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HAYNES BUILDING SERVICE, L.L.C.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES – SPRING STREET

LOURDES NAVARRO, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

HAYNES BUILDING SERVICE, L.L.C.; and
Does 1 through 20, inclusive,

Defendants.

Case No. 21STCV29686

Hon. Yvette M. Palazuelos, Dept. 9

**JOINT STIPULATION FOR CLASS
ACTION SETTLEMENT**

Action Filed: August 11, 2021
Trial Date: None Set

IT IS HEREBY STIPULATED, by and between plaintiff Lourdes Navarro, individually
and on behalf of all others similarly situated, on the one hand, and defendant Haynes Building
Service, LLC, on the other hand, and subject to the approval of the Court, that the claims alleged
in the Action are hereby compromised and settled pursuant to the terms and conditions set forth in

1 this Stipulation of Class Action Settlement (“Stipulation”) and that the Court shall make and enter
2 judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the
3 definitions, recitals, and terms set forth herein which by this reference become an integral part of
4 this Stipulation.

5 **DEFINITIONS**

6 1. “Action” means the putative class and PAGA action entitled *Navarro v. Haynes*
7 *Building Service, LLC*, Los Angeles Superior Court Case No. 21STCV29686.

8 2. “Aggrieved Employees” means all current and former non-exempt employees of
9 Defendant in California at any time during the PAGA Period.

10 3. “Class Counsel” means Samuel A. Wong, Jessica L. Campbell, and Carolyn M. Bell
11 of Aegis Law Firm, PC.

12 4. “Class Counsel Award” means reasonable attorneys’ fees for Class Counsel’s
13 litigation and resolution of this Action (not to exceed one-third of the Maximum Settlement
14 Amount), and Class Counsel’s expenses and costs reasonably incurred in connection with this
15 Action.

16 5. “Class Information” means information regarding Class Members that Defendant
17 shall in good faith compile from its records and shall be authorized by the Court to transmit in a
18 secured manner to the Settlement Administrator. Class Information shall be transmitted in
19 electronic form and shall include each Class Member’s full name; last known address; Social
20 Security number; and total number of Compensable Workweeks during the Class Period and/or
21 PAGA Period.

22 6. “Class Members” means all current and former non-exempt employees of Defendant
23 in California at any time during the Class Period.

24 7. “Class Notice” means the Notice of Class Action Settlement, substantially in the
25 form attached hereto as **Exhibit 1**, which shall be subject to Court approval and which the Settlement
26 Administrator shall mail to each Class Member explaining the terms of this Stipulation and the
27 Settlement, in both English and Spanish.

8. "Class Period" means the period from August 11, 2017 through the date the Court grants preliminary approval of the Class Action Settlement or May 14, 2022, whichever is earliest.

9. "Class Representative Service Award" means the amount the Court authorizes to be paid to Plaintiff, in addition to Plaintiff's Individual Settlement Payment, in recognition of Plaintiff's effort and risk in prosecuting the Action.

10. "Compensable Workweeks" means the total number of weeks during which a Class Member or Aggrieved Employee performed work as a non-exempt employee of Defendant in California during the Class Period and/or PAGA Period, based on Defendant's records, and which shall be used to calculate Individual Settlement Payments.

11. "Defendant" means defendant Haynes Building Service, LLC.

12. "Defense Counsel" means Jeffrey P. Fuchsman of Ballard, Rosenberg, Golper & Savitt, LLP.

13. "Effective Date" means the latter of: (a) the sixty-first (61st) day after the date upon which the Judgment is entered; or (b) if an appeal, review or writ is sought from the Judgment, the date upon which all appellate and/or other proceedings resulting from the appeal, review or writ have been finally terminated in such a manner as to permit the Judgment to take effect in substantially the form described herein.

14. "Employer's Share of Payroll Taxes" means Defendant's portion of payroll taxes, including, but not limited to FICA and FUTA, on the portion of the Individual Settlement Payments that constitutes wages. The Employer's Share of Payroll Taxes shall be submitted by Defendant to the Settlement Administrator in addition to the Maximum Settlement Amount.

15. "Final Approval Hearing" means the hearing to be conducted by the Court after the filing of an appropriate motion by Plaintiff and following appropriate notice to Class Members giving Class Members an opportunity to request exclusion from the class and Settlement and to object to the Settlement, at which time Plaintiff shall request that the Court finally approve the Settlement, enter the Judgment, and take other appropriate action.

16. "Individual Settlement Payment" means the amount payable from the Net Settlement Amount to each Participating Class Member and/or Aggrieved Employee.

1 17. “Information Sheet” means the form that shall be prepared by the Settlement
2 Administrator and sent to each Class Member that sets forth the total number of Compensable
3 Workweeks and the estimated Individual Settlement Payment for the Class Member, substantially
4 in the form attached hereto as **Exhibit 2**.

5 18. “Judgment” means the judgment to be entered by the Court upon granting final
6 approval of the Settlement and this Stipulation as binding upon the Parties and Participating Class
7 Members.

8 19. “LWDA” means the California Labor and Workforce Development Agency.

9 20. “LWDA Payment” means the portion of the PAGA Payment payable to the LWDA.

10 21. “Maximum Settlement Amount” means the maximum amount Defendant shall have
11 to pay in connection with this Settlement, subject to a pro-rata increase as described herein, by way
12 of a common fund, which shall be inclusive of all Individual Settlement Payments to Participating
13 Class Members, the Class Counsel Award, the Class Representative Service Award, Settlement
14 Administration Costs, and the PAGA Payment. Subject to Court approval and the terms of this
15 Stipulation, the Maximum Settlement Amount that Defendant shall be required to pay is Eight
16 Hundred Ninety Five Thousand Dollars (\$895,000.00).

17 22. “Net Settlement Amount” means the Maximum Settlement Amount, less the Class
18 Counsel Award, the Class Representative Service Award, Settlement Administration Costs, and the
19 PAGA Payment.

20 23. “Notice of Objection” means a Class Member’s written objection to the Settlement.

21 24. “Notice Packet” means the packet of documents which shall be mailed to all Class
22 Members by the Settlement Administrator, including the Class Notice and Information Sheet, in
23 both English and Spanish.

24 25. “PAGA” means the Labor Code Private Attorneys General Act of 2004, California
25 Labor Code sections 2698, et seq.

26 26. “PAGA Payment” means the amount payable from the Maximum Settlement
27 Amount to resolve the PAGA claim alleged in the Action, of which seventy-five percent (75%) shall
28

1 be paid to the LWDA (“LWDA Payment”) and twenty-five percent (25%) shall be paid to Aggrieved
2 Employees.

3 27. “PAGA Period” means the period from August 11, 2020 through the date the Court
4 grants preliminary approval to the Class Action Settlement or May 14, 2022, whichever is earliest.

5 28. “Participating Class Members” means Plaintiff and all other Class Members who do
6 not submit a valid and timely Request for Exclusion.

7 29. “Parties” means Plaintiff and Defendant.

8 30. “Plaintiff” means plaintiff Lourdes Navarro.

9 31. “Preliminary Approval Order” means the order to be issued by the Court approving
10 and authorizing the mailing of the Notice Packet by the Settlement Administrator, setting the date
11 of the Final Approval Hearing and granting preliminary approval of the Settlement set forth in this
12 Stipulation, among other things.

13 32. “Released Parties” means Defendant, and its present or former parents (including
14 Marsden Services, LLC and Marsden Bldg. Maintenance, LLC), owners, subsidiaries, and any
15 affiliated or related persons or entities and each of their respective officers, directors, employees,
16 partners, shareholders, members, attorneys, agents, and any other predecessors, successors, assigns,
17 or legal representatives.

18 33. “Request for Exclusion” means a written request by a Class Member to opt out of,
19 and exclude oneself from, the Settlement.

20 34. “Response Deadline” means the date forty-five (45) days after the Settlement
21 Administrator mails the Notice Packets to Class Members and the last date on which Class Members
22 may submit a Request for Exclusion, Notice of Objection, or dispute regarding the number of
23 Compensable Workweeks stated on their respective Information Sheet.

24 35. “Settlement” means the final and complete disposition of the Action pursuant to this
25 Stipulation.

26 36. “Settlement Administration Costs” means the reasonable costs and fees of
27 administering the Settlement to be paid from the Maximum Settlement Amount, including, but not
28 limited to: (i) printing, mailing and re-mailing (if necessary) of Notice Packets to Class Members,

1 in both English and Spanish; (ii) preparing and submitting to Participating Class Members and
2 government entities all appropriate tax filings and forms; (iii) computing the amount of and
3 distributing Individual Settlement Payments, the Class Representative Service Award, the Class
4 Counsel Award, and the LWDA Payment; (iv) processing and validating Requests for Exclusion
5 and Notices of Objection; (v) establishing a Qualified Settlement Fund (“QSF”), as defined by the
6 Internal Revenue Code; and (vi) calculating and remitting to the appropriate government agencies
7 all employer and employee payroll tax obligations arising from the Settlement and preparing and
8 submitting filings required by law in connection with the payments required by the Settlement.

9 37. Settlement Administrator” means ILYM Group, Inc.

10 **RECITALS**

11 38. Procedural History. On August 11, 2021, Plaintiff filed this wage and hour class
12 action lawsuit against Defendant in Los Angeles Superior Court, which was thereafter amended
13 after the Parties reached settlement. Plaintiff’s operative first amended complaint alleges causes of
14 action for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to
15 provide meal periods or pay the one-hour premium; (4) failure to provide rest periods or pay the one
16 hour premium; (5) failure to indemnify employees for necessary expenditures; (6) failure to furnish
17 accurate itemized wage statements; (7) failure to timely pay all wages due upon termination; (8)
18 unfair business practices; and (9) civil penalties under PAGA, as a representative action.

19 39. On March 14, 2022, the Parties participated in a private mediation session with
20 mediator Gig Kyriacou, Esq. At the end of the mediation, Mr. Kyriacou made a mediator’s proposal
21 outlining the material terms of a proposed class action and PAGA settlement. On March 18, 2022,
22 the Parties accepted the mediator’s proposal, subject to the Parties entering into a more
23 comprehensive written settlement agreement.

24 40. Benefits of Settlement to Plaintiff and the Class Members. Plaintiff and Class
25 Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiff’s
26 claims in the Action through trial and through any possible appeals. Plaintiff also has taken into
27 account the uncertainty and risks of the outcome of further litigation, and the difficulties and delays
28 inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof

1 necessary to establish liability for the claims asserted in the Action, both generally and in response
2 to Defendant's defenses thereto, and the difficulties in establishing damages, penalties, restitution,
3 and class certification, and the potential impact of arbitration agreements with class waivers signed
4 by a significant number of employees in the Class. Plaintiff and Class Counsel also have taken into
5 account Defendant's agreement to enter into a settlement that confers substantial benefits upon the
6 Class Members. Based on the foregoing, Plaintiff and Class Counsel have determined that the
7 Settlement set forth in this Stipulation is fair, adequate, and reasonable and is in the best interests of
8 all Class Members.

9 41. Defendant's Reasons for Settlement. Defendant has concluded that any further
10 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
11 Defendant's time, energy, and resources have been, and unless this Settlement is completed, shall
12 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken
13 into account the risks of further litigation in reaching its decision to enter into this Settlement. Even
14 though Defendant contends it is not liable for any of the claims alleged by Plaintiff in the Action,
15 Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this
16 Stipulation and to put to rest the claims alleged in this Action. Defendant has asserted and continues
17 to assert that the claims alleged by Plaintiff have no merit and do not give rise to any liability,
18 damages, restitution, penalties or other payments. This Stipulation is a compromise of disputed
19 claims. Nothing contained in this Stipulation, no documents referred to herein, and no action taken
20 to carry out this Stipulation, shall be construed or used as an admission by or against Defendant as
21 to the merits or lack thereof of the claims asserted in the Action, or that class certification is
22 appropriate. Defendant contends that it has complied with all applicable state, federal and local
23 laws.

24 **TERMS OF SETTLEMENT**

25 NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements
26 set forth herein, the Parties agree, subject to the Court's approval, as follows:
27
28

42. Binding Settlement. This Settlement shall bind the Parties and all Participating Class Members and Aggrieved Employees, subject to the terms and conditions hereof and the Court's approval.

43. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments specified herein, and Class Members are not relying on any statement or representation by the Parties, Class Counsel, or Defense Counsel in this regard. Participating Class Members and Class Counsel understand and agree that they shall be responsible for the payment of all taxes and penalties assessed on the payments specified herein, and shall hold the Parties, Class Counsel, and Defense Counsel free and harmless from and against any claims resulting from treatment of such payments as non-taxable, including the treatment of such payments as not subject to withholding or deduction for payroll and employment taxes.

44. Circular 230 Disclaimer. THE PARTIES ACKNOWLEDGE AND AGREE THAT (1) NO PROVISION OF THIS STIPULATION, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES, CLASS COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS STIPULATION, (B) HAS NOT ENTERED INTO THIS STIPULATION BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES

(REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS STIPULATION.

45. Preliminary Approval of Settlement. Plaintiff shall move the Court to enter the Preliminary Approval Order, thereby provisionally certifying the class for settlement purposes only and setting a Final Approval Hearing date. The Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for preliminary approval. The Preliminary Approval Order shall provide for, among other things, the Notice Packet to be sent to Class Members as specified herein. The Parties agree that provisional certification of the class is for settlement purposes only and is in no way an admission by Defendant in the Action or in any other proceeding that class certification is proper.

46. Release of Claims.

a. Participating Class Members' Released Claims. Upon Defendant providing the Maximum Settlement Amount to the Settlement Administrator and the occurrence of the Effective Date, all Participating Class Members shall be deemed to have released the Released Parties of any and all claims, demands, rights, liabilities, and/or causes of action that were pleaded or could have been pleaded based upon the factual allegations set forth in the operative first amended complaint filed in this Action and arising at any time during the Class Period, including claims for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or pay the one-hour premium; (4) failure to provide rest periods or pay the one hour premium; (5) failure to indemnify employees for necessary expenditures; (6) failure to furnish accurate itemized wage statements; (7) failure to timely pay all wages due upon termination; and (8) unfair business practices.

b. Aggrieved Employees' Released Claims. In addition to the release set forth in Paragraph 46.a. above, upon Defendant providing the Maximum Settlement Amount to the Settlement Administrator and the occurrence of the Effective Date, all Aggrieved Employees shall be deemed to have released the Released Parties of any and all claims and/or causes of action

1 under PAGA which are based upon the factual allegations set forth in the operative first amended
2 complaint and arising at any time during the PAGA Period, including claims based on: (1) failure
3 to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or
4 pay the one-hour premium; (4) failure to provide rest periods or pay the one hour premium; (5)
5 failure to indemnify employees for necessary expenditures; (6) failure to furnish accurate itemized
6 wage statements; (7) failure to timely pay all wages due upon termination; and (8) unfair business
7 practices. An Aggrieved Employee is subject to this release even if the Aggrieved Employee
8 requests exclusion from the class action settlement.

9 c. Plaintiff's Released Claims. Upon Defendant providing the
10 Maximum Settlement Amount to the Settlement Administrator and the occurrence of the Effective
11 Date, Plaintiff shall be deemed to have released the Released Parties from any and all claims,
12 demands, rights, liabilities, and/or causes, of any form whatsoever, arising under federal, state,
13 local, or common laws, rules, or regulations, whether known or unknown, unforeseen,
14 unanticipated, unsuspected or latent, that have been or could have been asserted by Plaintiff, or
15 Plaintiff's heirs, successors and/or assigns, whether directly, indirectly, representatively,
16 derivatively or in any other capacity, against Defendant or any of the other Released Parties, arising
17 at any time prior to entry of the Judgment, including but not limited to those claims raised in the
18 Action, and those arising from or related to Plaintiff's employment with or work for Defendant.
19 This release excludes only the release of claims not permitted by law.

20 Plaintiff expressly waives all rights and benefits under the terms of section 1542 of the
21 California Civil Code. Section 1542 reads as follows:

22 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
23 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
24 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
25 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
26 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
27 **DEBTOR OR RELEASED PARTY.**
28

1 Notwithstanding the provisions of section 1542, and for the purpose of implementing a full
2 and complete release and discharge of all of her Released Claims, Plaintiff expressly acknowledges
3 that this Settlement is intended to include in its effect, without limitation, all Released Claims which
4 Plaintiff does not know or suspect to exist in her favor at the time of execution hereof, and that the
5 Settlement contemplates the extinguishment of all such Released Claims.

6 47. Settlement Administration.

7 a. Within seven (7) days of entry of the Preliminary Approval Order, Defendant
8 shall provide the Settlement Administrator with the Class Information for purposes of mailing the
9 Notice Packets to Class Members.

10 (i) Notice by First Class U.S. Mail. Upon receipt of the Class Information,
11 the Settlement Administrator shall perform a search based on the National Change of Address
12 Database maintained by the United States Postal Service to update and correct any known or
13 identifiable address changes. Within seven (7) days after receiving the Class Information from
14 Defendant as provided herein, the Settlement Administrator shall mail copies of the Notice Packet
15 to all Class Members via regular First Class U.S. Mail. The Settlement Administrator shall exercise
16 its best judgment to determine the current mailing address for each Class Member. The address
17 identified by the Settlement Administrator as the current mailing address shall be presumed to be
18 the most current mailing address for each Class Member. The Parties agree that this procedure for
19 notice provides the best notice practicable to Class Members and fully complies with due process.

20 ii. Undeliverable Notice Packets. Any Notice Packet returned to the
21 Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed
22 to the forwarding address affixed thereto within five (5) days of the Settlement Administrator's
23 receipt of the returned Notice Packet. If no forwarding address is provided, the Settlement
24 Administrator shall promptly attempt to determine a correct address by the use of skip-tracing, or
25 other type of automated search, using the name, address and/or Social Security number of the Class
26 Member involved, and shall then perform a re-mailing to the Class Member whose Notice Packet
27 was returned as non-deliverable within five (5) days of the Settlement Administrator's receipt of the
28 returned Notice Packet, assuming another mailing address is identified by the Settlement

1 Administrator. If a Notice Packet is re-mailed to a Class Member, the Class Member shall have
2 their Response Deadline extended by ten (10) days from the date the Settlement Administrator re-
3 mails the Notice Packet. If these procedures are followed, notice to Class Members shall be deemed
4 to have been fully satisfied, and if the intended recipient of the Notice Packet does not receive the
5 Notice Packet, the intended recipient shall nevertheless remain a Class Member and shall be bound
6 by all terms of the Settlement and the Judgment.

7 iii. Determination of Individual Settlement Payments: The Settlement
8 Administrator shall determine the eligibility for, and the amount of, each Individual Settlement
9 Payment under the terms of this Stipulation. The Settlement Administrator's determination of the
10 eligibility for and amount of each Individual Settlement Payment shall be binding upon the Class
11 Member and the Parties, yet subject to review by Class Counsel, Defense Counsel, and the Court.
12 In the absence of fraud, gross negligence, or evidence submitted by Participating Class Members
13 and/or Aggrieved Employees, Defendant's records shall be presumed accurate.

14 iv. Disputes Regarding Administration of Settlement. Any dispute not
15 resolved by the Settlement Administrator concerning the administration of the Settlement shall be
16 resolved by the Court. Prior to any such involvement of the Court, counsel for the Parties shall
17 confer in good faith and make use of the services of mediator Gig Kyriacou, if necessary, to resolve
18 the dispute without the necessity of involving the Court.

19 b. Exclusions: The Class Notice shall explain that Class Members who wish to
20 exclude themselves from the class and Settlement must submit a Request for Exclusion to the
21 Settlement Administrator by the Response Deadline. The Request for Exclusion must: (1) contain
22 the name, address, and telephone number of the person requesting exclusion; (2) be signed by the
23 Class Member; and (3) be postmarked by the Response Deadline and returned to the Settlement
24 Administrator at the specified address. Subject to review by Class Counsel, Defense Counsel, and
25 the Court, the date of the postmark on the return mailing envelope on the Request for Exclusion
26 shall be the exclusive means used by the Settlement Administrator to determine whether a Class
27 Member has timely requested exclusion from the class and Settlement. Any Class Member who
28 timely and properly requests to be excluded from the class and Settlement shall not be entitled to

1 any benefits under the Settlement and shall not be bound by the terms of the Settlement nor shall
2 the Class Member have any right to object to the Settlement or appeal from the entry of the
3 Judgment. Class Members who do not submit a valid and timely Request for Exclusion on or before
4 the Response Deadline shall be bound by all terms of the Settlement and the Judgment entered in
5 this Action if the Settlement is finally approved by the Court. No later than ten (10) days after the
6 Response Deadline, the Settlement Administrator shall provide counsel for the Parties a complete
7 list of all Class Members who submitted a timely and valid Request for Exclusion. An Aggrieved
8 Employee who submits a timely Request for Exclusion shall still receive his or her pro rata portion
9 of the PAGA Payment and is covered by the PAGA Release.

10 c. Objections: The Class Notice shall state that Class Members who wish to
11 object to the Settlement must submit to the Settlement Administrator a Notice of Objection by the
12 Response Deadline or appear at the Final Approval Hearing to explain their objection(s). A Notice
13 of Objection must (1) state the full name of the Class Member; (2) be signed by the Class Member;
14 (3) state the grounds for the objection; and (4) be postmarked by the Response Deadline and returned
15 to the Settlement Administrator at the specified address. Subject to review by Class Counsel,
16 Defense Counsel, and the Court, the date of the postmark on the return mailing envelope on the
17 Notice of Objection shall be the exclusive means used by the Settlement Administrator to determine
18 whether a Class Member has timely objected to the Settlement. At no time shall any of the Parties,
19 Class Counsel, or Defense Counsel seek to solicit or otherwise encourage or discourage Class
20 Members from objecting to the Settlement or filing an appeal from the Judgment.

21 d. Disputes Regarding the Number of Compensable Workweeks. If a Class
22 Members disagrees with the number of Compensable Workweeks stated on the Information Sheet,
23 the Class Member must send a letter to the Settlement Administrator by the Response Deadline
24 stating the reasons why they dispute the number of Compensable Workweeks and provide any
25 supporting documentation. The Settlement Administrator will evaluate the evidence submitted by
26 the Class Member and make a decision as to the number of Compensable Workweeks that should
27 be applied.
28

1 e. Monitoring and Reviewing Settlement Administration. The Parties have the
2 right to monitor and review the administration of the Settlement to verify that the monies allocated
3 under the Settlement are distributed in the correct amount, as provided for in this Stipulation.

4 f. Best Efforts. The Parties agree to use their best efforts to carry out the terms
5 of this Settlement.

6 48. Funding and Allocation of Maximum Settlement Amount. No later than five (5) days
7 after the Effective Date, Defendant shall provide to the Settlement Administrator in any feasible
8 manner, including, but not limited to, by way of a wire transfer, the Maximum Settlement Amount
9 and employer taxes. If this Settlement is not finally approved by the Court in full, or is terminated,
10 rescinded, canceled or fails to become effective for any reason, or if the Effective Date does not
11 occur, then no portion of the Maximum Settlement Amount shall be paid.

12 a. Individual Settlement Payments. Class Members shall not be required to
13 submit a claim in order to receive a share of the Net Settlement Amount, and no portion of the
14 Maximum Settlement Amount shall revert to Defendant or result in an unpaid residue. Individual
15 Settlement Payments shall be paid by the Settlement Administrator from the Net Settlement Amount
16 pursuant to the formula set forth herein. Individual Settlement Payment payments shall be mailed
17 by the Settlement Administrator by regular First Class U.S. Mail to each Participating Class
18 Member's last known mailing address within ten (10) days after Defendant provides the Settlement
19 Administrator with the Maximum Settlement Amount. Prior to mailing the Individual Settlement
20 Payments, the Settlement Administrator shall perform a search based on the National Change of
21 Address Database maintained by the United States Postal Service to update and correct any known
22 or identifiable address changes.

23 i. Each Participating Class Member's Individual Settlement Payment
24 shall be calculated solely by the Settlement Administrator according to the following formula:
25 Defendant shall provide the Settlement Administrator with the Compensable Workweeks for each
26 Participating Class Member. The Settlement Administrator shall then divide the Net Settlement
27 Amount by the total number of Compensable Workweeks for all Participating Class Members
28 resulting in a value for each week worked by the Participating Class Members during the Class

1 Period ("Workweek Value"). The Settlement Administrator shall then multiply the number of
2 Compensable Workweeks for each Participating Class Member by the Workweek Value. In
3 addition, all Aggrieved Employees shall receive a pro rata share of the portion of the PAGA Payment
4 allocated to Aggrieved Employees based on their Compensable Workweeks during the PAGA
5 Period.

6 ii. Individual Settlement Payments shall be made by check and shall be
7 made payable to each Participating Class member as set forth in this Stipulation.

8 iii. Individual Settlement Payments shall be allocated as follows: twenty
9 percent (20%) as wages subject to all applicable tax withholdings, and eighty percent (80%) as non-
10 wage penalties, interest, and reimbursement of employment-related expenses not subject to payroll
11 tax withholdings. No tax withholding shall be made on an Aggrieved Employee's pro rata portion
12 of the PAGA Payment. The Settlement Administrator shall issue an IRS Form W-2 to each
13 Participating Class Member and Aggrieved Employee for the portion of each Individual Settlement
14 Payment allocated as wages and subject to all applicable tax withholdings. The Settlement
15 Administrator shall issue an IRS Form 1099 to each Participating Class Member and Aggrieved
16 Employee for the portion of each Individual Settlement Payment allocated as non-wage penalties,
17 interest, and reimbursement of employment-related expenses not subject to payroll tax
18 withholdings. The Settlement Administrator shall calculate the amount of the Employer's Share of
19 Payroll Taxes and shall remit and report the applicable portions of the payroll tax payment to the
20 appropriate taxing authorities in a timely manner.

21 iv. Individual Settlement Payment checks shall remain negotiable for one
22 hundred eighty (180) days from the date of mailing. If an Individual Settlement Payment check
23 remains uncashed after one hundred eighty (180) days from issuance, the Settlement Administrator
24 shall distribute the value of the uncashed check to the State Controller's Office Unclaimed Property
25 Fund in the name of the Participating Class Member and/or Aggrieved Employee. In such event,
26 such Participating Class Members and/or Aggrieved Employees shall nevertheless remain bound by
27 the Settlement.

v. All monies received by Class Members under the Settlement which are attributable to wages shall constitute income to such Class Members solely in the year in which such monies actually are received by the Class Members. It is expressly understood and agreed that the receipt of Individual Settlement Payments shall not entitle any Class Member to additional compensation or benefits under any collective bargaining agreement or under any bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor shall it entitle any Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of the Parties that Individual Settlement Payments provided for in this Stipulation are the sole payments to be made by Defendant to Class Members in connection with this Settlement, with the exception of Plaintiff, and that the Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments. Furthermore, the receipt of Individual Settlement Payments by Class Members shall not, and does not, by itself establish any general, special, or joint employment relationship between and among the Class Member(s) and Defendant.

b. Class Representative Service Award. Subject to Court approval, Plaintiff shall be paid a Class Representative Service Award not to exceed Five Thousand Dollars (\$5,000.00), or any lesser amount as awarded by the Court, for her time and effort in bringing and presenting the Action and for releasing her claims. Defendant shall not oppose or object to Plaintiff's request for a Class Representative Service Award in an amount not to exceed Five Thousand Dollars (\$5,000.00). The Class Representative Service Award shall be paid to Plaintiff from the Maximum Settlement Amount no later than ten (10) days after Defendant provides the Settlement Administrator with the Maximum Settlement Amount. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for her Class Representative Service Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her Class Representative Service Award and shall hold harmless Defendant, Class Counsel, and Defense Counsel from any claim or liability for taxes, penalties, or interest arising as a result of payment of the Class Representative Service Award. The Class Representative Service Award shall be made in addition to Plaintiff's Individual Settlement Payment. Any amount requested by Plaintiff for the Class

Representative Service Award and not awarded by the Court shall become part of the Net Settlement Amount and shall be distributed to Participating Class Members as part of their Individual Settlement Payments.

c. Class Counsel Award. Subject to Court approval, Class Counsel shall be entitled to receive reasonable attorneys' fees in an amount not to exceed one-third (1/3) of the Maximum Settlement Amount, which amounts to Two Hundred Ninety Eight Thousand Three Hundred Thirty Three Dollars and Thirty Three Cents (\$298,333.33). In addition, subject to Court approval, Class Counsel shall be entitled to an award of reasonable costs associated with Class Counsel's prosecution of the Action in an amount not to exceed Twenty Thousand Dollars (\$20,000.00). Class Counsel shall provide the Settlement Administrator with a properly completed and signed IRS Form W-9 in order for the Settlement Administrator to process the Class Counsel Award approved by the Court. Defendant shall not oppose or object to Plaintiff's request for an award of attorneys' fees in an amount not to exceed Two Hundred Ninety Eight Thousand Three Hundred Thirty Three Dollars and Thirty Three Cents (\$298,333.33) and request for an award of reasonable costs not to exceed Twenty Thousand Dollars (\$20,000.00). In the event the Court awards Class Counsel less than Two Hundred Ninety Eight Thousand Three Hundred Thirty Three Dollars and Thirty Three Cents (\$298,333.33) in attorneys' fees and/or less than Twenty Thousand Dollars (\$20,000.00) in costs, the difference shall become part of the Net Settlement Amount and shall be distributed to Participating Class Members as part of their Individual Settlement Payments. Class Counsel shall be paid any Court-awarded attorneys' fees and costs no later than ten (10) days after Defendant provides the Settlement Administrator with the Maximum Settlement Amount. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the Class Counsel Award. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Class Counsel Award. This Settlement is not conditioned upon the Court awarding Class Counsel any particular amount of attorneys' fees or costs.

d. PAGA Payment. Fifty Thousand Dollars (\$50,000.00) from the Maximum Settlement Amount shall be allocated as penalties under PAGA, of which Thirty Seven Thousand Five Hundred Dollars (\$37,500.00) shall be paid by the Settlement Administrator directly to the

1 LWDA. The remaining Twelve Thousand Five Hundred Dollars (\$12,500.00) shall be distributed
2 to Aggrieved Employees as part of their Individual Settlement Payments.

3 e. Settlement Administration Costs. The Settlement Administration fees and
4 expenses, which are estimated not to exceed twenty thousand dollars (\$20,000), shall be paid from
5 the Maximum Settlement Amount. Prior to Plaintiff filing a motion for final approval of the
6 Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the
7 Settlement Administration Costs to date. The Parties agree to cooperate in the Settlement
8 Administration process and to make all reasonable efforts to control and minimize Settlement
9 Administration Costs.

10 i. The Parties each represent they do not have any financial interest in
11 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator
12 that could create a conflict of interest.

13 ii. The Settlement Administrator shall keep the Parties timely apprised
14 of the performance of all Settlement Administrator responsibilities required by the Settlement. The
15 Settlement Administrator shall be authorized to establish a QSF pursuant to IRS rules and
16 regulations in which the Maximum Settlement Amount shall be placed and from which payments
17 required by the Settlement shall be made.

18 49. Final Settlement Approval Hearing and Entry of Judgment. Following expiration of
19 the Response Deadline, a Final Approval Hearing shall be conducted to determine whether to grant
20 final approval of the Settlement, including determining the amounts properly payable for: (i) the
21 Class Counsel Award; (ii) the Class Representative Service Award; and (iii) the PAGA Payment.
22 Prior to the Final Approval Hearing, the Settlement Administrator shall provide a written report or
23 declaration to the Parties describing the process and results of the administration of the Settlement
24 to date, which report or declaration shall be filed by Plaintiff with the Court prior to the Final
25 Approval Hearing. In the event that the date or location of the Final Approval Hearing is changed
26 following the mailing of the Class Notice, the Settlement Administrator shall post notice of the
27 change on its website. If the Court grants final approval of the Settlement, the Settlement
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1 Administrator shall post notice of final judgment on its website within seven (7) calendar days of
2 entry of the Judgment.

3 50. Adjustment of Settlement Amount. The Maximum Settlement Amount was
4 negotiated and is premised on the understanding that there are approximately 89,500 workweeks
5 worked by Class Members during the Class Period. In the event that the total number of workweeks
6 exceeds 89,500 by ten percent (10%) (98,450) or more, the Maximum Settlement Amount shall
7 increase pro rata for each additional workweek over the ten percent (10 %) threshold.

8 51. Right of Defendant to Reject Settlement. If eight percent (8%) or more of the Class
9 Members submit valid Requests for Exclusion, Defendant will have the right, but not the obligation,
10 to void the Settlement and the Parties will have no further obligations under the Settlement,
11 including any obligation by Defendant to pay the Maximum Settlement Amount, or any amounts
12 that otherwise would have been owed under this Stipulation, except that Defendants will pay the
13 Settlement Administration Costs incurred as of the date that Defendant exercises its right to void
14 the Settlement. Defendant shall notify Class Counsel and the Court whether it is exercising this
15 right to void not later than seven (7) days after the Settlement Administrator notifies the Parties of
16 the number of valid Requests for Exclusion it has received.

17 52. Nullification of Settlement. In the event: (i) the Court does not grant final approval
18 of the Settlement; (ii) the Court does not enter the Judgment; or (iii) the Settlement does not become
19 final for any other reason, this Stipulation shall be rendered null and void, any order or judgment
20 entered by the Court in furtherance of this Settlement shall be treated as void from the beginning
21 and this Stipulation and any documents related to it shall not be used by any Class Member or Class
22 Counsel to support any claim or request for class certification in the Action, and shall not be used
23 in any other civil, criminal or administrative action against Defendant or any of the other Released
24 Parties. In the event an appeal is filed from the order granting final approval or Judgment, or any
25 other appellate review is sought, administration of the Settlement shall be stayed pending final
26 resolution of the appeal or other appellate review. Any fees incurred by the Settlement
27 Administrator prior to it being notified of the filing of an appeal from the Judgment, or any other
28 appellate review, shall be paid by Defendant to the Settlement Administrator.

1 53. No Admission by Defendant. Defendant denies all claims alleged in this Action and
2 denies all wrongdoing whatsoever by Defendant. Neither this Stipulation, nor any of its terms and
3 conditions, nor any of the negotiations connected with it, is a concession or admission, and none
4 shall be used against Defendant as an admission or indication with respect to any claim of any fault,
5 concession, or omission by Defendant or that class certification is proper under the standard applied
6 to contested certification motions. The Parties stipulate and agree to the certification of the proposed
7 class for settlement purposes only. The Parties further agree that this Stipulation shall not be
8 admissible in this or any other proceeding as evidence that either (i) a class action should be certified
9 or (ii) Defendant is liable to Plaintiff or any Class Member, other than according to the terms of this
10 Stipulation.

11 54. Non-Publicity. Plaintiff and Class Counsel agree that they have not and will not
12 publish the Settlement. Class Counsel shall not issue any press releases or press statements
13 regarding the Settlement, identify Defendant or its counsel by name in any media including Class
14 Counsel's website, or have any communications with the press or media about the Action or the
15 Settlement. However, nothing in the provision shall be construed as preventing the Parties from
16 taking the following actions: (a) Class Counsel shall be allowed to refer to the Action and Settlement
17 in other litigation to support their adequacy as attorneys for a putative class or to justify an award
18 of attorneys' fees; (b) the Parties shall have the right to disclose the Settlement as may be required
19 under federal or state tax and/or securities laws or under generally accepted accounting principles;
20 (c) the Parties shall have the right to disclose the Settlement to third parties without identifying the
21 case name, case number, or names of any of the Parties or Released Parties; (d) Defendant may
22 disclose the Settlement to its employees, Owners or their representatives, or others with a need to
23 know; (e) the Parties may refer to the Settlement, describe its terms, and file the Stipulation with the
24 Court, the LWDA, and the Settlement Administrator in connection with any proceedings which are
25 reasonably necessary to obtain approval of the Settlement; (f) Plaintiff and Class Counsel may
26 communicate with Class Members or their representatives about the Settlement; and (g) the Parties
27 and their representatives may communicate with accountants or legal advisors regarding the
28

1 Settlement. Except for the previously listed exceptions, in response to any inquiries about the
2 Action, the Parties may state that “the matter has been resolved.”

3 55. Exhibits and Headings. The terms of this Stipulation include the terms set forth in
4 any attached Exhibits, which are incorporated by this reference as though fully set forth herein. The
5 Exhibits to this Stipulation are an integral part of the Settlement. The descriptive headings of any
6 paragraphs or sections of this Stipulation are inserted for convenience of reference only.

7 56. Interim Stay of Action. The Parties agree to stay and to request that the Court stay
8 all proceedings in the Action, except such proceedings necessary to implement and complete the
9 Settlement and enter the Judgment.

10 57. Amendment or Modification. This Stipulation may be amended or modified only by
11 a written instrument signed by counsel for all Parties or their successors-in-interest.

12 58. Entire Agreement. This Stipulation and any attached Exhibits constitute the entire
13 agreement between the Parties, and no oral or written representations, warranties, or inducements
14 have been made to Plaintiff or Defendant concerning this Stipulation or its Exhibits other than the
15 representations, warranties, and covenants contained and memorialized in this Stipulation and its
16 Exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding
17 on the Parties.

18 59. Authorization to Enter into Settlement Agreement. Class Counsel and Defense
19 Counsel warrant and represent they are expressly authorized by the Parties whom they represent to
20 negotiate this Stipulation and to take all appropriate actions required or permitted to be taken by
21 such Parties pursuant to this Stipulation to effectuate its terms, and to execute any other documents
22 required to effectuate the terms of this Stipulation. The Parties, Class Counsel, and Defense Counsel
23 shall cooperate with each other and use their best efforts to effect the implementation of the
24 Settlement. In the event the Parties are unable to reach agreement on the form or content of any
25 document needed to implement the Settlement, or on any supplemental provisions that may become
26 necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court
27 and/or mediator Gig Kyriacou to resolve such disagreement. The person signing this Stipulation on
28 behalf of Defendant represents and warrants that he/she is authorized to sign this Stipulation on

1 behalf of Defendant. Plaintiff represents and warrants that she is authorized to sign this Stipulation
2 and that she has not assigned any claim, or part of a claim, covered by this Settlement to a third-
3 party. The Parties have cooperated in the drafting and preparation of this Stipulation. Hence, in
4 any construction made of this Stipulation, the same shall not be construed against any of the Parties.

5 60. Binding on Successors and Assigns. This Stipulation shall be binding upon, and
6 inure to the benefit of, the successors and assigns of the Parties.

7 61. California Law Governs. All terms of this Stipulation and the Exhibits hereto shall
8 be governed by and interpreted according to the laws of the State of California, without giving effect
9 to any law that would cause the laws of any jurisdiction other than the State of California to be
10 applied.

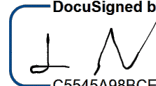
11 62. Counterparts. This Stipulation may be executed in one or more counterparts. All
12 executed counterparts and each of them shall be deemed to be one and the same instrument.

13 63. Jurisdiction of the Court. Following entry of the Judgment, the Court shall retain
14 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this
15 Stipulation and all orders and judgments entered in connection therewith, and the Parties, Class
16 Counsel, and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting,
17 implementing, and enforcing the Settlement embodied in this Stipulation and all orders and
18 judgments entered in connection therewith.

19 64. Invalidity of Any Provision. Before declaring any term or provision of this
20 Stipulation invalid, the Parties request that the Court first attempt to construe the terms or provisions
21 valid to the fullest extent possible consistent with applicable precedents so as to define all provisions
22 of this Stipulation as valid and enforceable.

23 65. Binding Nature of Notice of Class Action Settlement. It is agreed that because the
24 Class Members are so numerous, it is impossible or impractical to have each Class Member execute
25 the Stipulation. The Class Notice shall advise all Class Members of the binding nature of the
26 Settlement, and the release of Released Claims and shall have the same force and effect as if this
27 Stipulation were executed by each Participating Class Member.

DocuSigned by:



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1 Dated: 4/27/2022, 2022

Plaintiff Lourdes Navarro

4 Dated: _____, 2022

Defendant Haynes Building Service, LLC

6 By: _____

8 Its: _____

9 Approved as to form:

10 DATED: April 27, 2022

AEGIS LAW FIRM, PC

13 By: _____

SAMUEL A. WONG

JESSICA L. CAMPBELL

CAROLYN M. BELL

Attorneys for Plaintiff

LOURDES NAVARRO and the Class

17 DATED: _____, 2022

BALLARD ROSENBERG GOLPER & SAVITT, LLP

19 By: _____

JEFFREY P. FUCHSMAN

Attorneys for Defendant

HAYNES BUILDING SERVICE, LLC

BALLARD ROSENBERG GOLPER & SAVITT, LLP
15760 VENTURA BOULEVARD, EIGHTEENTH FLOOR
ENCINO, CALIFORNIA 91436

1 Dated: _____, 2022

Plaintiff Lourdes Navarro

2

3

4 Dated: 4/27
5 _____, 2022

DocuSigned by:
Damon Fraser
0CB01A6609C041B...

Defendant Haynes Building Service, LLC

6

By: Damon Fraser

7

Its: CCO/General Counsel

8

9 Approved as to form:

10 DATED: _____, 2022

AEGIS LAW FIRM, PC

11

12

By: _____

13

SAMUEL A. WONG
JESSICA L. CAMPBELL
CAROLYN M. BELL

14

15

Attorneys for Plaintiff
LOURDES NAVARRO and the Class

16

17 DATED: April 27
18 _____, 2022

BALLARD ROSENBERG GOLPER & SAVITT, LLP

18

19

By: _____

JEFFREY P. FUCHSMAN

20

Attorneys for Defendant
HAYNES BUILDING SERVICE, LLC

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