

1 [Counsel listed on the next page]
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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF SACRAMENTO**
11

12 JUNIOR VALDEZ, on behalf of himself,
13 all others similarly situated, aggrieved
14 employees, and State of CA as a Private
Attorneys General

15 Plaintiffs,

16 vs.

17 AUS DECKING, INC. and DOES 1-50,
18 inclusive,

19 Defendants.
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Case No. 34-2021-00307786 CU-OE-GDS

**JOINT STIPULATION FOR CLASS
ACTION SETTLEMENT AND RELEASE**

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1 **JOINT STIPULATION FOR PAGA SETTLEMENT AND RELEASE**

2 **I. INTRODUCTION**

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4 1. This Joint Stipulation of PAGA Settlement and Release is made and entered into
5 by and between Plaintiff Junior Valdez (“Valdez”), an individual, on behalf of himself and all
6 aggrieved employees, and the State of California as Private Attorney General, and Defendant
7 AUS Decking, Inc. (“AUS”)

8 2. This Agreement is made for the purpose of resolving this action brought by
9 Plaintiff under the Labor Code Private Attorney General Act of 2004 (“PAGA”), as well as any
10 and all claims, known and unknown, that Valdez may have against AUS. As detailed below, in
11 the event that the Court does not execute and file an order granting Approval of Settlement, or in
12 the event that the associated Judgment does not become final for any reason, this Agreement shall
13 be deemed null and void and shall be of no force or effect whatsoever.

14 **II. DEFINITIONS**

15 3. “Action” means the lawsuit entitled *Valdez v. AUS Decking, Inc.*, pending in the
16 Superior Court of California, County of Sacramento, Case No. 34-2021-00307786.

17 4. “Agreement” and “Settlement” means this Joint Stipulation of PAGA Settlement
18 and Release.

19 5. “PAGA Counsel” means Nazo Koulloukian of Koul Law Firm, Inc. and Sahag
20 Majarian, II of Law Offices of Sahag Majarian II.

21 6. “PAGA Counsel Fees” means the amount up to \$66,666.00 (i.e., approximately
22 one-third of the Gross Settlement Amount) to compensate Plaintiff’s Counsel for their attorneys’
23 fees incurred in connection with the Action, including their pre-filing investigation, their filing of
24 the Action and all related litigation activities, this Settlement, and all post-Settlement compliance
25 procedures.

26 7. “PAGA Counsel Expenses” means the actual amount of reasonable litigation
27 expenses Plaintiff’s Counsel incurred in connection with this Action, up to \$10,000.00, including

1 their pre-filing investigation, their filing of the Action and all related litigation activities, this
2 Settlement, and all post-Settlement compliance procedures.

3 8. “Aggrieved Employees” means all non-exempt employees of AUS who worked at
4 least one pay period between June 22, 2020, and the date the Court files an order approving this
5 settlement,

6 9. “Aggrieved Employee List” means information regarding Aggrieved Employees
7 that AUS will in good faith compile from its records and provide to the Settlement Administrator
8 in a secure manner on a confidential basis. It shall include each Aggrieved Employee’s full name,
9 social security number, Last Known Address, and data necessary to calculate the number of
10 Eligible Pay Periods for each Aggrieved Employee.

11 10. “PAGA Representative” and “Plaintiff” refers to Junior Valdez.

12 11. “PAGA Representative Service Award” means an amount of up to \$10,000.00 the
13 Court authorizes to be paid to the PAGA Representative in recognition of his effort and risk in
14 assisting with the prosecution of the Action and in return for executing a General Release of
15 Defendant.

16 12. “Complaint” means the initial pleading filed in the Superior Court of California,
17 County of Sacramento, Case No. 34-2021-00307786, on September 14, 2021, as well as the First
18 Amended Complaint filed on or about October 12, 2021.

19 13. “Court” means the Superior Court of California, County of Sacramento.

20 14. “Court Approval” means the Court’s approval of the Settlement as provided by
21 Labor Code section 2699(1)(2).

22 15. “Defendant” refers to AUS Decking, Inc.

23 16. “Defendant’s Counsel” refers to Eric H. De Wames of Michael Sullivan &
24 Associates.

25 17. “Effective Date” means the date the Court’s judgment on its order approving the
26 Settlement becomes final.

1 18. “Eligible Pay Period” means any 14-day pay period during which an Aggrieved
2 Employee worked at least one day of any length as an hourly, nonexempt employee of Defendant,
3 at any time from June 22, 2020, to the date of approval of the Settlement.

4 19. “Individual PAGA Payment” means the total, gross amount payable from the Net
5 Settlement Amount to a Participating Aggrieved Employee, which shall be calculated for each
6 Participating Aggrieved Employee as described in this Agreement.

7 20. “Judgment” means the judgment or order to be rendered and entered by the Court
8 in the Action upon and/or after granting Final Approval of the Settlement.

9 21. “Known Bad Address List” means the list prepared by the Settlement
10 Administrator of all Aggrieved Employees that it did not locate with its address search.

11 22. “Last Known Address” means the most recently recorded mailing address for an
12 Aggrieved Employee.

13 23. “Gross Settlement Amount” means \$200,000.00, which is the total amount
14 Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay
15 Individual PAGA Payments, the LWDA Payment, the PAGA Representative Service Award,
16 PAGA Counsel Fees Payment, PAGA Counsel Expenses, and Administrator’s Expenses.

17 24. “Net Settlement Amount” means the Gross Settlement Amount less the PAGA
18 Representative Service Award, PAGA Counsel Fees Payment, PAGA Counsel Expenses, and
19 Administrator’s Expenses, and is the amount that will be paid to the LWDA and the Aggrieved
20 Employees.

21 25. “LWDA Payment” means the 75% of the Net Settlement Amount that will be paid
22 to the California Labor & Workforce Development Agency pursuant to the Settlement.

23 26. “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share,
24 calculated as set forth herein, of the 25% portion of the Net Settlement Amount apportioned for
25 payments to Aggrieved Employees.

26 27. “Member Distribution List” means the list prepared by the Settlement
27 Administrator by removing from the Aggrieved Employee List all Aggrieved Employees who
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1 appear on the Known Bad Address List. Payments to Aggrieved Employees shall only be made to
2 Aggrieved Employees appearing on the Member Distribution List, who shall be called
3 “Participating Aggrieved Employees.”

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

6 29. “Released Claims” shall have the meaning set forth in Paragraph 40.

7 30. “Released Parties” means Defendant, and all of its past, present or future
8 subsidiaries, parent companies, affiliated companies, present and former representatives,
9 associates, affiliates, divisions, owners, predecessors, successors, directors, officers, agents,
10 employees, partners, lawyers, insurers, and reinsurers, and each of their respective predecessors,
11 successors, heirs and assigns.

12 31. “Settlement Administration Costs” means the amount to be paid to the Settlement
13 Administrator from the Gross Settlement Amount for administration of this Settlement. The
14 Settlement Administration Costs are not to exceed \$10,000.00.

15 32. “Settlement Administrator” means the Administrator mutually selected by the
16 Parties following receipt of multiple bids, and approved by the Court for the purposes of
17 administering this Settlement.

18 33. “PAGA Period” means the period from June 22, 2020, to the date of approval of
19 the settlement.

20 III.RECITALS

21 34. **Procedural History.** Plaintiff Junior Valdez filed this Action in the Sacramento
22 County Superior Court on September 14, 2021, as a putative class and PAGA representative
23 action lawsuit. On October 12, 2021, Plaintiff filed a First Amended Representative Action
24 Complaint removing the class allegations.

25 35. **Mediation.** The Parties participated in a private mediation on December 6, 2022
26 with Deborah Saxe, Esq. Prior to the mediation, the Defendant produced a representative sample
27 of timekeeping and payroll records for the Aggrieved Employees. With the help of a retained
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expert, Plaintiff conducted a thorough analysis of all records made available by Defendant. Following extensive negotiations, the Parties reached an agreement following mediation as to all material terms for this Settlement.

36. **Benefits of Settlement to Aggrieved Employees.** Plaintiff and PAGA Counsel recognize the expense and length of continued proceedings necessary to litigate their disputes through trial and through any possible appeals. Plaintiff and PAGA Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and PAGA Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendant's defenses thereto (many of which have been shared at the mediation and in settlement discussions), and the obligation to establish liability and penalties for the Aggrieved Employees. Plaintiff and PAGA Counsel have also taken into account the extensive settlement negotiations conducted. Further, Plaintiff and PAGA Counsel have taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon the LWDA and Aggrieved Employees. Based on the foregoing, Plaintiff and PAGA Counsel have determined that the settlement set forth in this Agreement is a fair, adequate and reasonable settlement, and is in the best interests of the Aggrieved Employees.

37. **Defendant's Reasons for Settlement.** Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of time, energy and resources of Defendant, unless this Settlement is made, will be devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Despite continuing to contend that they are not liable for any of the claims set forth by Plaintiff, Defendant has, nonetheless, agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the claims as set forth in the Action. Defendant claims and continues to claim that the Released Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to herein

1 and no action taken to carry out this Agreement may be construed or used as an admission by or
2 against the Parties as to the merits or lack thereof of the claims asserted.

3 38. **Claims in the Action.** In this action, Plaintiff alleges Defendant is liable for civil
4 penalties under the PAGA (1) failing to pay for all hours worked, including overtime hours
5 worked, at the lawful rate of pay (§218, 510, 512, 558, 1194, 1197, 1198, 1199); (2) failing to
6 timely provide and/or authorize meal breaks (§226, 226.7, 512, 558, 1198); (3) failing to timely
7 provide and/or authorize rest breaks (§226, 226.7, 512, 558, 1198); (4) failing to timely pay all
8 wages owed (§201-203); and (5) failing to provide timely, accurate wage statements and payroll
9 records (§226, 1174). Plaintiff asserts all causes of action on a representative basis, and acting as
10 a Private Attorney General for the State of California pursuant to PAGA.

11 IV. TERMS OF AGREEMENT

12 39. **Consideration.** Defendant agrees to pay \$200,000 as the Gross Settlement
13 Amount in the manner described in this Agreement as full consideration for settlement of the
14 action and the release of the Released Parties from the Released Claims. Aggrieved Employees
15 are not eligible to receive any amounts other than their Individual PAGA Payment(s) by virtue of
16 this Settlement. Defendant represents that the putative class is approximately 78 members that
17 worked approximately 2,240 Pay Periods.

18 40. **Released Claims.** Effective on the date judgment is entered on the Court's order
19 approving this Settlement, Plaintiff and PAGA Counsel will release claims against all Released
20 Parties as follows:

- 21 a. **Plaintiff's Release.** Plaintiff and his respective current or former spouses,
22 heirs, assigns, representatives, agents, attorneys (including PAGA
23 Counsel), administrators, and successors unconditionally waives and
24 forever releases Defendant and the Released Parties from any and all
25 claims, debts, liabilities, demands, obligations, guarantees, costs, expenses,
26 attorneys' fees, damages, action or causes of action contingent or accrued
27 for, or which arise from or are related to the allegations and claims asserted

1 in the Action, or any claims related to Plaintiff's employment with
2 Defendant, including without limitation any and all claims under state and
3 federal law, including but not limited to claims for unpaid wages, overtime
4 compensation, premium payments, meal periods, rest periods, penalties of
5 any kind, interest, attorneys' fees and expenses, whether known or
6 unknown arising or accruing at any time prior to the date of the entry of the
7 final approval, claims that have been raised, or that reasonably could have
8 been raised, under the applicable Wage Orders (including, but not limited
9 to, Wage Order Number 16), and California Labor Code Sections 201-203,
10 218, 226, 226.7, 247.5, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1,
11 1198, 1199, as well as all claims under PAGA (California Labor Code
12 section 2698 *et seq.*), whether or not he has standing to assert such claims
13 under PAGA, Business and Professions Code section 17200 *et seq.*, and
14 claims for breach of any implied or express contract or covenant; claims
15 for promissory estoppel; claims of entitlement to any pay or employee
16 benefit, insurance or unit grants; claims of wrongful termination, retaliatory
17 discharge or public policy violations of whatever kind or nature,
18 defamation, invasion of privacy, fraud, misrepresentation, emotional
19 distress or other common law or tort matters; assault, claims of harassment,
20 retaliation or discrimination based on age, race, color, religion, sex, sexual
21 orientation, national origin, ancestry, physical or mental disability, medical
22 condition including genetic characteristics, marital status, or any other
23 protected status under federal or state law or regulation or local ordinance;
24 claims under the California Labor Code, Government, Business and
25 Professions, and Health and Safety Codes; claims based upon the
26 California or Federal Constitutions; claims based on any federal, state or
27 other governmental statute, regulation or ordinance, including, without
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1 limitation, the California Fair Employment & Housing Act, the California
2 Family Rights Act, Title VII of the Civil Rights Act, as amended, the
3 Americans with Disabilities Act, the Labor Management Relations Act,
4 and the Family Medical Leave Act. Plaintiff expressly agrees that he will
5 not participate in any class, collective, or representative action of any kind
6 or nature against the Released Parties related to the claims released herein.
7 Plaintiff's Release does not extend to any claims or actions to enforce this
8 agreement, or to any claims for vested benefits, unemployment benefits,
9 disability benefits, social security benefits, workers' compensation
10 benefits, that arose at any time.

- 11 b. **Plaintiff's Waiver Under Civil Code § 1542.** Plaintiff expressly waives
12 and relinquishes the provisions, rights, and benefits, if any, of Civil Code
13 section 1542, which states:

14
15 **A GENERAL RELEASE DOES NOT EXTEND TO**
16 **CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES**
17 **NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT**
18 **THE TIME OF EXECUTING THE RELEASE AND THAT, IF**
19 **KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY**
20 **AFFECTED HIS OR HER SETTLEMENT WITH THE**
21 **DEBTOR OR RELEASED PARTY.**

- 22
23 c. **Release by LWDA and Aggrieved Employees.** The LWDA is deemed to
24 have released any claim for civil penalties against the Released Parties
25 arising for any alleged violation of the California Labor Code or the Wage
26 Orders, from the period beginning June 22, 2020, through the date of
27 approval of this Settlement. The Aggrieved Employees and their respective

1 current or former spouses, heirs, assigns, representatives, agents, attorneys
2 (including PAGA Counsel), administrators, and successors, are deemed to
3 have released any claim for civil penalties under the PAGA for any alleged
4 violation of the California Labor Code or the Wage Orders, from the period
5 beginning June 22, 2020, through the date of approval of this Settlement.

6 d. **Release by PAGA Counsel.** PAGA Counsel release, on behalf of their
7 current and former attorneys, employees, agents, successors, and assigns,
8 Defendants and the Released Parties for all claims for attorneys' fees and
9 expenses arising out of the Action other than as provided for in this
10 Settlement.

11 41. **Tax Liability.** The Parties make no representations as to the tax treatment or legal
12 effect of the payments called for hereunder, and Aggrieved Employees are not relying on any
13 statement or representation by the Parties in this regard. Aggrieved Employees understand and
14 agree that they will be responsible for the payment of taxes and penalties they owe and that are
15 assessed on the payments described herein. Each Party to this Agreement acknowledges and
16 agrees that no provision of this Agreement, and no written communication or disclosure between
17 or among the Parties or their attorneys and other advisers, is or was intended to constitute or be
18 construed or be relied upon as, tax advice.

19 42. **Approval of Settlement.** PAGA Counsel shall draft the Joint Stipulation or
20 Motion for Approval of PAGA Settlement. At the same time that Plaintiff files the Joint
21 Stipulation or Motion for Approval of PAGA Settlement, Plaintiff shall also submit to the LWDA
22 a copy of the proposed settlement pursuant to Labor Code § 2699, *et seq.*

23 43. **Settlement Administrator's Duties.** The Settlement Administrator shall be
24 responsible for: establishing the Qualified Settlement Fund; calculating, processing, and mailing
25 payments to Plaintiff, PAGA Counsel, Aggrieved Employees, and the LWDA; withholding any
26 legally mandated withholdings or deductions from the Individual PAGA Payments and remitting
27 tax withholdings to the applicable tax authorities; performing all tax reporting duties required by

1 law, including distributing all necessary tax forms; providing declaration(s) as necessary in
2 support of approval of this Settlement; and other tasks as the Parties mutually agree upon or as the
3 Court orders the Settlement Administrator to perform. The Settlement Administrator will be
4 responsible for keeping the Parties timely apprised of the performance of all Settlement
5 Administrator responsibilities.

6 44. **Settlement Administration.** Within fourteen (14) calendar days after receiving
7 the Class Information from Defendant as provided herein, the Settlement Administrator shall
8 calculate the Individual Settlement Payment for each Aggrieved Employee and provide the
9 calculations to the Parties *without* any personal identifying information (e.g., name, social
10 security number, Last Known Address) about Aggrieved Employees. The Settlement
11 Administrator shall compute the Individual PAGA Payment for each Aggrieved Employee
12 pursuant to the following formula:

- 13 a. Add all Eligible Pay Periods for all Aggrieved Employees together to
14 obtain the “Denominator”;
- 15 b. Divide the number of Eligible Pay Periods for each Aggrieved Employee
16 by the Denominator to obtain each Aggrieved Employee’s “Payment
17 Ratio”; and
- 18 c. Multiply each Aggrieved Employee’s Payment Ratio by the Aggrieved
19 Employee portion of the Net Settlement Amount (25%) to determine his or
20 her Individual PAGA Payment.
- 21 d. To the extent that a particular Aggrieved Employee seeks information from
22 PAGA Counsel regarding the Settlement, the Settlement Administrator
23 shall share information with PAGA Counsel (via email with copy to
24 Defendant’s Counsel) that is contained in the Class Information regarding
25 that particular Aggrieved Employee to the extent necessary to respond to
26 the question or issue, except that the Settlement Administrator shall not
27 share Social Security Numbers with PAGA Counsel.

1 45. **Funding and Allocation of Qualified Settlement Fund.** Within 15 days of the
2 Effective Date as defined in Paragraph 17 of this Settlement, Defendant shall transfer the Gross
3 Settlement Amount to a Qualified Settlement Fund (“QSF”) to be established by the Settlement
4 Administrator to fund the LWDA PAGA Payment, Individual PAGA Payments, PAGA
5 Representative Service Award, the PAGA Counsel Fees, the PAGA Counsel Expenses, and the
6 Settlement Administration Costs as set forth in this Agreement.

- 7 a. **Distribution of Funds.** Funds will be distributed to the Aggrieved
8 Employees, Plaintiff, and PAGA Counsel no later than 30 days after the
9 QSF is fully funded.
- 10 b. **Qualified Settlement Fund.** The QSF will be established by the
11 Settlement Administrator and administered as a Qualified Settlement Fund
12 pursuant to the Internal Revenue Code. The QSF will be controlled by the
13 Settlement Administrator subject to the terms of this Settlement and the
14 Court’s Order(s). Interest, if any, earned on monies in the QSF will
15 become part of the Net Settlement Amount. The Settlement Administrator
16 shall serve as Trustee of the QSF and shall act as a fiduciary with respect to
17 the handling, management, and distribution of the Qualified Settlement
18 Fund, including the handling of tax related issues and payments. The
19 Settlement Administrator shall act in a manner as necessary to qualify the
20 settlement fund as a Qualified Settlement Fund and to maintain the
21 qualification.
- 22 c. **Individual PAGA Payments.** Individual Settlement Payments will be
23 paid from the Net Settlement Amount and shall be paid pursuant to the
24 settlement formula set forth herein. Individual Settlement Payments shall
25 be mailed by regular First Class U.S. Mail to Participating Aggrieved
26 Employees on the Member Distribution List at the last known mailing
27 address maintained by the Settlement Administrator. Individual Settlement

Awards shall be deemed 100% penalties. The Settlement Administrator shall issue a form 1099 for each taxable year payments are made.

- d. **Individual PAGA Payment Checks That Are Returned Or Not Negotiated.** Any checks issued to Participating Aggrieved Employees shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance. Those funds represented by settlement checks returned as non-deliverable and those funds which correspond with the settlement checks that are not negotiated within one hundred eighty calendar days after issuance shall be cancelled. Any unpaid cash residue or unclaimed or abandoned Aggrieved Employee funds generally attributable to California residents, plus any accrued interest that has not otherwise been distributed pursuant to order of the court, shall be transmitted to the California State Controller's Office Unclaimed Property Fund in the name of the Aggrieved Employee to whom the funds were distributed.

46. **PAGA Representative Service Award.** Subject to Court approval, in exchange for the release of all Released Claims, and for Plaintiff's general release contained in Paragraph 40(a)-(b), and for his time and effort in bringing and prosecuting this matter, Plaintiff shall be paid a PAGA Representative Service Award of up to \$10,000, and Defendant will not oppose a PAGA Representative Service Award up to such amount. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for her PAGA Representative Service Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her PAGA Representative Service Award and shall hold harmless Defendant from any claim or liability for taxes, penalties, or interest arising as a result of the PAGA Representative Service Award. The PAGA Representative Service Award shall be in addition to Plaintiff's Individual PAGA Payment as a Aggrieved Employee. Any amount requested by Plaintiff for the PAGA Representative Service Award and that is not granted by the Court shall be added to the Net Settlement Amount and be distributed as provided in this Agreement.

1 47. **PAGA Counsel Fees and PAGA Counsel Expenses.** Defendant agrees not to
2 oppose or object to any application or motion by PAGA Counsel for attorneys' fees not to exceed
3 \$66,666.67 (i.e., one-third of the Gross Settlement Amount), to be paid out of the Qualified
4 Settlement Fund. Defendant further agrees not to oppose any application or motion by PAGA
5 Counsel for the reimbursement of reasonable costs associated with PAGA Counsel's prosecution
6 of this matter not to exceed \$10,000 from the Qualified Settlement Fund. PAGA Counsel shall be
7 solely and legally responsible to pay all applicable taxes on the payment made pursuant to this
8 paragraph. The Settlement Administrator shall issue an IRS Form 1099 to PAGA Counsel for the
9 payments made pursuant to this paragraph. This Settlement is not contingent upon the Court
10 awarding PAGA Counsel any particular amount in attorneys' fees and costs. Any amount
11 requested by PAGA Counsel for the PAGA Counsel Fees and PAGA Counsel Expenses that are
12 not granted by the Court shall be allocated to the Net Settlement Amount and be distributed as
13 provided in this Agreement.

14 48. **Settlement Administration Costs.** The Settlement Administrator shall be paid
15 for the costs of administration of the Settlement from the Qualified Settlement Fund. No fewer
16 than ten (10) calendar days before the filing of the Final Approval Motion, the Settlement
17 Administrator shall provide the Parties with a statement detailing the costs of administration of
18 the Settlement as well as a declaration detailing the administration process. The Settlement
19 Administrator, on the Parties' behalf, shall have the authority and obligation to make payments,
20 credits and disbursements, including payments and credits in the manner set forth herein, to
21 Participating Aggrieved Employees calculated in accordance with the methodology set out in this
22 Agreement and orders of the Court. The Parties agree to cooperate in the settlement
23 administration process and to make all reasonable efforts to control and minimize the cost and
24 expenses incurred in administration of the Settlement.

25 49. **Nullification of Settlement Agreement.** In the event: (a) the Court does not
26 approve the Settlement as provided herein; (b) the Court does not enter a Judgment as provided
27 herein; or (c) the Settlement does not become final for any other reason, either Party may

1 terminate this Settlement. The terminating Party shall give the other Party (through its counsel)
2 written notice of its decision to terminate no later than ten (10) calendar days after receiving
3 notice that one of the above enumerated events have occurred. Termination shall have the
4 following effects:

- 5 a. The Settlement Agreement shall be null and void and any order or judgment
6 entered by the Court in furtherance of this Settlement shall be treated as void from
7 the beginning.
- 8 b. The Parties and any funds to be awarded under this Settlement shall be returned to
9 their respective statuses as of the date and time immediately prior to the execution
10 of this Agreement, and the Parties shall proceed in all respects as if this Agreement
11 had not been executed.
- 12 c. The Parties shall pay, in equal amounts, all settlement administrator expenses
13 incurred.
- 14 d. In the event an appeal is filed from the Court's Judgment, or any other appellate
15 review is sought, administration of the Settlement shall be stayed pending final
16 resolution of the appeal or other appellate review.

17 50. **No Effect on Employee Benefits.** Amounts paid to Plaintiff or other Aggrieved
18 Employees pursuant to this Agreement shall be deemed not to be pensionable earnings and shall
19 not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g.,
20 vacations, holiday pay, retirement plans, etc.) of Plaintiff or Aggrieved Employees.

21 51. **Publicity and Communications Regarding Settlement.**

- 22 a. Plaintiff and PAGA Counsel agree not to file a press release regarding the
23 Settlement, respond to press/media inquiries regarding the Settlement
24 (except to refer the person inquiring to the Court's file), or otherwise
25 publicize the terms of this Settlement. This provision will not limit
26 Plaintiff's or their counsel's ability to communicate with Aggrieved
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1 Employees about the Settlement and its terms so long as such
2 communications are accurate and non-disparaging of Defendant.

- 3 b. The Settlement shall remain confidential until a Stipulation or Motion for
4 Approval of PAGA Settlement is filed with the Court. Plaintiff and PAGA
5 Counsel agree not to discuss the terms of the Settlement with anyone,
6 including Aggrieved Employees and may only acknowledge that a
7 settlement subject to Court approval has been reached, until after the
8 Motion for Approval of PAGA Settlement is filed. After the Stipulation or
9 Motion for Approval of PAGA Settlement is filed, Plaintiff and PAGA
10 Counsel may have direct communications with Aggrieved Employees as
11 appropriate to effectuate the Settlement so long as such communications
12 are accurate. This provision also does not apply to the Notice Packet, nor
13 does it apply to PAGA Counsel's ability to describe the Settlement in
14 declarations filed with the Court for approval or in any action to which
15 PAGA Counsel is providing a declaration regarding their adequacy.

16 52. **No Admission By the Parties.** Defendant denies any and all claims alleged in this
17 Action and denies any and all alleged wrongdoing whatsoever. This Agreement is not a
18 concession or admission, and shall not be used against Defendant as an admission or indication
19 with respect to any claim of any fault, concession or omission by Defendant.

20 53. **Disposition of Data.** The Parties expressly agree that all data and information
21 shared by Defendant before, at, and after the Parties' mediation of this matter is considered
22 confidential settlement communications. Plaintiff and his counsel expressly agree to return this
23 data to Defendant and/or to destroy and not use any copies of this data, including data pertaining
24 to the random sample.

25 54. **Headings.** The descriptive headings of any paragraphs or sections of this
26 Agreement are inserted for convenience of reference only and do not constitute a part of this
27 Agreement.

1 55. **Interim Stay of Proceedings.** The Parties agree to stay all proceedings in the
2 Action, except such proceedings necessary to implement and complete the Settlement, in
3 abeyance pending the PAGA Settlement Approval hearing to be conducted by the Court.

4 56. **Amendment or Modification.** This Agreement may be amended or modified
5 only by a written instrument signed by all Parties or their successors-in-interest.

6 57. **Entire Agreement.** This Agreement constitutes the entire Agreement among
7 these Parties. No extrinsic oral or written representations or terms shall modify, vary or
8 contradict the terms of the Settlement Agreement unless made in writing and signed by duly
9 authorized representatives of all Parties.

10 58. **No Prior Assignments.** The Parties represent, covenant, and warrant that they
11 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
12 or encumber to any person or entity any portion of any claims, causes of action, demands, rights,
13 and liabilities of every nature and description released under this Settlement.

14 59. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties
15 warrant and represent they are expressly authorized by the Parties whom they represent to
16 negotiate this Agreement and to take all appropriate actions required or permitted to be taken by
17 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
18 documents required to effectuate the terms of this Agreement. The Parties and their counsel will
19 cooperate with each other and use their best efforts to effect the implementation of the Settlement.
20 In the event the Parties are unable to reach agreement on the form or content of any document
21 needed to implement the Settlement, or on any supplemental provisions that may become
22 necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the
23 Court to resolve such disagreement. The person signing this Agreement on behalf of Defendant
24 represents and warrants that he or she is authorized to sign this Agreement on behalf of
25 Defendant. Plaintiff represents and warrants that he is authorized to sign this Agreement and that
26 he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.
27

1 60. **Binding on Successors and Assigns.** This Agreement shall be binding upon, and
2 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

3 61. **California Law Governs.** All terms of this Agreement shall be governed by and
4 interpreted according to the laws of the State of California.

5 62. **Counterparts.** This Agreement may be executed in one or more counterparts. All
6 executed counterparts and each of them shall be deemed to be one and the same instrument
7 provided that counsel for the Parties to this Agreement shall exchange among themselves original
8 signed counterparts.

9 63. **This Settlement Is Fair, Adequate and Reasonable.** The Parties believe this
10 Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at this
11 Settlement after extensive arms-length negotiations, taking into account all relevant factors,
12 present and potential.

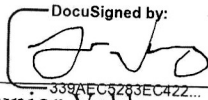
13 64. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the
14 interpretation, implementation and enforcement of the terms of this Agreement and all orders and
15 judgments entered in connection therewith, and the Parties and their counsel hereto submit to the
16 jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement
17 embodied in this Agreement and all orders and judgments entered in connection therewith.

18 65. **Invalidity of Any Provision.** Before declaring any provision of this Agreement
19 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible
20 so as to define all provisions of this Agreement valid and enforceable.

21 [REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
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Plaintiff: 12/12/2022

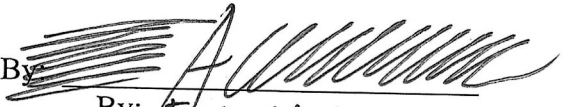
Date: December 12, 2022

By: 
Junior Valdez

Defendant:

AUS Decking, Inc.

Date: December 13, 2022

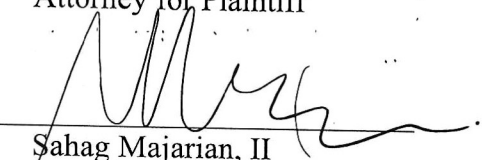
By: 
Eric Meissner
Its: President

Approved as to form:

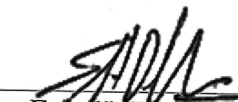
Date: December 13, 2022

By: 
Nazo Koulloukian
Attorney for Plaintiff

Date: December 13, 2022

By: 
Sahag Majarian, II
Attorney for Plaintiff

Date: December 13, 2022

By: 
Eric H. De Wames
Attorney for Defendant