Payments, including, but not limited to, Defendant's
5 FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement
6 Amount.

7 64. Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR
8 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
9 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
10 PARTY") ACKNOWLEDGES AND AGREES THAT: (1) NO PROVISION OF THIS
11 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
12 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
13 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
14 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
15 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR
16 PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
17 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
18 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
19 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
20 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
21 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
22 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
23 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
24 ACKNOWLEDGING PARTY, AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
25 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
26 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
27 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
28 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY

TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

65. No Prior Assignments: The Parties and their counsel 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 right herein released and discharged.

66. Release by Participating Class Members: Upon the complete funding of the Gross Settlement Amount, Participating Class Members shall fully and finally release and discharge the Released Parties from the Released Class Claims that arose during the Class Period. This release shall be binding on all Participating Class Members. The release of Released Claims will have a res judicata effect against any Class Members who make a claim against any of the Released Parties for any of the Released claims, file any actions, claims, complaints or proceedings regarding the Released Claims with the California Division of Labor Standards Enforcement, initiate any other proceedings against any of the Released Parties regarding any of the Released Claims, or seek to participate in any judgment or settlement of claims that are the subject of the Released Claims in any other class, collective, or representative action against any of the Released Parties.

67. Release by Plaintiff, State of California, LWDA and PAGA Members: Upon the complete funding of the Gross Settlement Amount, Plaintiff, the LWDA, the State of California, through Plaintiff as its agent and/or proxy, any another representative, proxy, or agent thereof, including but not limited to any and all PAGA Members, shall fully and finally release and discharge the Released Parties from the Released PAGA Claims that arose during the PAGA Period. The Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or otherwise bar a representative action to the broadest extent possible by law if an aggrieved employee were to bring a subsequent claim on behalf of the LWDA based on the same factual predicate as the Action and covering the same time.

68. Inability to Object / Opt Out of PAGA. The Parties agree that there is no statutory right for any PAGA Employee to object to, opt out of, or otherwise exclude himself or herself from the settlement of the PAGA claims. Accordingly, any timely objection or exclusion from the

1 Settlement submitted by a Class Member shall be construed as relating only to the putative class
2 action claims and shall have no effect whatsoever on the settlement of the PAGA claims.

3 69. Release of Additional Claims & Rights by Plaintiff: Upon the funding of the Gross
4 Settlement Amount, Plaintiff for himself and his spouse, heirs and assigns, fully and finally release
5 the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises,
6 agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses,
7 debts, penalties and expenses of any nature and description whatsoever, known or unknown,
8 suspected or unsuspected, asserted or that might have been asserted, whether in tort, contract,
9 equity, or otherwise, arising out of Plaintiff's employment with Defendants, payment of wages
10 during that employment and the cessation of that employment and/or violation of any federal, state
11 or local statute, rule, ordinance or regulation. Such claims include but are not limited to any and
12 all Released Class Claims and Released PAGA Claims and termination thereof, California Civil
13 Code, to include §§3287, 3336 and 3294; 12 CCR §11040; 8 CCR § 11060; California Code of
14 Civil Procedure §1021.5; California common law of contract; 29 CFR §778.223; and 29 CFR
15 §778.315; federal common law and, to the extent permitted by law, the Employee Retirement
16 Income Security Act, 29 U.S.C. §§1001, *et seq.* (ERISA) §778.315; and federal common law. In
17 addition, Plaintiff's General Release includes but is not limited to, all claims for lost wages and
18 benefits, emotional distress, retaliation, restitution, penalties, punitive damages, and attorneys'
19 fees and costs (except those provided by this Settlement Agreement) arising under federal, state,
20 or local laws for discrimination, harassment, retaliation, and wrongful termination, such as, by way
21 of example only, (as amended) 42 U.S.C. §1981, Title VII of the Civil Rights Act of 1964, the
22 Americans with Disabilities Act (ADA), the Age Discrimination in Employment Act (ADEA), and
23 the California Fair Employment and Housing Act (FEHA); and the law of contract and tort. This
24 release excludes the release of claims not permitted by law. Plaintiff's General Release include all
25 claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different
26 from those they now know or believe to be true with respect to the subject matter of Plaintiff's
27 General Release, those claims will remain released and forever barred. Specifically, Plaintiff
28 waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

1 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
2 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
3 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
4 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
5 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
6 DEBTOR OR RELEASED PARTY.

7 Notwithstanding the foregoing, Plaintiff does not waive or release any claim which cannot be
8 waived or released by private agreement. Further, nothing in this Agreement shall prevent Plaintiff
9 from filing a charge or complaint with, or from participating in, an investigation or proceeding
10 conducted by the SEC, OSHA, EEOC, DFEH, NLRB or any other federal, state or local agency
11 charged with the enforcement of any employment or other applicable laws. Plaintiff, however,
12 understands that by signing this Agreement, he waives the right to recover any damages or to
13 receive other relief in any claim or suit brought by or through the EEOC, the DFEH or any other
14 state or local deferral agency on their behalf to the fullest extent permitted by law, but expressly
15 excluding any monetary award or other relief available from the SEC/OSHA, including an
16 SEC/OSHA whistleblower award, or other awards or relief that may not lawfully be waived.

17 70. Nullification of Settlement Agreement: In the event that: (a) the Court does not
18 enter the Preliminary Approval Order and approve the Released Claims specified herein without
19 requiring material changes to the "Basic Settlement Terms" defined as relating to the monetary
20 sums to be paid in the Settlement, the parameters of the Released Claims and the covered Class
21 Period, revisions to the Increase in Workweeks provision contained herein, and revisions to
22 Defendants' Option to Nullify the Settlement Agreement provision contained herein; (b) the Court
23 does not finally approve the Settlement without requiring material changes to the Basic Settlement
24 Terms as provided herein; (c) the Court strikes or does not approve any material term of this
25 Settlement Agreement; (d) Defendants exercises their option to nullify the Settlement Agreement
26 based on an excessive number of opt-outs, as described in the above; or (e) the Settlement does
27 not become final as written and agreed to by the Parties for any other reason, then this Settlement
28 Agreement, and any documents generated to bring it into effect, will be null and void, all amounts

deposited into the QSF will be returned to Defendants, and the Parties shall be returned to their original respective positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning and the Stipulations and Recitals contained herein shall be of no force or effect and shall not be treated as an admission by the Parties or their counsel. Any Settlement Administration Costs incurred will be the sole responsibility of Defendants. Should the Court fail to approve this settlement for any reason, the Parties agree that they will seek assistance from Mediator Jeff Ross in an effort to reach a settlement that may be approved by the Court, unless the Parties are able to resolve the issue without resort to a mediator.

71. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice to be sent to all class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the Settlement, and will include the proposed Notice attached as **Exhibit A**. Defendants agree that they will not oppose Plaintiff's motion for Preliminary Approval. Any failure by the Court to fully and completely approve the Agreement as to the Action will result in this Settlement Agreement entered into by the Parties, and all obligations under this Settlement Agreement being nullified and voided.

72. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the deadlines to postmark Requests for Exclusion or Objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) Class Counsel's Fees and Costs; (c) the Class Representative Enhancement Payments; and (d) the Settlement Administration Costs. Any failure by the Court to fully and completely approve the Settlement Agreement as to all of the Action, or

1 the entry of any Order by another Court with regard to any of the Action which has the effect of
2 modifying material terms of this Agreement as described above or preventing the full and complete
3 approval of the Settlement Agreement as written and agreed to by the Parties, will result in this
4 Agreement and all obligations under this Agreement being null and void. Defendants agree they
5 shall not oppose the granting of the Motion for Final Approval, provided Defendants have not
6 exercised their right to rescind pursuant to the terms of this Agreement.

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

14 74. Exhibits Incorporated by Reference: The terms of this Settlement include the terms
15 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
16 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

17 75. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute
18 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
19 agreements in relation to settlement terms may be deemed binding on the Parties. The Parties
20 expressly recognize California Civil Code section 1625 and California Code of Civil Procedure
21 section 1856(a), which provide that a written agreement is to be construed according to its terms
22 and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such
23 extrinsic oral or written representations or terms will modify, vary or contradict the terms of this
24 Agreement.

25 76. Amendment or Modification: This Settlement Agreement may be amended or
26 modified only by a written instrument signed by counsel for all Parties or their successors-in-
27 interest.
28

1 77. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant
2 and represent they are expressly authorized by the Parties whom they represent to negotiate this
3 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
4 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
5 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
6 counsel will cooperate with each other and use their best efforts to affect the implementation of
7 the Settlement. If the Parties are unable to reach agreement on the form or content of any document
8 needed to implement the Settlement, or on any supplemental provisions that may become
9 necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court
10 or Mediator to resolve such disagreement.

11 78. Binding on Successors and Assigns: This Settlement Agreement will be binding
12 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
13 defined.

14 79. California Law Governs: All terms of this Settlement Agreement and Exhibits
15 hereto will be governed by and interpreted according to the laws of the State of California.

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

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

27 82. Invalidity of Any Provision: Before declaring any provision of this Agreement
28 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.

83. 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.

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

85. Non-Admission of Liability: The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to their employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failure to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law. Except as set forth elsewhere herein, in the event that this Agreement is not approved by the Court, or any appellate court, is terminated, or otherwise fails to be

enforceable, Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or remedies, or defenses in the Action, and Defendants will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the Action. The Parties shall be restored to their respective positions in the Action prior to the entry of this Settlement.

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

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

88. Enforcement Action: In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

89. Neutral Employment Reference: Defendants agree that in the event that any potential or future employers of Plaintiff request a reference regarding Defendants' employment of Plaintiff, Defendants shall only provide Plaintiff's dates of employment. Defendants shall not refer to the Action or this Settlement.

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

91. Representation By Counsel: The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel and reviewed

1 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
2 Agreement.

3 92. All Terms Subject to Final Court Approval: All amounts and procedures described
4 in this Settlement Agreement herein will be subject to final Court approval.

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

14 94. Confidentiality: The Parties and their counsel agree to keep the terms of the
15 Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff,
16 Class Counsel, Defendants and their counsel agree that they will not issue any press releases,
17 initiate any contact with the press, respond to any press inquiry or have any communication with
18 the press about the fact, amount or terms of the Settlement Agreement. Nothing in this Settlement
19 Agreement shall limit Defendants' ability to fulfill disclosure obligations reasonably required by
20 law or in furtherance of business purposes, including the fulfillment of obligations stated in this
21 Settlement Agreement or limit Class Counsel's communications with the Class Members in
22 furtherance of approval of this Settlement.

23 95. Binding Agreement: The Parties warrant that they understand and have full
24 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
25 fully enforceable and binding on all Parties and agree that it will be admissible and subject to
26 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality
27 provisions that otherwise might apply under federal or state law.

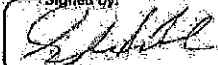
96. Submission to the LWDA: The Settlement Agreement shall be submitted by Plaintiff to the LWDA within the time limits and as prescribed by law.

97. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein.

Dated: 9/6/2024

PLAINTIFF

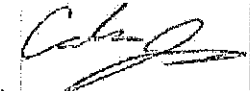
By:


Ismael Reyes Morales

Dated: 9/6/2024

PROTECTION LAW GROUP, LLP

By:


Heather Davis, Esq.
Amir Nayebdadash, Esq.
Carlos Jimenez, Esq.
Attorneys for Plaintiff
Ismael Reyes Morales

Dated: 9/24/2024

DEFENDANT BOGH ENGINEERING, INC.

By:

Name: Lisa Venable

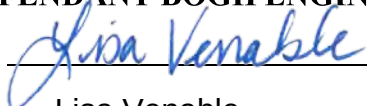
Title: President

Dated: 9/24/2024

DEFENDANT MARK BOGH

1 Dated: 9/24/2024

DEFENDANT BOGH ENGINEERING, LLC

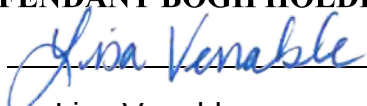
2 By: 

3 Name: Lisa Venable

4 Title: Director

5
6 Dated: 9/24/2024

DEFENDANT BOGH HOLDINGS, INC.

7 By: 

8 Name: Lisa Venable

9 Title: President

10
11 Dated: 9/24/2024

CDF LABOR LAW LLP

12
13 By: 

14 Todd R. Wulffson, Esq.

15 Nancy N. Lubrano, Esq.

16 Attorneys for Defendants

17 Bogh Engineering, Inc., Mark Bogh,

18 Bogh Engineering, LLC, Bogh Holdings, Inc.

Exhibit “A”

NOTICE OF PROPOSED CLASS AND PAGA ACTION SETTLEMENT

Reyes Morales v. Bogh Engineering, Inc., et al.

San Bernardino County Superior Court Case No. CIVSB2116581

**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 Defendants Bogh Engineering, Inc., Mark Bogh, Bogh Engineering, LLC, Bogh Holdings, Inc. (“Defendants”) who worked for Defendants in California at any time between June 15, 2017, and ending on the date of July 31, 2024.
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BASIC INFORMATION

1. What is this settlement about?

Plaintiff Ismael Reyes Morales (“Plaintiff”) filed a class action lawsuit against Defendants Bogh Engineering, Inc., Mark Bogh, Bogh Engineering, LLC, Bogh Holdings, Inc. (“Defendants”), entitled *Reyes Morales v. Bogh Engineering, Inc., et al.*, San Bernardino County Superior Court Case No. CIVSB2116581 on June 15, 2021. The lawsuit claims that Defendants violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendants failed to provide compliant meal and rest periods or pay meal and rest break premiums, did not properly pay employees overtime or pay minimum wages for all time worked, did not pay prevailing wages, did not provide potable water and handwashing materials, 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, failed to pay accrued vacation, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). Defendants deny all alleged violations and deny 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 Representatives (in this case Plaintiff), sue on behalf of people who appear to have similar claims. All these people are referred to 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 San Bernardino County Superior Court (the “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 Defendants. 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 as the Class Representative, and appointed his attorney at Protection Law Group LLP as counsel for the Class (“Class Counsel”).

The Court has not yet determined whether it will approve the settlement. Instead, the Court has only determined that the settlement is within the range that could be approved and therefore Notice should be provided to the Class Members. The Court will make a final determination whether to approve the settlement at the Final Approval Hearing.

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 are a current or former non-exempt employee who worked for Defendant in California at any time between June 15, 2017, and ending on the date of July 31, 2024.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of Eight Hundred Sixteen Thousand One Hundred Fifty-One Dollars and Zero Cents (\$816,151.00) (“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 Defendants to Class Members, in the amount of Thirty-Seven Thousand Seven Hundred Dollars and Zero Cents (\$35,700.00), and the “DLSE Settlement Payments” previously paid by Defendants, in the amount of Two Hundred Eight Thousand Four Hundred Fifty-One Dollars and Zero Cents (\$280,451.00).

The “Net Settlement Amount” is the portion of the Gross 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 Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 35% of the Gross Settlement Amount or Two Hundred Eighty-Five Thousand Six Hundred Fifty-Two Dollars and Eighty-Five Cents (\$285,652.85);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Fifty Thousand Dollars and Zero Cents (\$50,000.00);
- C. **Enhancement Payment to the Class Representative** in an amount of Ten Thousand Dollars and Zero Cents (\$10,000.00);
- D. **Settlement Administration Costs** which are currently estimated to be Nine Thousand Dollars and Zero Cents (\$9,000.00); and
- E. **PAGA Penalties** in the amount of Forty Thousand Dollars and Zero Cents (\$40,000.00) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount, (\$30,000.00) shall be paid to the LWDA. The remaining twenty-five percent (25%) (\$10,000.00) will be distributed to current and former non-exempt employees of Defendants in California who worked for Defendants in California at any time between May 20, 2020, and ending on the date of July 31, 2024.

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 non-exempt employee of Defendants between June 15, 2017, and ending on the date of July 31, 2024. (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Class Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest and forty percent (40%) penalties. The wage portion of the Individual Class 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 Gross Settlement Amount. The penalties and interest portions of your Individual Class Payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

Your Individual PAGA Payment will be apportioned as one hundred percent (100%) penalties. The penalties portion of your Individual PAGA Payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked XXX workweeks during the class period. Your Individual Settlement Payment is \$XXX.XX ((Settlement Class Member's Qualifying Workweeks ÷ All Qualifying Workweeks) x Net Settlement Amount). This amount is an estimate and is subject to change. However, if you received a Prior Release Payment for a release of claims in this action in the amount of \$350.00, and the \$350.00 is more than your estimated Individual Settlement Payment, then you will not receive anything. If the \$350.00 is less than your estimated Individual Settlement Payment, then you will receive the difference.

You worked XXX workweeks during the PAGA period. Your Individual PAGA Payment is \$XXX.XX ((PAGA Class Member's Qualifying Workweeks during the PAGA Period ÷ All Qualifying Workweeks during the PAGA Period) x Employee Share of PAGA Penalties). This amount is an estimate and is subject to change.

This amount was determined based on Defendants' record of your employment between June 15, 2017, and ending on the date of July 31, 2024, and is presumed correct. If you dispute the accuracy of Defendants' records as to the number of weeks worked during the Class Period or PAGA Period, you must provide your current address, telephone number, the last four digits of your Social Security Number or complete Employee ID, and any documentation (i.e., payroll or time keeping records, and paycheck stubs) you have supporting such dispute by [DATE]. All disputes regarding your workweeks will be resolved and decided by the Settlement Administrator following consultation with the Parties. However, the Court shall review and could reverse the Settlement Administrator's initial determination. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone 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 final approval by the Court of this Settlement Agreement and remittance of the Gross Settlement Amount by Defendants to the Settlement Administrator, Participating Class Members shall fully release and discharge the "Released Parties" from any and all "Released Class Claims" and "Released PAGA Claims" that accrued during the "Class Period."

The "Released Parties" means Defendants Bogh Engineering, Inc., Mark Bogh, Bogh Engineering, LLC, Bogh Holdings, Inc. as named by Plaintiff in the operative complaint, and their past, present and/or future, direct and/or indirect, owners, officers, directors, members, managers, agents, representatives, attorneys, accountants, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The "Released Class Claims" means all claims, debts, rights, demands, liabilities, obligations and causes of actions that are alleged, or reasonably could have been alleged, based on the facts alleged in the operative Complaint, First Amended Complaint, and Second Amended Complaint in the Action, including, but not limited to, factual claims

regarding Defendants' alleged: (i) failure to pay all regular wages, minimum wages, reporting time wages, and overtime wages due pursuant to California Labor Code sections 510, 1194, 1194.2, 1197, 1197.1, 1198, and 1199, and the Industrial Welfare Commission ("IWC") Wage Orders; (ii) failure to provide meal periods or compensation in lieu thereof pursuant to California Labor Code sections 226.7, 512, and 1198, and the IWC Wage Orders; (iii) failure to provide rest periods or compensation in lieu thereof pursuant to California Labor Code section 226.7 and 1198, and the IWC Wage Orders; (iv) failure to pay wages timely at time of termination or resignation pursuant to Labor Code sections 201, 202, and 203, and the IWC Wage Orders; (v) failure to provide timely pay wages during employment pursuant to Labor Code sections 204 and 210 and the IWC Wage Orders; (vi) failure to provide complete, accurate wage statements pursuant to Labor Code section 226, 226.3, 1198, and the IWC Wage Orders; (vii) failure to reimburse necessary business expenses, pursuant to Labor Code sections 2800 and 2802 and the IWC Wage Orders; (viii) failure to pay accrued vacation time pursuant to Labor Code section 227.3; (ix) failure to pay prevailing wage for work performed on public works projects pursuant to Labor Code sections 1771, 1774, and 1815; (x) failure to provide potable water and handwashing materials pursuant to Labor Code section 1198 and the IWC Wage Orders; (xi) liquidated damages pursuant to 1194.2; (xii) failure to maintain accurate records pursuant to Labor Code sections 1198.5 and 1174(d); and (xiii) unfair business practices pursuant to Business and Professions Code section 17200 et. seq. and other related penalties for violations of California Labor Code §§ 201, 202, 203, 204, 210, 221, 226, 226(a), 226.3, 226.7, 227.3, 510, 512, 558, 558.1, 598, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1771, 1774, 1815, 2699, 2800, 2802, 17200, the applicable Wage Order of the Industrial Wage Commission, and California Business & Professions Code §§ 17200 to 17208, including without limitation all related claims for restitution and other equitable relief arising from California Business and Professions Code §§ 17200, et seq., interest on unpaid wages, unpaid wages, attorneys' fees or litigation costs, and any other related claims and/or penalties, including civil penalties. This release shall apply to claims arising during the Class Period.

"Released PAGA Claims" means all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been premised on the facts alleged in Plaintiff's May 27, 2021 PAGA Letter to the LWDA and in the Complaint, the First Amended Complaint, and the Second Amended Complaint including but not limited to penalties that could have been awarded pursuant to Labor Code sections 201, 202, 203, 204, 210, 221, 226, 226(a), 226.3, 226.7, 227.5, 510, 512, 558, 558.1, 598, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1771, 1774, 1775, 1197.1, 558, 1815, 2699, 2800, 2802, and 2699. The Released PAGA Claims also includes a release from the State of California (to the extent Plaintiff is permitted to provide such a release for the State of California for the PAGA period).

The "Class Period" during which the release of Released Class Claims pertains is from June 15, 2017, and ending on the date of July 31, 2024.

The "PAGA Period" during which the release of Released PAGA Claims pertains is from May 27, 2020, and ending on the date of July 31, 2024.

All PAGA Members shall release the claims arising under PAGA regardless of whether they submit a request for exclusion as the request for exclusion does not apply to this claim.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendants 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 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 Payment 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 Class and the release of Released Class Claims you must submit a written request for exclusion. This written request 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 clear statement that you do not wish to be included in this action such the following: “I wish to exclude myself from the class settlement reached in the matter of *“I wish to exclude myself from the class settlement reached in the matter of “Ismael Reyes Morales v. Bogh Engineering, Inc., et al., San Bernardino County Superior Court, Case No. CIVSB2116581, I understand that by excluding myself, I will not receive money from the settlement of my individual claims.”*

Your 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 or any means other than those described in this Notice.

[Settlement Administrator]

[Address]

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.

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

No. Unless you submit a request for exclusion, you give up the right to sue Defendants and 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?

You will not receive money for the class claims. You will still receive your portion of the PAGA Payment if eligible because the request for exclusion does not apply to this claim.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved Protection Law Group, LLP, as Class Counsel. These attorneys contact information is set forth below:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.

Amir Nayebdadash, Esq.

Carlos Jimenez, Esq.

149 Sheldon Street

El Segundo, California 90245

Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys’ fees of up to \$285,652.85 and reimbursement of litigation cost/expenses of up to \$50,000.00. This amount is subject to Court approval and the Court may award less than the requested amount.

OBJECTING TO THE SETTLEMENT

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

12. How do I tell the Court I want to object to 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 should mail your objection to the Settlement Administrator no later than [DATE]. Your objection 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. Even if you don't submit a timely objection, you can still make an oral objection in person or through your attorney at the Final Approval Hearing.

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. If you submit a request for exclusion and an objection, the request for exclusion will control and you will lose any right to object to the Settlement, and will not be bound by any terms of the Settlement.

Whether your dispute, written objection, and request for exclusion are timely, will be determined solely based on the postmark date(s). Any untimely dispute, written objection, and request for exclusion may not be considered. However, even if you don't submit a timely objection, you can still make an oral objection in person or through your attorney at the Final Approval Hearing.

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 XX:00 p.m. on DATE, 2024/5, at the San Bernardino County Superior Court located at 247 West Third Street, San Bernardino, CA 92415 in Department S32. The Final Approval Hearing date may be continued without further notice to Class Members.

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.

The Court's Order and Judgment approving the settlement, whether favorable or not, will bind all members who do not request exclusion.

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.

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. \[REDACTED\] .com](http://www. [REDACTED] .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 Class Claims and Released PAGA Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or the Released Parties about the Released Class Claims or Release PAGA 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 from the date on the check, 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.

If you lose your check or it is damaged in the mail, contact the Settlement Administrator.

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 [\[REDACTED\] .com](http:// [REDACTED] .com) 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