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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA BARBARA

ALBERTO GATICA-CASTRO, individually,
and on behalf of all others similarly situated,

Plaintiffs,

v.

SPECIALTY TEAM PLASTERING, INC., a
California corporation, and DOES 1 through
50, inclusive,

Defendants.

Civil No. 22CV01120

Assigned to Hon. Colleen K. Sterne, Dept. 5

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

This Joint Stipulation of Class Action and PAGA Settlement (“Joint Stipulation of Settlement” or “Settlement” or “Agreement”) is made and entered into by and between Plaintiff Alberto Gatica-Castro, individually, and on behalf of all others similarly situated, (“Plaintiff” or “Class Representative”), and Defendant Specialty Team Plastering, Inc. (“STP” or “Defendant”). Plaintiff and Defendant are collectively referred to herein as “the Parties.”

THE PARTIES STIPULATE AND AGREE as follows:

DEFINITIONS

1. “Complaint” refers to the operative complaint at the time the Court grants Preliminary Approval of this Settlement.

2. “Action” means this matter, entitled *Alberto Gatica-Castro v. Specialty Team*

1 *Plastering, Inc., et al.*, Santa Barbara Superior Court Case No. 22CV01120.

2 3. “Class Period” means the period from March 21, 2018 through April 17, 2023.

3 4. “Class” or “Class Members” consists of: All current and former non-exempt
4 employees of STP in the State of California at any time within the period from March 21, 2018 through
5 April 17, 2023. “Settlement Class Members” are Plaintiff and those Class Members who do not submit
6 timely exclusion requests to the Settlement Administrator.

7 5. “Class Counsel” means Matern Law Group, PC.

8 6. “Class Representative Service Award” means the amount that the Court authorizes to be
9 paid to Plaintiff, in addition to Plaintiff’s Individual Settlement Payment, in recognition of Plaintiff’s
10 efforts and risks in assisting with the prosecution of the Action.

11 7. “Defendant’s Counsel” means Kenneth P. Roberts, Esq. and Stuart E. Cohen, Esq. of
12 K.P. Roberts & Associates, APLC.

13 8. “Employer Paid Taxes” means taxes paid by the employer, including Federal
14 Unemployment Tax Act, Federal Insurance Contributions Act, state unemployment insurance, and
15 Employee Training Tax payments.

16 9. “Gross Settlement Amount” means Six Hundred Forty-Five Thousand Dollars
17 (\$645,000.00), which is the total gross amount Defendant agrees to pay under the Settlement except for
18 the Employer Paid Taxes and subject to the Escalator Clause. The Gross Settlement Amount will be
19 used to pay Individual Settlement Payments, PAGA Settlement Payments, the PAGA Penalty Payment,
20 Attorneys’ Fees and Costs, the Class representative Service Award, and the Settlement Administration
21 Costs. The Employer Paid Taxes will be paid separate and apart from the Gross Settlement Amount.

22 10. “Individual Settlement Payment” means the amount payable from the Net Settlement
23 Amount to each Class Member.

24 11. “LWDA” means the California Labor & Workforce Development Agency.

25 12. “Net Settlement Amount” means the Gross Settlement Amount, less Attorneys’ Fees
26 and Costs, the Class Representative Service Award, Settlement Administration Costs, and the PAGA
27 Allocation.

28 13. “PAGA Allocation” means the amount that the Parties have agreed to pay to the Labor

1 and Workforce Development Agency (“LWDA”) and PAGA Employees in connection with the Labor
2 Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”). The Parties
3 have agreed that the PAGA Allocation will be \$30,000.00 from the Gross Settlement Amount. Pursuant
4 to PAGA, Seventy Five Percent (75%), or \$22,500, of the PAGA Allocation will be paid to the LWDA
5 (“PAGA Penalty Payment”), and Twenty Five Percent (25%), or \$7,500.00 of the PAGA Allocation,
6 will be paid to PAGA Employees (“PAGA Settlement Payment”).

7 14. “PAGA Period” means the period from January 15, 2021 through April 17, 2023.

8 15. “PAGA Employee” means all Class Members that worked during the PAGA Period.

9 16. “PAGA Employed” means the number of non-exempt employees employed by
10 Defendant during the PAGA Period.

11 17. “PAGA Representative” means Plaintiff.

12 18. “Released PAGA Claims” means all claims under California Labor Code §§ 2698, *et*
13 *seq.*, alleged in the Complaint and/or Plaintiff’s January 13, 2022 notice letter to the LWDA.

14 19. “Released PAGA Claims Period” means the period from January 15, 2021 through
15 April 17, 2023.

16 20. “Request for Exclusion” means a written request by a Class Member to opt out of, or
17 exclude oneself, from the Settlement.

18 21. “Response Deadline” means the date forty-five (45) days after the Settlement
19 Administrator initially mails the Notice to Settlement Class Members and the last date on which
20 Settlement Class Members may submit a request for exclusion or written objection to the Settlement. In
21 the case of a re-mailed Notice, the Response Deadline will be the later of 45 calendar days after initial
22 mailing or 14 calendar days from re-mailing. The Response Deadline may be extended only as
23 expressly described herein.

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

26 23. “Settlement Administrator” means a third-party class action settlement administrator
27 agreed to by the Parties and approved by the Court for purposes of administering this Settlement.

28 24. “Settlement Administration Costs” means the reasonable costs and fees of

administration of this Settlement, including, but not limited to: (i) translating, printing, mailing and re-mailing (if necessary) Notice of Settlement to the Class Members; (ii) preparing and submitting to Class Members and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing Individual Settlement Payments, the Class Representative Service Award, Attorneys' Fees and Costs, and the LWDA Payment; (iv) processing and validating Requests for Exclusion and Notices of Objection; (v) establishing a Qualified Settlement Fund ("QSF"), as defined by the Internal Revenue Code; and (vi) calculating and remitting to the appropriate government agencies all employer and employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement.

25. "Settlement Payments" means all of the payments to Settlement Class Members (the "Individual Settlement Payments") and all of the payments to PAGA Employees (the "PAGA Settlement Payment").

STIPULATED BACKGROUND

26. On January 13, 2022, Plaintiff submitted a letter online to the Labor & Workforce Development Agency to satisfy the administrative exhaustion requirement that is a prerequisite to filing a claim for Civil Penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699, et seq.] ("PAGA"). More than 65 days have passed since the Plaintiff's submission of the notice letter and Plaintiff has not received any notice from the LWDA of its intent to investigate the claims set forth in the January 13, 2022 PAGA letter.

27. On March 21, 2022, Plaintiff filed a putative Class Action (the "Complaint") alleging the following labelled causes of action: (1) Failure to Provide Required Meal Periods; (2) Failure to Provide Required Rest Periods; (3) Failure to Pay Overtime Wages; (4) Failure to Pay Minimum Wages; (5) Failure to Pay All Wages Due to Discharged and Quitting Employees; (6) Failure to Furnish Accurate Itemized Wage Statements; (7) Failure to Maintain Required Records; (8) Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties; (9) Unfair and Unlawful Business Practices; and (10) Penalties under the Labor Code Private Attorneys General Act, as Representative Action.

28. On July 19, 2022, the Parties entered into a stipulation to continue Defendant's responsive date to the Complaint and the Case Management Conference, which the Court granted and entered its order on July 21, 2022.

29. On September 6, 2022, the Parties entered into a second stipulation to continue Defendant's responsive date to the Complaint and the Case Management Conference, which the Court granted and entered its order on September 12, 2022.

30. On February 16, 2023, the Parties participated in a mediation in the Action with Lisa Klerman, Esq. and reached an agreement on the essential terms of a proposed class action settlement and PAGA settlement and executed a memorandum of understanding reflecting their agreement.

31. In the Complaint, Plaintiff sought to represent all non-exempt employees who worked for Defendant in California, and who allegedly did not receive all meal and rest periods legally entitled, who were not fully paid minimum and overtime wages on account of Defendant's time-recording practices, who allegedly did not receive minimum, overtime, meal period premium and rest period premium wages at the correct rate of pay, who allegedly did not receive reimbursement for expenses incurred for business purposes, who allegedly did not timely receive all wages upon their resignation or termination of employment, and who allegedly did not received accurate itemized wage statements at any time during the period beginning four years before the filing of the initial complaint and ending the date the Court preliminarily approves of the settlement.

32. The Parties stipulate and agree to the certification of the proposed class for settlement purposes only. The Parties further agree that this Stipulation will not be admissible in this or any other proceeding as evidence that (i) a class action should be certified, (ii) a representative action is appropriate or manageable, or (iii) Defendant is liable to Plaintiff or any Class Member, other than according to the terms of this Stipulation. Solely for purposes of settling this case, the Parties stipulate and agree that:

(a) The Class is ascertainable and so numerous as to make it impracticable to join all Class Members.

(b) There are common questions of law and fact including, but not limited to, the following:

- 1) Whether or not Plaintiff and the Class Members were properly compensated for all hours worked, including minimum and overtime wages;
 - 2) Whether or not Plaintiff and the Class Members were provided and/or authorized and permitted all meal and rest periods, and/or were paid premium pay at the proper rate of pay for failure to provide meal and rest breaks ;
 - 3) Whether or not Plaintiff and the Class Members timely received all wages owed upon the termination and/or resignation of their employment;
 - 4) Whether or not Defendant maintained accurate records of all hours Plaintiff and the Class Members worked;
 - 5) Whether or not Defendant failed to reimburse necessary business expenses; and,
 - 6) Whether or not Defendant engaged in unlawful or unfair business practices affecting the Class in violation of California Business and Professions Code §§ 17200-17208.
- (c) Plaintiff's claims are typical of the claims of the Class Members.
- (d) Plaintiff and Class Counsel will fairly and adequately protect the interests of the Class.
- (e) The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.
- (f) With respect to the Class, questions of law and fact common to the members of the Class predominate over any questions affecting any individual member in such Class, and that a class action is superior to other available means for the fair and efficient adjudication of the controversy.
33. Should, for whatever reason, the Settlement not become effective, the fact that the

1 Parties were willing to stipulate to certification as part of the Settlement shall have no bearing on, and
2 shall not be admissible in connection with, the issue of whether the Class Members and/or the Class
3 Claims should be certified in a non-Settlement context in this Action or in any other lawsuit. Defendant
4 expressly reserves its right to oppose claim or class certification in this or any other action should this
5 Settlement not become effective.

6 34. Defendant expressly denies any liability or wrongdoing of any kind whatsoever
7 associated with the claims alleged in the Complaint, and Defendant further denies that, for any purpose
8 other than settling this lawsuit, the action is appropriate for class or representative treatment. With
9 respect to Plaintiff's claims, Defendant contends, among other things, that Plaintiff and the Class
10 Members have been paid proper wages, have been provided meal periods or they have been made
11 available as required, have been provided rest periods or they have been authorized and permitted as
12 required, did not incur any business expenses that were not reimbursed, have been paid timely wages
13 upon separation of employment, and have been provided with accurate itemized wage statements.
14 Defendant contends, among other things, that it has complied at all times with the California Labor
15 Code and the applicable Wage Orders of the Industrial Welfare Commission. Furthermore, with respect
16 to all claims, Defendant contends that it has complied at all times with the California Business and
17 Professions Code.

18 35. It is the desire of the Parties to fully, finally, and forever settle, compromise, and
19 discharge all disputes and claims arising from or related to the Complaint.

20 36. Class Counsel has conducted a thorough investigation into the facts of this Action,
21 including an extensive review of relevant documents, and has diligently pursued an investigation of the
22 claims of the Class against Defendant. Based on its own independent investigation and evaluation,
23 Class Counsel is of the opinion that the Settlement with Defendant for the consideration and on the
24 terms set forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and is in the best
25 interest of the Class in light of all known facts and circumstances, including the risk of significant delay,
26 the risk the Class will not be certified by the Court, defenses asserted by Defendant, and numerous
27 potential appellate issues. Defendant and Defendant's Counsel also agree that the Settlement is fair and
28 in the best interest of the Class.

37. The Parties agree to cooperate and take all steps necessary and appropriate to obtain preliminary and final approval of this Settlement.

38. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court. The Parties further agree that, upon the full execution of this Stipulation, pursuant to Code of Civil Procedure section 583.330(a), the time within which the Action must be brought to trial under Code of Civil Procedure section 583.310 shall be tolled for the entire period of this settlement process, from the date of execution of the Stipulation to the date on which the Court issues an order denying the Motion for Preliminary Approval or the Motion for Final Approval, or the date on which Defendant properly elects to nullify the Settlement.

PRIMARY TERMS OF SETTLEMENT

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

- (a) It is agreed by and among Plaintiff and Defendant that this case and any claims, damages, or causes of action arising out of the disputes which are the subject of this case, be settled and compromised as between the Class and Defendant, subject to the terms and conditions set forth in this Settlement and the approval of the Court.
- (b) Effective Date: The terms of settlement embodied in this Settlement shall become effective when all of the following events have occurred: (i) this Joint Stipulation of Settlement has been executed by all Parties and their respective counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has been given to the class, providing them with an opportunity to dispute information contained in the Notice, to opt out of the Settlement, or to object to the Settlement; (iv) the Court has held a final approval hearing and entered a final order and judgment certifying the Class and approving this Settlement; and (v) the later of the following events: (a) the date final approval is

1 granted if there are no objections to the Settlement; (b) sixty-five (65) days
2 following notice of entry of the Court's final order approving the Settlement if
3 there are any objections by any Class Member; or (c) if any appeal, writ or other
4 appellate proceeding opposing this Settlement has been filed within sixty-five
5 (65) days following notice of entry of the Court's final order approving the
6 Settlement, then twenty (20) days after when any appeal, writ or other appellate
7 proceeding opposing the Settlement has been resolved finally and conclusively
8 with no right to pursue further remedies or relief. In this regard, it is the
9 intention of the Parties that the Settlement shall not become effective until the
10 Court's order approving the Settlement is completely final, and there is no
11 further recourse by an appellant or objector who seeks to contest the Settlement.

12 (c) Gross Settlement Amount: Defendant's maximum total payment under the
13 Settlement, including all attorney's fees and costs, the Class Representative
14 Service Award, the Individual Settlement Payments, the Settlement
15 Administration Costs, the PAGA Allocation, and any other payments provided
16 by this Settlement, is \$645,000.00 ("Gross Settlement Amount"), subject to the
17 Escalator Clause and except that, to the extent that any portions of the Class
18 Members' Settlement Payments constitute wages, Defendant will be separately
19 responsible for any employer payroll taxes required by law, including the
20 employer FICA, FUTA, and SDI contributions.

21 (d) Escalator Clause: If it is later determined that the number of Class Members is
22 450 or more (the original estimate of Class Members was 409), the Gross
23 Settlement Amount shall be increased by the percentage of the actual number of
24 Class Members exceeding 409 (the "Escalator Clause"). The Gross Settlement
25 Amount will not be reduced for any reason.

26 (e) Non-reversionary Settlement: No portion of the Gross Settlement Amount will
27 revert to Defendant.

28 (f) No Claims Required: Class Members will not be required to submit a claim to

1 receive their Settlement payment.

2 (g) Net Settlement Amount: The Net Settlement Amount shall be calculated by
3 deducting from the Gross Settlement Amount (\$645,000.00) the following sums,
4 subject to approval by the Court: (1) attorney's fees (not to exceed 33 1/3% of
5 the Gross Settlement Amount, or \$215,000.00); (2) reasonable litigation costs
6 (not to exceed \$25,000.00); (3) the Class Representative Service Payment (not to
7 exceed \$7,500.00); (4) the PAGA Allocation; and (5) costs of settlement
8 administration (estimated not to exceed \$15,000.00). Settlement Payments to
9 the Class Members will be calculated by the Settlement Administrator and paid
10 out of the Net Settlement Amount as set forth below.

11 (h) Payroll Taxes and Required Withholdings: To the extent that any portions of the
12 Settlement Class Members' Settlement Payments constitute wages, Defendant
13 will be separately responsible for any **employer** payroll taxes required by law,
14 including the employer FICA, FUTA, and SDI contributions. Except for any
15 employer payroll taxes, it is understood and agreed that Defendant's maximum
16 total liability under this Settlement shall not exceed the Gross Settlement
17 Amount, unless the Escalator Clause applies. The Settlement Administrator will
18 calculate and submit the Defendant's employer share of payroll taxes after
19 advising Defendant of the total amount owed, in aggregate, as employer-side
20 payroll taxes and receiving payments from Defendant in that amount when the
21 Gross Settlement Amount is delivered to the Settlement Administrator.

22 (i) Individual Settlement Payments (Excludes PAGA Payments): Individual
23 Settlement Payments will be paid out of the Net Settlement Amount. Each
24 Settlement Class Member's Individual Settlement Payment shall be calculated
25 by the Settlement Administrator according to the following formula: Defendant
26 shall provide the Settlement Administrator with the total number of workweeks
27 worked by each Settlement Class Member; the Settlement Administrator shall
28 then (1) divide the Net Settlement Amount by the Total Number of Settlement

1 Class Member Workweeks and then (2) multiply each Settlement Class
2 Member's number of workweeks by the result in (1) to obtain the amount of
3 each Settlement Class Member's Individual Settlement Payment. The
4 Individual Settlement Payment will be reduced by any required legal deductions
5 for each Settlement Class Member. Individual Settlement Payments in the
6 appropriate amounts will be distributed by the Settlement Administrator by mail
7 to the Settlement Class Members. The funds from uncashed, unclaimed, or
8 abandoned checks shall be transmitted by the Settlement Administrator to the
9 California Controller's Office, as set forth below.

- 10 (j) PAGA Payments: PAGA Settlement Payments will be paid out of the PAGA
11 Allocation. Each PAGA Employee will be paid a pro-rata share of \$7,500.00
12 (or 25% of the PAGA Allocation), as calculated by the Settlement
13 Administrator, according to the following formula: Defendant shall provide the
14 Settlement Administrator with the Total PAGA Pay Periods for all PAGA
15 Employees; the Settlement Administrator shall then (1) divide Seven Thousand
16 Five Hundred Dollars (\$7,500.00) by the Total PAGA Pay Periods and then (2)
17 multiply each PAGA Employee's number of PAGA Pay Periods by the result in
18 (1) to obtain the amount of each PAGA Group Member's PAGA Settlement
19 Payment. PAGA Employees will not be permitted to exclude themselves from
20 this portion of the Settlement. PAGA Settlement Payments to PAGA
21 Employees in the appropriate amounts will be distributed by the Settlement
22 Administrator by mail to the PAGA Employees at the same time Individual
23 Settlement Payments issue to the Settlement Class. The funds from uncashed,
24 unclaimed, or abandoned checks shall be transmitted to the California
25 Controller's Office, as set forth below. The LWDA's PAGA Penalty Payment
26 will issue by the Settlement Administrator to the LWDA at the same time
27 Individual Settlement Payments and PAGA Settlement Payments issue to the
28 Settlement Class.

- (k) Allocation of Settlement Payments: The Parties have agreed that Individual Settlement Payments will be allocated as follows: 10% to wages and 90% to penalties and interest. The PAGA Settlement Payment shares to PAGA Employees will be entirely allocated to penalties. Appropriate federal, state and local withholding taxes will be taken out of the wage allocations, and each Class Member will receive an IRS Form W-2 with respect to this portion of the Settlement Payment. The employer's share of payroll taxes and other required withholdings will be paid as set forth above, including but not limited to the Defendant's FICA and FUTA contributions, based on the payment of claims to the Class Members. IRS Forms 1099 will be issued to each Class Member reflecting the payments for penalties and interest. Class Members are responsible to pay appropriate taxes due on the Settlement Payments they receive. To the extent required by law, IRS Forms 1099 and W-2 will be issued to each Class Member with respect to such payments.
- (l) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement Payments to individual Class Members shall be deemed to be paid to such Class Member solely in the year in which such payments actually are received by the Class Member. It is expressly understood and agreed that the receipt of such Settlement Payments will not entitle any Class Member to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Class Member to any increased retirement, 401(k) benefits or matching benefits or deferred compensation benefits. It is the intent that the Settlement Payments provided for in this Settlement are the sole payments to be made by Defendant to the Class Members, and that the Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might

1 have been in effect during the period covered by this Settlement).

2 (m) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not
3 object to Class Counsel's application for attorney's fees not to exceed 33 1/3%
4 of the Gross Settlement Amount (or \$215,000.00) and reimbursement of
5 litigation costs and expenses not to exceed \$25,000.00. The difference between
6 the amounts requested as attorney's fees and costs and the actual amounts
7 awarded will become part of the Net Settlement Amount for distribution to
8 Settlement Class Members.

9 (n) Class Representative Service Payment: Subject to Court approval, and in
10 exchange for a general release, Defendant will not object to Class Counsel's
11 application for an additional payment of up to \$7,500.00 to Plaintiff for service
12 as a Class Representative ("Class Representative Service Payment"). It is
13 understood that the Class Representative Service Payment is in addition to the
14 Individual Settlement Payment to which Plaintiff is entitled to along with the
15 other Settlement Class Members. In exchange, Plaintiff has agreed to release
16 all claims, whether known or unknown, under federal law or state law against
17 the Releasees, to the extent permitted by law, through the Class Period
18 ("Plaintiff's Released Claims"). Plaintiff understands that this release
19 includes unknown claims and that he is, as a result, waiving all rights and
20 benefits afforded by Section 1542 of the California Civil Code, which
21 provides:

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

Specifically excluded from Plaintiff's Released Claims are any claims for
workers' compensation benefits. The Class Representative Service Payment

will issue at the same time all Settlement Payments are mailed to the Settlement Class. The difference between the amounts requested as a service payment and the actual amounts awarded will become part of the Net Settlement Amount for distribution to Settlement Class Members.

(o) The Settlement Administrator will issue an IRS Form 1099 for the Class Representative Service Payment to Plaintiff. Plaintiff will be individually responsible for correctly characterizing this compensation on personal income tax returns for tax purposes and for paying any taxes on the amounts received. Should the Court approve a Class Representative Service Payment in an amount less than that set forth above, the difference between the lesser amount(s) approved by the Court and the Service Payment amount(s) set forth above shall be added to the Net Settlement Amount. Plaintiff agrees not to opt out or object to the Class Representative Service Payment as the Class Representative.

(p) Settlement Administrator: The Settlement Administrator will be Xpand Legal Consulting LLC, or such Settlement Administrator as may be mutually agreeable to the Parties and approved by the Court. Settlement Administration Costs are estimated not to exceed \$15,000.00. The costs of the Settlement Administrator for work done shall be paid by Defendant regardless of the outcome of this Settlement.

(q) Funding of Settlement Account: Defendant agrees to make payments required under this Settlement pursuant to the following payment schedule:

(1) \$400,000.00 shall be paid by December 31, 2023;

(2) \$150,000.00 shall be paid by June 30, 2024; and

(3) \$95,000 shall be paid by December 31, 2024.

(r) Distribution of Settlement Payments: The Settlement Administrator shall cause the Settlement Payments to be mailed to the Settlement Class Members and the Class Representative Service Award to be mailed to Plaintiff within 14 calendar days after the first installment payment of \$400,000.00 is deposited with the

Settlement Administrator, in the event that the amount is sufficient to cover the payments. The Attorneys' Fees and Costs, Settlement Administration Costs, and LWDA Payment shall be distributed by the Settlement Administration within 14 calendar days after the final installment payment is received the Settlement Administrator.

(s) Notice of Settlement: Each Class Member will be mailed a notice setting forth the material terms of the proposed Settlement, along with instructions about how to object or request exclusion from the proposed class action Settlement ("Notice"), substantially in the form attached hereto as "Exhibit A." For each Class Member, there will be pre-printed information on the mailed Notice, based on Defendant's records, stating the estimated total Settlement Payment under the Settlement, including the Individual Settlement Payment and the PAGA Settlement Payment that will be distributed irrespective of any exclusion request. The pre-printed information based on Defendant's records shall be presumed to be correct. A Class Member may dispute the pre-printed information on the Notice. Class Members must submit to the Settlement Administrator any dispute regarding the information on the Notice as to his or her amount within the Response Deadline. Unless a disputing Class Member submits documentary evidence in support of his or her dispute, the records of the Defendant will be determinative, subject to review by the Court.

(t) Settlement Notice Language: The Notice will issue in English and Spanish. The Settlement Administrator shall translate the Notice from English to Spanish.

(u) PAGA Employees Cannot Exclude Themselves from the Released PAGA Claims: Class Members submitting a Request for Exclusion will nevertheless receive their pro-rata share of the PAGA Allocation if they are PAGA Employees. If the Court approves the compromise of the PAGA Claim, all PAGA Employees are bound by the Court's resolution of that Claim. Plaintiff shall serve a notice of settlement on the California Labor and Workforce

Development Agency at or before the time Plaintiff files the motion for preliminary approval.

(v) Resolution of Classification: If a Class Member disputes the accuracy of Defendant's records used to determine whether he or she is an exempt or non-exempt employee entitled to payment under this Stipulation, and the Parties' counsel cannot resolve the dispute informally, the matter will be referred to the Settlement Administrator. The Settlement Administrator will review Defendant's records and any information or documents submitted by the Class Member and issue a decision regarding the dispute. The Court reviewing this Settlement shall have the authority to review and make a final decision regarding any Class Member dispute. The Class Member must submit information or documents supporting his or her position to the Settlement Administrator prior to the expiration of the Response Deadline. Information or documents submitted after the expiration of the Response Deadline will not be considered by the Settlement Administrator, unless otherwise agreed to by the Parties.

(w) Right of Class Member to Request Exclusion from the Settlement: Any Class Member may request to be excluded from the Class by mailing the Settlement Administrator a "Request for Exclusion" from the Settlement within the Response Deadline, stating, as follows or in substantially similar terms:

"I WISH TO BE EXCLUDED FROM THE CLASS IN THE *GATICA-CASTRO* v. *SPECIALTY TEAM PLASTERING* LAWSUIT."

Any Request for Exclusion must include the full name (first, middle and last), address, telephone number, and the signature of the Class Member requesting exclusion. Any such request must be made in accordance with the terms of the Notice, and the Notice will advise Class Members of these requirements. Any Class Member who timely requests exclusion in compliance with these requirements (i) shall not have any rights under this Settlement other than a right to receive a pro-rata share of the portion of the PAGA Allocation if the Class

Member is also a PAGA Employee; (ii) shall not be entitled to receive any Settlement Payments under this Settlement other than as stated in (i) in this paragraph; and (iii) shall not be bound by this Settlement or the Court's Order and Final Judgment other than as it applies to the PAGA Claim. Exclusion requests may also be made by fax or email. The Settlement Administrator shall report to Class Counsel and Defendant's Counsel the names of any Class Members who submit a timely and valid request for exclusion so that those individuals may be included in the Final Approval Order and Judgment as having opted out of the Settlement Class.

- (x) Right of Settlement Class Member to Object to The Settlement: Any Class Member may object to the Settlement. To object, the Class Member may (1) appear in person at the Final Approval Hearing to explain any objection, (2) have an attorney object for the Class Member, or (3) submit a simple written brief or statement of objection to the Settlement Administrator by the Response Deadline. If any Class Member chooses to submit a written objection, it should contain sufficient information to confirm the identity of the objector and the basis of the objection, including (1) the full name of the Settlement Class Member; (2) the signature of the Settlement Class Member; (3) the grounds for the objection; and (4) be postmarked, emailed, or faxed within the Response Deadline to permit adequate time for processing and review by the Parties. Class Counsel shall ensure that any written objections are transmitted to the Court for the Court's review (either by Class Counsel or as an attachment to declaration from the Settlement Administrator). A Settlement Class Member who does not object prior to or at the Final Approval Hearing, will be deemed to have waived any objections and will be foreclosed from making any objections (whether at the Final Approval Hearing, by appeal, or otherwise) to the Settlement and/or seeking any adjudication or review of the Settlement, by appeal or otherwise.

THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES

40. Subject to the Court's approval, and subject to reconsideration by the Parties after a competitive bidding process, the Parties have agreed to the appointment of XPand Legal Consulting LLC to perform the customary duties of Settlement Administrator. The Settlement Administrator will mail the Notice, both in English and Spanish, to the Class Members.

41. The Settlement Administrator will independently review the total number of Class Members and will calculate the estimated amounts due to each Class Member and the actual amounts due to each Settlement Class Member and PAGA Employee in accordance with this Settlement. The Settlement Administrator shall report, in summary or narrative form, the substance of its findings. The Settlement Administrator shall be granted reasonable access to Defendant's records in order to perform its duties.

42. In accordance with the terms of this Settlement, and upon receipt of Gross Settlement Amount from Defendant, the Settlement Administrator will issue and send out the Settlement Payment checks to the Class Members. Tax treatment of the Settlement Payments will be as set forth herein, and in accordance with state and federal tax laws. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement until all payments and obligations contemplated by this Settlement have been fully carried out.

ATTORNEY'S FEES AND COSTS

43. In consideration for resolving this matter and in exchange for the release of all claims by the Class Members, including Plaintiff, and subject to approval by the Court, Defendant will take no position on and will not oppose Class Counsel's application for attorney's fees not to exceed 33 1/3% of the Gross Settlement Amount (\$215,000.00 of \$645,000.00) and litigation costs not to exceed \$25,000.00. The amounts set forth above will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in connection with the approval by the Court of this Settlement and administration of the Settlement. Should Class Counsel request a lesser amount and/or the Court approve a lesser amount(s) of attorney's fees and/or attorneys'

costs, the difference between the lesser amount(s) and the maximum amount set forth above shall be added to the Net Settlement Amount. Attorney's fees and costs approved by the Court shall be paid to Class Counsel within 14 calendar days after the final installment payment of funds is deposited with the Settlement Administrator. This Settlement is not conditioned upon the Court awarding Class Counsel any particular amount of attorney's fees or costs.

THE NOTICE PROCESS

44. A Notice in approximately the form attached hereto as Exhibit "A," and as approved by the Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. The Notice shall be translated by the Settlement Administrator into Spanish so that Spanish and English language versions of the Notice are included in the mailing. Any returned envelopes from this mailing with forwarding addresses will be utilized by the Settlement Administrator to forward the Notices to the Class.

- (a) Within fourteen (14) calendar days from the date of entry of the preliminary approval order of this Settlement by the Court, Defendant shall provide to the Settlement Administrator a class database containing the following information for each Class Member: (1) name; (2) last known address; (3) social security number; (5) dates of employment in California; and (6) number of Workweeks and PAGA Pay Periods. This database shall be based on Defendant's payroll and other business records and shall be provided in a format acceptable to the Settlement Administrator. Defendant agrees to consult with the Settlement Administrator prior to the production date to ensure that the format will be acceptable to the Settlement Administrator. The Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. Absent mutual written agreement of counsel for the Parties or Court order, the Settlement Administrator will keep this database confidential and secure and use it only for the purposes described herein, and will return this database to Defendant upon

1 final approval of the settlement or destroy electronic records containing the
2 database after the Settlement is final and all payments are distributed as required
3 under this Agreement. The information provided to the Settlement
4 Administrator shall be kept confidential and shall not be disclosed, either in
5 writing or orally, by the Settlement Administrator at any time. The Settlement
6 Administrator shall use due care with respect to the storage, custody, use, and/or
7 dissemination of the confidential information. Such information must be stored
8 in a secure fashion and all persons who access the data must agree to keep it
9 confidential.

- 10 (b) Within fourteen (14) calendar days after the Class database is provided to the
11 Settlement Administrator, the Settlement Administrator will mail the Notices to
12 the Class Members by First Class United States Mail.
- 13 (c) Notices returned to the Settlement Administrator as non-deliverable on or before
14 the initial Response Deadline shall be resent to the forwarding address, if any, on
15 the returned envelope. A returned Notice will be forwarded by the Settlement
16 Administrator any time that a forwarding address is provided with the returned
17 mail. If there is no forwarding address, the Settlement Administrator will do a
18 computer search for a new address using the Class Member's social security
19 number or other information. In any instance where a Notice is re-mailed, the
20 Settlement Administrator must complete re-mailing within three business days,
21 that Class Member will have to respond by the original response deadline or 14
22 calendar days after re-mailing, whichever is later. A letter prepared by the
23 Settlement Administrator will be included in the re-mailed Notice in that
24 instance, stating the extended response deadline. Upon completion of these
25 steps by the Settlement Administrator, Defendant and the Settlement
26 Administrator shall be deemed to have satisfied their obligations to provide the
27 Notice to the affected Class Member. The affected Class Member shall remain a
28 member of the Settlement Class and shall be bound by all the terms of the

Settlement and the Court's Order and Final Judgment.

- (d) Class Counsel shall provide to the Court, at least 16 court days prior to the final approval hearing, or such other date as set by the Court, a declaration by the Settlement Administrator of due diligence and confirming mailing of the Notices.

DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS

45. As set forth above, each Class Member will have until the expiration of the applicable Response Deadline to submit to the Settlement Administrator any challenge or dispute to the Class Member's information on the Notice. No disputes will be honored if they are submitted after the Response Deadline, unless the Parties mutually agree to accept the untimely dispute. Disputes can be communicated via fax or email. Each Class Member is responsible to maintain a copy of any documents sent to the Settlement Administrator and a record of proof of mailing.

46. The Settlement Administrator shall cause the Settlement Payments to be mailed to the Settlement Class Members and PAGA Employees as provided herein. Prior to mailing the Settlement Payment checks, the Settlement Administrator shall check for updated addresses for all recipients, and in the event that any check is returned as undeliverable, the check must be re-mailed within three business days. The check will be re-mailed to the forwarding address, if any, on the returned envelope. If there is no forwarding address, the Settlement Administrator will attempt to determine a correct address by the use of skip-tracing, or other type of automated search for a new address using the Class Member's social security number or other information. Settlement Class Payments and PAGA Payments may be combined into one check. Settlement Payment checks shall remain valid and negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks shall state the expiration date of the checks. Settlement Payment checks will automatically be cancelled by the Settlement Administrator if they are not cashed by the Class Member within that time, and the Class Member's relevant claims will remain released by the Settlement.

47. Funds from uncashed or abandoned Settlement Payment checks, based on a 180-day void date, shall be transmitted to the California State Controller's Office for Unclaimed Property in the

1 name of each Class Member who failed to cash their Settlement Payment check prior to the void date.

2 48. Upon completion of its calculation of Settlement Payments, the Settlement
3 Administrator shall provide Class Counsel and Defendant's Counsel with a report listing the amounts of
4 all payments to be made to Class Members (to be identified anonymously by employee number or other
5 identifier). A Declaration attesting to completion of all payment obligations will be provided to Class
6 Counsel and Defendant's Counsel and filed with the Court by Class Counsel.

7 **RELEASE BY THE CLASS**

8 49. Upon the final approval by the Court of this Settlement and payment of all funds due
9 under this Settlement, and except as to such rights or claims as may be created by this Settlement, the
10 Class Representative, the Class and each Class Member who has not submitted a valid and timely
11 request for exclusion as to claims other than the PAGA claim, will release claims as follows:

- 12 (a) **Identity of Released Parties.** The released parties are Defendant, and each of its
13 former, present and future direct and/or indirect owners, dba's, parents,
14 subsidiaries, affiliated and related companies, divisions, successors,
15 predecessors, or assigns, and past, current and future employees, attorneys,
16 officers, directors, shareholders, owners, agents, trustees, heirs, executors,
17 administrators, predecessors, successors or assigns (collectively "Releasees").
- 18 (b) **Date Release Becomes Active.** The Released Claims will be released upon the
19 Settlement's Effective Date and payment by Defendant of all funds due under
20 the Settlement. Class Members will not release the Released Claims or Released
21 PAGA Claims until the Effective Date and payment by Defendant of all funds
22 due under the settlement.
- 23 (c) **Claims Released by Settlement Class Members.** Each and every Class
24 Member, on behalf of himself or herself and his or her heirs and assigns, unless
25 he or she has submitted a timely and valid Request for Exclusion (which will not
26 effectuate an opt-out from the release of Released PAGA Claims), hereby
27 releases Releasees from the following claims for the entire Class Period:
28

- 1) any and all claims, charges, rights, complaints, liens, demands, obligations, damages, wages, penalties, interest, debts, liabilities, costs, compensation, damages, attorneys' fees, actions, and/or causes of action that were asserted or could have been asserted based upon the facts and circumstances alleged in the Complaint and arising at any time during the Class Period in this Action, including but not limited to all state wage and hour claims (including all claims under the California Labor Code) for unpaid wages, unpaid minimum wages, unpaid overtime wages, off-the-clock work violations, failure to provide meal periods, failure to provide rest periods, unreimbursed business expenses, wage statement violations, waiting time penalties, and the related provisions of the Labor Code including but limited to Labor Code §§ 201-204, 210, 216, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2802, derivative claims under California Business & Professions Code §§ 17200 et seq., and all claims under the governing Wage Order ("Released Claims"); and all other potential civil and statutory penalties based on or arising from the Released Claims, including but not limited to statutory, constitutional, contractual damages, costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief.;
- 2) Upon the Effective Date and the payment by Defendant of all funds due under the Settlement, Class Members who do not submit a timely and valid Request for Exclusion shall be precluded from filing a wage and hour action under the Fair Labor Standards Act against the Releasees for claims and/or causes of action encompassed by the Released Claims, which will be extinguished pursuant to *Rangel v. PLS Check Cashers of California, Inc.* (9th Cir. 2018) 899 F.3d 1106;
- 3) in addition, as to *all* Class Members employed during the Released

PAGA Claims Period, whether requesting exclusion from the Settlement or not, claims arising under the Private Attorneys General Act of 2004, Labor Code § 2698 et seq., to the extent asserted in Plaintiff's administrative exhaustion letter submitted to the LWDA and any Complaint in this matter (i.e., the Released PAGA Claims).

4) Plaintiff, on behalf of himself and the Class Members, acknowledges and agrees that the claims for unpaid wages in the Action, and untimely payment of wages in the Action, are disputed, and that California Labor Code Section 206.5 is not applicable to the Parties hereto. Section 206.5 provides in pertinent part as follows:

- a. An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.

DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

50. The Parties shall submit this Joint Stipulation of Class Action and PAGA Settlement to the Court in support of Plaintiff's unopposed motion for preliminary approval for determination by the Court as to its fairness, adequacy, and reasonableness. Upon execution of this Joint Stipulation of Class Action and PAGA Settlement, the Parties shall apply to the Court for the entry of an order:

- (a) Scheduling a final approval and fairness hearing on the question of whether the proposed Settlement, including payment of attorney's fees and costs, and the Class Representative Service Payment, should be finally approved as fair, reasonable, and adequate as to the members of the Class;
- (b) Provisionally certifying a Class for settlement purposes;
- (c) Approving as to form and content the proposed Notice;
- (d) Directing the mailing of the Notice;
- (e) Preliminarily approving the Settlement subject only to the objections of Class

Members and final review by the Court;

(f) Conditionally appointing Plaintiff and Class Counsel as representatives of the proposed Class Members; and,

(g) Appointing Xpand Legal Consulting LLC as the Settlement Administrator, and order the Settlement Administrator to issue Notices as outlined above.

DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

51. In conjunction with the hearing of a motion for final approval by the Court of the Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will submit to the Court a proposed final order and judgment containing provisions sufficient to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorney's fees and costs;
- (c) Approving the Service Payment to the Class Representative;
- (d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement.
- (e) Adjudging Plaintiff and Class Counsel may adequately represent the Final Settlement Class for the purpose of entering into and implementing the Agreement; and
- (f) Entering a final judgment in the action based on the Parties' Joint Stipulation of Class Action and PAGA Settlement.

NULLIFICATION AND TERMINATION

52. This Settlement will be null and void if any of the following occur: (a) the Court should for any reason fail to certify a class for settlement purposes; (b) the Court should for any reason fail to preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than adjustments made to the attorney's fees and costs or granting of Service Payments; (c) the Court should for any reason fail to enter the final judgment based on the Parties' Joint Stipulation of Class Action and PAGA Settlement; (d) the final judgment is reversed, modified, or declared or rendered void; (e) the

1 Settlement does not become final for any other reason; (f) the LWDA objects or contests the amount
2 allowed to PAGA penalties; or (g) if ten-percent (10%) or more of the Class Members opt-out of the
3 settlement, Defendant may, at its sole discretion, within thirty (30) days of the expiration of the opt-out
4 period, elect to revoke the settlement and its stipulation to Class Certification. If Defendant exercises
5 this option, it will be relieved of any obligation to pay the Settlement Amount or any other obligations
6 from the Settlement, with the exception that Defendant will be responsible for any costs of
7 administration of the Settlement incurred prior to the election to nullify the Settlement, by giving notice
8 to Plaintiff's Counsel and the Settlement Administrator. In addition, in such event, the Settlement
9 Agreement and all negotiations, court orders, and proceedings relating thereto shall be without prejudice
10 to the rights of any and all Parties, and all evidence and/or information exchanged for mediation
11 purposes and/or the Settlement Agreement and all negotiations shall not be admissible in the Action or
12 otherwise.

13 **PARTIES' AUTHORITY**

14 53. The signatories hereto hereby represent that they are fully authorized to enter into this
15 Settlement and bind the Parties hereto to the terms and conditions thereof.

16 **MUTUAL FULL COOPERATION**

17 54. The Parties agree to fully cooperate with each other to accomplish the terms of this
18 Settlement including, but not limited to, execution of such documents and taking such other action as
19 reasonably may be necessary to implement the terms of this Settlement. The Parties to this Settlement
20 shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts
21 that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the
22 terms set forth herein. As soon as practicable after execution of this Settlement, Class Counsel shall,
23 with the assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to
24 secure the Court's preliminary and final approval of this Settlement.

25 **NO PRIOR ASSIGNMENTS**

26 55. The Parties and their respective counsel represent, covenant, and warrant that they have
27 not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
28

1 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or
2 rights herein released and discharged except as set forth herein.

3 **NO ADMISSION OF LIABILITY**

4 56. Nothing contained herein, nor the consummation of this Settlement, is to be construed or
5 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.
6 Defendant denies all the claims and contentions alleged by the Plaintiff in this case. Defendant has
7 entered into this Settlement solely with the intention to avoid further disputes and litigation with the
8 attendant inconvenience and expenses.

9 **ENFORCEMENT ACTIONS**

10 57. In the event that one or more of the Parties to this Settlement institutes any legal action
11 or other proceeding against any other party or parties to enforce the provisions of this Settlement or to
12 declare rights and/or obligations under this Settlement, the successful party or parties shall be entitled to
13 recover from the unsuccessful party or parties reasonable attorney's fees and costs, including expert
14 witness fees incurred in connection with any enforcement actions.

15 **INVALIDITY OF ANY PROVISION**

16 58. Before declaring any provision of this Settlement Agreement invalid, the Court shall
17 first attempt to construe the provision as valid to the fullest extent possible consistent with applicable
18 precedents so as to define all provisions of this Settlement Agreement valid and enforceable, and/or will
19 sever any provision that is found to be unenforceable.

20 **NOTICES**

21 59. Unless otherwise specifically provided herein, all notices, demands or other
22 communications given hereunder shall be in writing and shall be deemed to have been duly given as of
23 the third business day after mailing by United States registered or certified mail, return receipt
24 requested, addressed as follows:

25 Class Counsel:

Counsel for Defendant Special Team
Plastering, Inc.:

Matthew J. Matern, Esq.
Matthew W. Gordon, Esq.
Matern Law Group, PC
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266
Telephone: (310) 531-1900
Facsimile: (310) 531-1901
mmatern@maternlawgroup.com
mgordon@maternlawgroup.com

Kenneth P. Roberts, Esq.
Stuart E. Cohen, Esq.
K.P. ROBERTS & ASSOCIATES,
A PROFESSIONAL LAW CORPORATION
6355 Topanga Canyon Boulevard, Suite 403
Woodland Hills, CA 91367
Telephone: (818) 888-3553
kroberts@kprlawinc.com
scohen@kprlawinc.com

CONSTRUCTION

60. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and this Settlement shall not be construed in favor of or against any party by reason of the extent to which any party or his, her or its counsel participated in the drafting of this Settlement.

CAPTIONS AND INTERPRETATIONS

61. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

MODIFICATION

62. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

INTEGRATION CLAUSE

63. This Settlement contains the entire agreement between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

BINDING ON ASSIGNS

64. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

CLASS COUNSEL SIGNATORIES

65. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Settlement. The Notice will advise all Class Members of the binding nature of the Released Claims and Released PAGA Claims, and the release shall have the same force and effect as if this Settlement were executed by each member of the Class.

COUNTERPARTS

66. This Settlement may be executed in counterparts and by electronic or facsimile signatures, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties.

CONFIDENTIALITY & PUBLIC COMMENT

67. The Class Representative and Class Counsel agree they will not make any disparaging comments about Defendant relating to this Settlement of this class action or disclose the negotiations of the Settlement. The Class Representative and Class Counsel shall only disclose matters of public record other than to Class Members, who may receive information about the Settlement that is not in the public record after the Court has preliminarily approved the Settlement. Other than as to Class Members or as expressly allowed below, the Parties and attorneys will keep the settlement confidential until the filing of the motion for preliminary approval of the class settlement. Thereafter, the Parties agree to make no comments to the media or otherwise publicize the terms of the Settlement, other than in court filings. To the extent counsel for either Party wishes to advertise this settlement, such advertising will be limited to a statement that a matter was settled between a putative class and a "building materials distributor and staffing agency." Any communication about the Settlement to Class Members prior to the Court-approved mailing will be limited to (1) a statement that a settlement has been reached, (2) a statement of any of the details that would necessarily be included in any Court-approved Notice if a Class Member requests details about the proposed Settlement, and (3) a warning that the terms of the proposed Settlement have not yet been approved by the Court. Prior to preliminary approval, the Class Representative is prohibited from discussing the terms or the fact of the settlement with third parties

other than (1) a spouse, (2) accountants or lawyers as necessary for tax purposes, or (3) Class Members. At all times, the Class Representative is prohibited from communicating about the terms or the fact of the settlement on any form of social media ("Social Media Bar"). In the event of a proven breach of the Social Media Bar, the violating Plaintiff shall forfeit one-half of the class representative enhancement payment, as a form of liquidated damages. Class Counsel will take all steps necessary to ensure the Class Representative is aware of, and will adhere to, the restrictions against any public disclosure of the Settlement. Class Counsel will not include or use the settlement for any marketing or promotional purposes other than as expressly allowed above.

FINAL JUDGMENT

68. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

IT IS SO STIPULATED.

Dated: Aug 31, 2023



Alberto gatica (Aug 31, 2023 16:22 PDT)

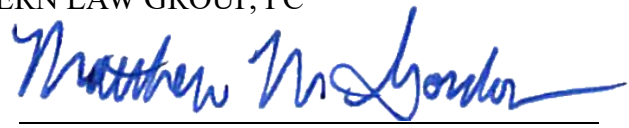
Alberto Gatica-Castro
Plaintiff & Class Representative

Dated: _____

Jaime Melgoza
CEO of Specialty Team Plastering, Inc.

Dated: Aug 31, 2023

MATERN LAW GROUP, PC

By: 

Matthew J. Matern
Matthew W. Gordon
Attorneys for Plaintiff Alberto Gatica-Castro &
Class Counsel

other than (1) a spouse, (2) accountants or lawyers as necessary for tax purposes, or (3) Class Members. At all times, the Class Representative is prohibited from communicating about the terms or the fact of the settlement on any form of social media ("Social Media Bar"). In the event of a proven breach of the Social Media Bar, the violating Plaintiff shall forfeit one-half of the class representative enhancement payment, as a form of liquidated damages. Class Counsel will take all steps necessary to ensure the Class Representative is aware of, and will adhere to, the restrictions against any public disclosure of the Settlement. Class Counsel will not include or use the settlement for any marketing or promotional purposes other than as expressly allowed above.

FINAL JUDGMENT

68. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

IT IS SO STIPULATED.

Dated: _____

Alberto Gatica-Castro
Plaintiff & Class Representative

Dated: September 1, 2023


Jaime Melgoza
CEO of Specialty Team Plastering, Inc.

Dated: _____

MATERN LAW GROUP, PC

By: _____

Matthew J. Matern
Matthew W. Gordon
Attorneys for Plaintiff Alberto Gatica-Castro &
Class Counsel

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Dated: September 1, 2023

K.P. ROBERTS & ASSOCIATES,
A PROFESSIONAL LAW CORPORATION

By: 
Kenneth P. Roberts
Stuart E. Cohen
Attorneys for Defendant
Specialty Team Plastering, Inc.

EXHIBIT A

NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF SANTA BARBARA

**ALBERTO GATICA-CASTRO v. SPECIALTY TEAM PLASTERING, INC.
CASE NO. 22CV01120**

A court authorized this notice. This is not a solicitation from a lawyer.

**ATTENTION: IF YOU HAVE BEEN EMPLOYED BY SPECIALTY TEAM
PLASTERING, INC. AS A NON-EXEMPT EMPLOYEE IN CALIFORNIA AT ANY
TIME DURING THE PERIOD BEGINNING MARCH 21, 2018 AND ENDING ON
APRIL 17, 2023, YOU ARE ENTITLED TO A SHARE OF A PROPOSED CLASS
ACTION SETTLEMENT.**

TO UNDERSTAND YOUR RIGHTS, PLEASE READ THIS NOTICE CAREFULLY.

A proposed class action and representative PAGA settlement (“the Settlement”) has been reached between Plaintiff Alberto Gatica-Castro (“Plaintiff”), on behalf of himself and the below-defined Class Members and PAGA Employees, and Defendant Specialty Team Plastering, Inc. (“Defendant” or “STP”).

The Settlement resolves the above class action and representative action lawsuit (the “Action”) about claims related to allegations that Defendant (1) failed to provide required meal periods; (2) failed to provide required rest periods; (3) failed to pay overtime wages; (4) failed to pay minimum wages; (5) failed to pay all wages due to discharged and quitting employees; (6) failed to furnish accurate itemized wage statements; (7) failed to maintain required records; (8) failed to indemnify employees for necessary expenditures incurred in discharge of duties; (9) engaged in unfair and unlawful business practices; and (10) is liable for civil penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”).

Defendant denies all of Plaintiff’s claims, and maintains that it has complied with all applicable laws. Specifically, Defendant contends that it correctly compensated Plaintiff, Class Members, and PAGA Employees; provided Plaintiff, Class Members, and PAGA Employees with proper meal and rest periods or paid required premiums for missed or non-compliant breaks; reimbursed Plaintiff, Class Members and PAGA Employees for all business expenses; provided Plaintiff, Class Members and PAGA Employees with compliant wage statements; maintained all required records for Plaintiff, Class Members and PAGA Employees; and timely paid Plaintiff, Class Members, and PAGA Employees all wages owing at the time of separation. Defendant has entered into the Settlement solely for purposes of resolving this dispute.

Class Members are all current and former non-exempt employees of STP in the State of California at any time during March 21, 2018 through April 17, 2023 (the “Class Period”). PAGA Employees are all Class Members who also worked from January 15, 2021 through April 17, 2023 (the “PAGA Period”).

The Settlement provides for Individual Settlement Payments based on the weeks you actually performed work for Defendant in California as a non-exempt employee during the Class Period. The Settlement also provides for PAGA Payments based on the number of pay periods you actually

[Type text]

QUESTIONS? CALL xxx-xxx-xxx

[Type text]

performed work for Defendant in California as a non-exempt employee during the PAGA Period.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
DO NOTHING	You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against the Released Parties involving the same or similar legal claims as the ones in the Action for the period beginning on March 21, 2018 and ending on April 17, 2023. You will also receive a PAGA Payment if you are a PAGA Employee. You will be mailed a settlement check at the address where this Notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).
EXCLUDE YOURSELF	The only way for you to be part of any other lawsuit against the Released Parties involving the same or similar legal claims as the ones in the Action for the period beginning on March 21, 2018 and ending on April 17, 2023 is to submit a valid Request for Exclusion to the Settlement Administrator postmarked no later than [+45 days from date of mailing, or, in the case of a re-mailed Notice, the later of 45 calendar days after initial mailing or 14 calendar days from re-mailing] . If you submit a Request for Exclusion, you will <u>not</u> receive an Individual Settlement Payment. However, if you are a PAGA Employee, you will still receive a PAGA Payment.
OBJECT	If you wish to object to the Settlement, you must submit a written Notice of Objection to the Settlement Administrator post-marked, emailed, or faxed no later than [+45 days from date of mailing, or, in the case of a re-mailed Notice, the later of 45 calendar days after initial mailing or 14 calendar days from re-mailing] . You may also appear at the Final Approval Hearing described in Section 17 below. This option is available only if you do <u>not</u> exclude yourself.

These rights and options, and how to exercise them, are explained in more detail in this notice.

The Court handling this case still has to decide whether to grant final approval of the Settlement. Settlement payments will only be issued if the Court grants final approval of the Settlement.

Additional information regarding the Settlement is available through the Settlement Administrator or Class Counsel, whose contact information is provided in this notice.

BASIC INFORMATION

[Type text]

QUESTIONS? CALL xxx-xxx-xxx

[Type text]

1. Why did I get this notice?

On [insert preliminary approval date], the Superior Court of California, County of Santa Barbara (“the Court”) preliminarily approved a class action settlement of the Action on behalf of all persons who were employed by Defendant in California as non-exempt employees (“Class Members”) during the period beginning on March 21, 2018 and ending on April 17, 2023 (the “Class Period”). According to Defendant’s records, you are a Class Member. This notice explains the Action, the Settlement, and your legal rights.

The Action is known as *Alberto Gatica-Castro v. Specialty Team Plastering, Inc.*, Case No. 22CV01120, and is pending in the Superior Court of California for the County of Santa Barbara (the “Action”). Alberto Gatica-Castro is the Plaintiff, and STP is the Defendant.

2. What is the Action about?

The Action generally involves claims under California’s wage and hour laws. Plaintiff is a former non-exempt employee of Defendant. Plaintiff alleges that Defendant did not provide proper meal or rest breaks, failed to pay minimum wages and overtime, failed to pay all wages due at separation, failed to provide compliant wage statements, failed to reimburse necessary business expenses, failed to maintain required records, and violated California’s Business and Professions Code. As a result, Plaintiff alleges that he and the Class Members are entitled to recover unpaid straight time and overtime wages, meal and rest period premiums, unpaid reimbursements, interest, and statutory and civil penalties. Defendant denies that it engaged in any wrongful conduct or that it violated the law in any way and believes that Plaintiff and the Class Members were properly compensated and provided proper meal and rest breaks, were properly paid overtime and minimum wages, properly paid all wages due at the end of employment, that it maintained all required records, and it properly indemnified employees for all necessary expenditures incurred. However, both Plaintiff and Defendant believe that the Settlement is fair, adequate, and reasonable and that it is in the best interest of the Class Members.

3. Why is this lawsuit a class action?

In a class action, one or more people called “Plaintiffs” (in this case, Alberto Gatica-Castro) sue on behalf of people who have similar alleged claims. All of these people are a “Class” or “Class Members.” The Court resolves the issues for all class members, except for those who exclude themselves from the class. On [insert preliminary approval date], the Honorable Colleen K Sterne issued an order conditionally certifying the Settlement Class for purposes of settlement only.

4. Who is in the Settlement Class?

“Class Members” or “Class” means all current and former non-exempt employees of Defendant in California during any part of the period beginning March 21, 2018 through April 17, 2023.

5. Why is there a settlement?

After conducting substantial investigation, including review of Defendant's policies, timekeeping records, and payroll records, both sides agreed to the Settlement to avoid the cost and risk of further litigation. The Settlement does not mean that any laws were broken. Defendant denies all of the claims asserted in the Action and denies that it has violated any laws. Plaintiff and his lawyers think the Settlement is in the best interests of all Class Members.

THE SETTLEMENT BENEFITS—WHAT YOU GET

6. What does the settlement provide?

Under the terms of the Settlement, Defendant agrees to pay a Gross Settlement Amount of Six Hundred Forty-Five Thousand Dollars (\$645,000.00). Deducted from this Gross Settlement Amount will be the sums approved by the Court for attorneys' fees (not to exceed \$215,000.00, or one-third of the Gross Settlement Amount), attorneys' litigation costs (estimated not to exceed \$25,000.00), a Class Representative Service Payment to Plaintiff not to exceed \$7,500.00 for his services in prosecuting the Action, the PAGA Allocation (\$30,000.00) for alleged civil penalties, and the costs of the Settlement Administrator, Xpand Legal Consulting LLC (estimated not to exceed \$15,000.00), which will result in a maximum amount payable by Defendant for distribution to Class Members who do not opt out (the "Net Settlement Amount"). No portion of the Gross Settlement Amount shall revert to Defendant.

On the class action claims, the Net Settlement Amount will be distributed to Class Members who do not opt out of the Settlement ("Participating Class Members") on a *pro rata* basis, based on the number of weeks that each Participating Class Member actually performed work for Defendant as a non-exempt employee in California during the Class Period ("Qualified Workweeks"). To determine a Participating Class Member's estimated settlement payment ("Individual Settlement Payment"), the Net Settlement Amount will be divided by the total number of Qualified Workweeks worked by all Participating Class Members during the Class Period, then this result will be multiplied by the number of Qualified Workweeks worked by that Participating Class Member, according to the following formula:

$$[\text{Net Settlement Amount} \div \text{Total Qualified Workweeks for all Participating Class Members}] \times \text{Participating Class Member's Individual Qualified Workweeks} = \text{estimated Individual Settlement Payment}$$

Class Members' Individual Settlement Payments will be reduced by any required legal deductions. No benefit, including but not limited to pension benefits and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement.

The Parties recognize that the Class Members' Individual Settlement Payments are for wages, interest, and penalties. The Parties agree that 10% of the Individual Settlement Payments shall be reported as wages subject to all applicable tax withholdings on IRS Form W-2 and its state and local equivalents, and 90% shall be reported as non-wage penalties and interest not subject to payroll tax withholdings on IRS Form 1099 and its state and local equivalents.

The Parties are neither providing tax nor legal advice, nor making representations regarding tax obligations or consequences, if any, related to any settlement amounts to be paid to the

Participating Class Members. Each Participating Class Member will assume any tax obligations or consequences that may arise from any settlement amount paid to him or her and should consult with a tax expert if he or she has any questions. Each Participating Class Member's pro rata distribution amount prior to legal deductions will be reduced by the amount of any required payroll-related deductions.

PAGA Employees will also receive a PAGA Settlement Payment. "PAGA Settlement Payment" means the amount payable from the PAGA Allocation to each PAGA Employee. "PAGA Allocation" means the portion of the Gross Settlement Amount allocated to the resolution of PAGA claims in the Action. The PAGA Allocation is Thirty Thousand Dollars (\$30,000.00) of which Twenty-Two Thousand Five Hundred Dollars (\$22,500.00) shall be paid by the Settlement Administrator directly to the California Labor & Workforce Development Agency ("LWDA"). The remaining Seven Thousand Five Hundred Dollars (\$7,500.00) shall be distributed to PAGA Employees as their PAGA Settlement Payment. PAGA Settlement Payments shall be paid by the Settlement Administrator from the Gross Settlement Amount. PAGA Settlement Payments shall be allocated as non-wage penalties not subject to payroll tax withholdings. Each PAGA Employee's PAGA Settlement Payment shall be calculated solely by the Settlement Administrator according to the following formula: Defendant shall provide the Settlement Administrator with the Total Qualified PAGA Pay Periods; the Settlement Administrator shall then (1) divide Seven Thousand Five Hundred Dollars (\$7,500.00) by the Total Qualified PAGA Pay Periods and then (2) multiply each PAGA Employee's number of Qualified PAGA Pay Periods by the result in (1) to obtain the amount of each PAGA Employee's PAGA Settlement Payment. "Qualified PAGA Pay Periods" means the total number of pay periods during the PAGA Period that PAGA Employees performed work for Defendant in California as an hourly paid employee.

To the extent any Participating Class Member disputes any aspect of his or her payment, number of Qualified Workweeks, or number Qualified PAGA Pay Periods, that Participating Class Member must produce supporting evidence to the Settlement Administrator. Defendant's records will be presumed determinative.

Plaintiff's Class Representative Service Payment, Individual Settlement Payments to Participating Class Members, and PAGA Settlement Payments to PAGA Employees will be made within 14 calendar days after Defendant provides the Settlement Administrator with the first installment payment of \$400,000.00, in the event that the amount is sufficient to cover the payments. Defendant shall pay the first installment payment of \$400,000.00 by December 31, 2023. Defendant shall pay \$150,000.00 by June 30, 2024 and \$95,000.00 by December 31, 2024. The Attorneys' Fees and Costs, Settlement Administration Costs, and PAGA Penalty Payment to the LWDA shall be distributed by the Settlement Administration within 14 calendar days after the final installment payment is received the Settlement Administrator.

7. What am I giving up in exchange for the settlement benefits?

In exchange for the consideration provided, and upon the Effective Date of the Settlement and payment of all funds due under the Settlement, Plaintiff and each Participating Class Member who does not submit a valid Request for Exclusion (defined in response to Question 10 below),

on behalf of himself or herself and his or her heirs and assigns, will release Defendant, and each of its former, present and future direct and/or indirect owners, dba's, parents, subsidiaries, affiliated and related companies, divisions, successors, predecessors, or assigns, and past, current and future employees, attorneys, officers, directors, shareholders, owners, agents, trustees, heirs, executors, administrators, predecessors, successors or assigns (collectively "Releasees" or the "Released Parties"): (1) any and all claims, charges, rights, complaints, liens, demands, obligations, damages, wages, penalties, interest, debts, liabilities, costs, compensation, damages, attorneys' fees, actions, and/or causes of action that were asserted or could have been asserted based upon the facts and circumstances alleged in the Complaint and arising at any time during the Class Period in this Action, including but not limited to all state wage and hour claims (including all claims under the California Labor Code) for unpaid wages, unpaid minimum wages, unpaid overtime wages, off-the-clock work violations, failure to provide meal periods, failure to provide rest periods, unreimbursed business expenses, wage statement violations, waiting time penalties, and the related provisions of the Labor Code including but limited to Labor Code §§ 201-204, 210, 216, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2802, derivative claims under California Business & Professions Code §§ 17200 et seq., and all claims under the governing Wage Orders ("Released Claims"); and all other potential civil and statutory penalties based on or arising from the Released Claims, including but not limited to statutory, constitutional, contractual damages, costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief; (2) Upon the Effective Date and the payment by Defendant of all funds due under the Settlement, Class Members who do not submit a timely and valid Request for Exclusion shall be precluded from filing a wage and hour action under the Fair Labor Standards Act against the Releasees for claims and/or causes of action encompassed by the Released Claims, which will be extinguished pursuant to *Rangel v. PLS Check Cashers of California, Inc.* (9th Cir. 2018) 899 F.3d 1106; (3) in addition, as to all Class Members employed during the Released PAGA Claims Period, whether requesting exclusion from the Settlement or not, claims arising under the Labor Code Private Attorneys General Act of 2004, Labor Code § 2698 et seq., to the extent asserted in Plaintiff's administrative exhaustion letter submitted to the LWDA and any Complaint in this matter (the "Released PAGA Claims").

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against the Released Parties involving the same or similar legal claims as the ones in the Action arising during the Class Period. You will be mailed a settlement check at the address where this notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).

Additionally, if you are a PAGA Employee, you will also receive a PAGA Settlement Payment, regardless of whether you submit an Exclusion Form. Your Individual Settlement Payment and PAGA Settlement Payment will be issued in one check.

9. When will I get my check?

Checks will be mailed to Participating Class Members and PAGA Employees eligible to receive benefits under the Settlement after the Court grants “final approval” of the Settlement. If the judge approves the settlement after a hearing on [insert final approval hearing date] (see “The Court’s Final Approval Hearing” below), there may be appeals. If there are any appeals, resolving them could take some time, so please be patient. Please also be advised that you will only have 180 days from the date that the check is issued to cash it. If you do not cash your check within 180 days of the date of its issuance, your Individual Settlement Payment shall be voided, and your share of the settlement proceeds will be transmitted to the California State Controller’s Office Unclaimed Property Fund in your name.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. How do I ask the Court to exclude me from the Settlement Class?

If you do not wish to participate in the Settlement, you must complete and send a timely Request for Exclusion form. Any Request for Exclusion must include the full name (first, middle, last, and any suffix such as Jr.), address, telephone number, and the signature of the Class Member requesting exclusion.

The Request for Exclusion must be postmarked, emailed, or faxed no later than [+45 days from date of mailing, or, in the case of a re-mailed Notice, the later of 45 calendar days after initial mailing or 14 calendar days from re-mailing] to:

Xpand Legal Consulting LLC
INSERT SETTLEMENT ADMIN INFO

Requests for Exclusion that do not include all required information and/or that are not timely submitted may be deemed null, void, and ineffective. Class Members who fail to submit a valid and timely Request for Exclusion on or before [+45 days from date of mailing, or, in the case of a re-mailed Notice, the later of 45 calendar days after initial mailing or 14 calendar days from re-mailing] shall be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement is approved by the Court.

11. If I exclude myself, can I get anything from the settlement?

Not unless you are also a PAGA Employee. If you exclude yourself now you will not get anything from the Settlement unless you are a PAGA Employee. If you ask to be excluded, you will not get an Individual Settlement Payment and you will not be bound by the Settlement, but you will still receive a PAGA Payment if you are a PAGA Employee and will be deemed to have given up any Released PAGA Claims that you may have.

12. If I don’t exclude myself, can I sue later?

No. Unless you exclude yourself, you give up the right to sue the Released Parties for the Released Claims arising during the Class Period. You must exclude yourself from the Settlement Class to start or continue your own lawsuit.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has appointed the following lawyers to serve as Class Counsel for the Class Members:

MATERN LAW GROUP, PC
Matthew J. Matern
Matthew W. Gordon
Vanessa M. Rodriguez
1230 Rosecrans Avenue
Suite 200
Manhattan Beach, CA 90266
Phone: (310) 531-1900
Facsimile: (310) 531-1901

14. How will the costs of the lawsuit and the settlement be paid?

Subject to court approval, Defendant agrees to pay, as part of the Gross Settlement Amount, attorneys' fees in an amount not to exceed one-third (33 1/3%) of the Gross Settlement Amount, which amounts to Two Hundred Fifteen Thousand Dollars and Sixty-Seven Cents (\$215,000.00) in attorneys' fees plus actual litigation costs and expenses (estimated not to exceed \$25,000.00) to Class Counsel. The Court may award less than these amounts. If lesser amounts are awarded, the difference will be returned to the Net Settlement Amount.

In addition, and subject to Court approval, Defendant also agrees to pay, as part of the Gross Settlement Amount, up to Seven Thousand Five Hundred Dollars (\$7,500.00) to Plaintiff as a Class Representative Service Payment for his participation in the Action and for taking on the risk of litigation. Subject to Court approval, and as part of the Gross Settlement Amount, Defendant also agrees to pay Twenty-Two Thousand Five Hundred Dollars (\$22,500.00) to the LWDA for alleged civil penalties, and the Settlement Administrator's costs and fees associated with administering the Settlement, estimated not to exceed Fifteen Thousand Dollars (\$15,000.00). The Court may award less than these amounts. If lesser amounts are awarded, the difference will be included in the Net Settlement Amount and will be available for distribution to Participating Class Members.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

Any Class Member who does not submit a Request for Exclusion may object to the proposed Settlement, or any portion thereof, by completing a written objection ("Notice of Objection"). The Notice of Objection must be signed and postmarked, emailed, or faxed no later than **[+45 days from date of mailing, or, in the case of a re-mailed Notice, the later of 45 calendar days after initial mailing or 14 calendar days from re-mailing]**, to the Settlement

Administrator at the following address:

Xpand Legal Consulting LLC

[insert info]

The Notice of Objection must (1) state the full name of the Class Member (first, middle, last and any suffix); (2) be signed by the Class Member; (3) state the grounds for the objection; and (4) must be postmarked, emailed, or faxed by **[+45 days from date of mailing, or, in the case of a re-mailed Notice, the later of 45 calendar days after initial mailing or 14 calendar days from re-mailing]** and returned to the Settlement Administrator at the specified address above. If you wish to appear at the Court's Final Approval Hearing (see response to Question 17 below) and orally present your objection to the Court, or have an attorney do so on your behalf, you may do so whether or not you submitted a Notice of Objection to the Settlement Administrator. Any Class Member who submits a Notice of Objection or appears at the Final Approval Hearing to submit an oral objection remains eligible to receive monetary compensation from the Settlement. A Settlement Class Member who submits a Request for Exclusion may not object to the proposed Settlement.

16. What's the difference between objecting and asking to be excluded?

Objecting is simply telling the Court you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class, which means you will not receive an Individual Settlement Payment on the Class Claims.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend the hearing and you may ask to speak, but you don't have to.

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

The Court will hold a Final Approval Hearing on **[insert time/date]** in Department 5 at the Superior Court of California for the County of Santa Barbara, located at **1100 Anacapa Street, Santa Barbara, California 93121**. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also decide how much to pay Class Counsel and the Class Representative. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the judge may have. But you are welcome to come. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay another lawyer to attend, but it is not required. Class Counsel will not represent you in connection with any objection.

[Type text]

QUESTIONS? CALL xxx-xxx-xxx

[Type text]

19. May I speak at the hearing?

If you wish to appear at the Final Approval Hearing and orally present your objection to the Court, you may do so regardless of whether or not you submitted a written objection.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, you will automatically receive an Individual Settlement Payment as described above and you will be bound by the release of Released Claims against the Released Parties. You will also receive a PAGA Payment if you are a PAGA Employee, regardless of whether you exclude yourself from the Settlement.

GETTING MORE INFORMATION

21. How do I get more information?

This notice summarizes the Settlement. More details are in the Settlement. You may contact Class Counsel or the Settlement Administrator for more information.

Xpand Legal Consulting LLC

[insert info]

Please do not contact the Court for more information about the Settlement.