UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

RICHARD RODRIGUEZ, individually, and on behalf of other members of the general public similarly situated, Plaintiff, vs. BELFOR USA GROUP, INC., a Colorado corporation; BELFOR ENVIRONMENTAL, INC. a Colorado corporation; OAKWOOD CONSTRUCTION AND RESTORATION SERVICES, INC. a California corporation; 1 800 WATER DAMAGE NORTH AMERICA, LLC, a Delaware limited liability company; and DOES 1 through 10, inclusive, Defendants.	Case No.: 5:22-cv-02071-VKD **JOINT STIPULATION OF CLASS, COLLECTIVE, AND PAGA ACTION SETTLEMENT AND RELEASE**

JOINT STIPULATION OF CLASS, COLLECTIVE, AND PAGA ACTION SETTLEMENT AND RELEASE

This Joint Stipulation of Class, Collective, and PAGA Action Settlement and Release ("Settlement" or "Settlement Agreement") is made and entered into by and between Plaintiff Richard Rodriguez ("Plaintiff" or "Class Representative"), as an individual and on behalf of all others similarly situated, and Defendants BELFOR USA Group, Inc., BELFOR Environmental, Inc., Oakwood Construction and Restoration Services, Inc., and 1 800 Water Damage North America, LLC ("Defendants") (collectively with Plaintiff, the "Parties").

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. "Action" means *Rodriguez v. BELFOR USA Group, Inc.*, No. 5:22-cv-02071-VKD (N.D. Cal.).

2. "Attorneys' Fees and Costs" means attorneys' fees agreed upon by the Parties and approved by the Court for Class Counsel's litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court's approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys' fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Four Hundred Thousand Dollars ($400,000). The Attorneys' Fees and Costs will also mean and include the additional reimbursement of documented costs and expenses associated with Class Counsel's litigation and settlement of the Action, up to Thirty Thousand Dollars ($30,000), subject to the Court's approval. Defendants have agreed not to oppose Class Counsel's request for fees and reimbursement of costs as set forth above.

3. "Class Counsel" means Capstone Law APC.

4. "Class List" means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within twenty

(20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member's and FLSA Collective Action Member's full name; most recent mailing address and telephone number; Social Security number; dates of employment; the respective number of Workweeks that each Class Member worked during the Class Period and PAGA Period; respective number of Workweeks that each FLSA Collective Action Member worked during the FLSA Period; and any other relevant information needed to calculate settlement payments.

5. "Class Member(s)" or "Settlement Class" means all persons who were employed by Defendants in the State of California in non-exempt positions at any time during the period from February 25, 2018 to the date of Preliminary Approval. There are approximately 473 Class Members.

6. "Class Notice(s)" means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

7. "Class Period" means the period from February 25, 2018 to the date of Preliminary Approval.

8. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff in recognition of his effort and work in prosecuting the Action on behalf of Class Members and Collective Action Members, and for his general release of claims. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class Representative Enhancement Payment of up to Ten Thousand Dollars ($10,000).

9. "Court" means the United States District Court for the Northern District of California County.

10. "Defendants" means Defendants BELFOR USA Group, Inc., BELFOR Environmental, Inc., Oakwood Construction and Restoration Services, Inc., and 1 800 Water Damage North America, LLC.

11. "Effective Date" means the later of: (a) if no timely objections are filed, or are withdrawn prior to Final Approval, then the date of Final Approval; or (b) if a Class Member files an objection to the Settlement, the Effective Date will be the thirty-first (31) calendar day after the date of

Final Approval, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

12. "Final Approval" means the date on which the Court enters an order granting final approval of the Settlement Agreement.

13. "FLSA Collective Action Member(s)" means all persons who were employed by Defendants in the United States of America, excluding California, in non-exempt positions at any time during the period from February 25, 2019 to the date of Preliminary Approval. There are approximately 3,577 FLSA Collective Action Members.

14. "FLSA Notice(s)" means the Notice of Collective Action Settlement, substantially in the form attached as Exhibit B.

15. "FLSA Opt In Claimant(s)" means FLSA Collective Action Members who opt in to the FLSA collective action by returning the FLSA Opt In Form.

16. "FLSA Opt In Form(s)" means the form, substantially in the form attached as Exhibit C, FLSA Collective Action Members must submit to opt in to the FLSA collective action.

17. "FLSA Period" means the period from February 25, 2019 to the date of Preliminary Approval.

18. "FLSA Settlement Fund" means the amount to be paid to FLSA Opt In Claimants for their release of the Released FLSA Claims during the FLSA Period. The Parties have agreed that One Hundred Fifty Thousand Dollars ($150,000) of the Gross Settlement Amount will be allocated to the FLSA Settlement Fund. The entire FLSA Settlement Fund will be distributed to FLSA Opt In Claimants. There will be no reversion of the FLSA Settlement Fund to Defendants.

19. "Gross Settlement Amount" means the Gross Settlement Amount of One Million Two Hundred Thousand Dollars ($1,200,000), to be paid by Defendants in full satisfaction of all Released Class Claims, Released PAGA Claims, and Released FLSA Claims, which includes all Individual Settlement Payments, Attorneys' Fees and Costs, Class Representative Enhancement Payment, PAGA Settlement Amount, FLSA Settlement Fund, and Settlement Administration Costs. This Gross Settlement Amount has been agreed to by Plaintiff and Defendants based on the aggregation of the

agreed-upon settlement value of individual claims. In no event will Defendants be liable for more than the Gross Settlement Amount except as otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to Defendants. Defendants will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which will not be paid from the Gross Settlement Amount.

20. "Individual Settlement Payment(s)" means: (a) a Participating Class Member's share of the Net Settlement Fund; (b) a PAGA Member's share of the PAGA Fund; and (c) a FLSA Opt-In Claimant's share of the FLSA Settlement Fund.

21. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining after deducting the Attorneys' Fees and Costs, Class Representative Enhancement Payment, PAGA Settlement Amount, FLSA Settlement Fund, and Settlement Administration Costs. The Net Settlement Fund will be distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to Defendants.

22. "Notice(s) of Objection" means a Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full name, signature, address, and telephone number, (b) a written statement of all grounds for the objection accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other documents upon which the objection is based; and (d) a statement whether the objector intends to appear at the final fairness hearing.

23. "PAGA Member(s)" means all persons who were employed by Defendants in the State of California in non-exempt positions at any time during the period from March 8, 2021 to the date of Preliminary Approval. There are approximately 236 PAGA Members.

24. "PAGA Period" means the period from March 8, 2021 to the date of Preliminary Approval.

25. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with Plaintiff's claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA") ("PAGA Settlement"). The Parties have agreed that One Hundred Thousand Dollars

($100,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to PAGA, Seventy-Five Percent (75%), or Thirty Thousand Dollars ($75,000), of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency ("LWDA Payment"), and Twenty-Five Percent (25%), or Ten Thousand Dollars ($25,000) ("PAGA Fund"), of the PAGA Settlement will be disbursed to PAGA Members, and regardless whether they request to be excluded from the Settlement Class.

26. "Parties" means Plaintiff and Defendants collectively.

27. "Participating Class Member(s)" means all Class Members who do not submit timely and valid Requests for Exclusion.

28. "Plaintiff" means Plaintiff Richard Rodriguez.

29. "Preliminary Approval" means the date on which the Court enters an order granting preliminary approval of the Settlement Agreement.

30. "Released Class Claims" means all claims, rights, demands, liabilities, and causes of action, reasonably arising from, or reasonably related to, the same set of operative facts as those set forth in the operative complaint during the Class Period, including: (1) 29 U.S.C. sections 201, *et seq.* (Fair Labor Standards Act); (2) Sections 510 and 1198 (unpaid overtime); (3) Sections 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (4) Sections 226.7, 512(a), 516, and 1198 (failure to provide meal periods); (5) Sections 226.7, 516, and 1198 (failure to authorize and permit rest periods); (6) Sections 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll records); (7) Sections 201 and 202 (wages not timely paid upon termination); (8) Section 204 (failure to timely pay wages during employment); (9) Section 1198 and California Code of Regulations Title 8, section 11160 Subdivision 5(B) (failure to provide reporting time pay); (10) Section 2802 (unreimbursed business expenses); (11) California Business & Professions Code sections 17200, *et seq.* (unlawful business practices); and (12) California Business & Professions Code sections 17200, *et seq.* (unfair business practices).

31. "Released FLSA Claims" means all claims arising under the Fair Labor Standards Act, both known and unknown, which were asserted or could reasonably have been asserted in the Action based on the facts alleged, including, but is not limited to, any claim for failure to pay overtime wages,

minimum wages, unpaid wages, and failure to pay overtime wages at the regular rate of pay during the FLSA Period.

32. "Released PAGA Claims" means all claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the facts alleged in Plaintiff's LWDA letter during the PAGA Period.

33. "Released Parties" means Defendants, their past or present officers, directors, shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

34. "Request(s) for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator; (d) clearly state that the Class Member does not wish to be included in the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

35. "Response Deadline" means the deadline by which: (a) Class Members must postmark or email to the Settlement Administrator Requests for Exclusion, postmark or email disputes concerning the calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement Administrator; and (b) FLSA Collective Action Members to postmark or email FLSA Opt In Forms. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or postal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

36. "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,

any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement. Settlement Administration Costs are currently estimated to be Thirty Thousand Dollars ($30,000).

37. "Settlement Administrator" means CPT Group, Inc., or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

38. "Settlement Notice(s)" means, collectively, the Class Notice and FLSA Notice.

39. "Workweeks" means the number of days of employment for each Class Member during the Class Period and each FLSA Collective Action Member during the FLSA Period, subtracting days on leave of absence (if any), dividing by seven (7), and rounding up to the nearest whole number. All Class Members will be credited with at least one Workweek during the Class Period, all PAGA Members will be credited with at least one Workweek during the PAGA Period, and all FLSA Collective Action Members will be credited with at least one Workweek during the FLSA Period.

TERMS OF AGREEMENT

The Plaintiff, on behalf of himself and the Settlement Class and FLSA Collective Action Members, and Defendants agree as follows:

40. Funding of the Gross Settlement Amount. Defendants will make a one-time deposit of the Gross Settlement Amount of One Million Two Hundred Thousand Dollars ($1,200,000) into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendants will pay the employer's share of payroll taxes separately. After the Effective Date, the Gross Settlement Amount will be used for: (a) Individual Settlement Payments; (b) the LWDA Payment; (c) the Class Representative Enhancement Payment; (d) Attorneys' Fees and Costs; and (e) Settlement Administration Costs. Defendants will deposit the Gross Settlement Amount and the employer's share of payroll taxes within ten (10) calendar days of the Effective Date ("Funding Date").

41. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Class Counsel for Attorneys' Fees and Costs of not more than Four Hundred Thousand

Dollars ($400,000), plus the reimbursement of documented costs and expenses associated with Class Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed Thirty Thousand Dollars ($30,000), both of which will be paid from the Gross Settlement Amount.

42. Class Representative Enhancement Payment. In exchange for a general release, and in recognition of his effort and work in prosecuting the Action on behalf of Class Members and FLSA Collective Action Members, Defendants agree not to oppose or impede any application or motion for a Class Representative Enhancement Payment of up to Ten Thousand Dollars ($10,000), to Plaintiff. The Class Representative Enhancement Payment will be paid from the Gross Settlement Amount and will be in addition to Plaintiff's Individual Settlement Payment paid pursuant to the Settlement. Plaintiff will be solely and legally responsible to pay any and all applicable taxes on the Class Representative Enhancement Payment. Plaintiff understands and agrees that this Settlement Agreement will remain in full force and effect even if the full amount of Class Representative Enhancement Payment sought by Plaintiff is not ultimately awarded by the Court.

43. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount, which is currently estimated to be Thirty Thousand Dollars ($30,000). These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Class Notices, calculating and distributing the Gross Settlement Amount, and providing necessary reports and declarations.

44. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount of One Hundred Thousand Dollars ($100,000) from the Gross Settlement Amount will be designated for satisfaction of Plaintiff's PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy-Five Thousand Dollars ($75,000), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or Twenty-Five Thousand Dollars ($25,000), will be paid to PAGA Members in proportion to the number of Workweeks worked during the PAGA Period.

45. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement

resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and all PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA Member has the right to object to the PAGA Settlement Amount.

46. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendants.

47. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No portion of the PAGA Fund will revert to or be retained by Defendants.

48. FLSA Settlement Fund. The entire FLSA Settlement Fund will be distributed to all FLSA Opt In Claimants. No portion of the FLSA Settlement Fund will revert to or be retained by Defendants.

49. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Fund, PAGA Fund, and FLSA Settlement Fund based on the number of Workweeks worked during the applicable Class Period, PAGA Period, and FLSA Period. Specific calculations of Individual Settlement Payments will be made as follows:

49(a) Payments from the Net Settlement Fund. The Settlement Administrator will calculate the total number of Workweeks worked by each Class Member during the Class Period and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated "Individual Settlement Payment" from the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Participating Class Member as specifically set forth herein, including employee-side tax withholdings or deductions. The entire Net Settlement Fund will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion. If there are any valid and timely Requests for Exclusion, the Settlement Administrator will proportionately increase the Individual Settlement Payment for each Participating Class Member according to the number of Workweeks worked during the Class Period, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

49(b) Payments from the PAGA Fund. The Settlement Administrator will calculate the total number of Workweeks worked by each PAGA Member during the PAGA Period and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated "Individual Settlement Payment," the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks, resulting in the "PAGA Workweek Value." Each PAGA Member's "Individual Settlement Payment" will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. The entire PAGA Fund will be disbursed to all PAGA Members.

49(c) Payments from the FLSA Settlement Fund. The Settlement Administrator will calculate the total number of Workweeks worked by each FLSA Collective Action Member during the FLSA Period and the aggregate total number of Workweeks worked by all FLSA Collective Action Members during the FLSA Period. To determine each FLSA Collective Action Member's estimated "Individual Settlement Payment," the Settlement Administrator will use the following formula: The FLSA Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "FLSA Workweek Value." Each FLSA Collective Action Member's

"Individual Settlement Payment" will be calculated by multiplying each individual FLSA Collective Action Member's total number of Workweeks by the FLSA Workweek Value. The Settlement Administrator will proportionately increase the Individual Settlement Payment for each FLSA Opt In Claimant according to the number of Workweeks worked during the FLSA Period, so that the amount actually distributed to FLSA Opt In Claimants equals 100% of the FLSA Settlement Fund.

50. No Credit Toward Benefit Plans. The Individual Settlement Payments made under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members, PAGA Members, and FLSA Opt In Claimants may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members, PAGA Members, or FLSA Opt In Claimants may be entitled under any benefit plans.

51. Administration Process. The Parties agree to cooperate in the administration of the settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

52. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

53. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class List from Defendants, the Settlement Administrator will mail a Class Notice to all Class Members, and a FLSA Notice to all FLSA Collective Action Members, via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

54. Confirmation of Contact Information in the Class Lists. Prior to mailing the Settlement Notices, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Settlement Notices returned to the Settlement Administrator as non-deliverable on or before the

Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Settlement Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member or FLSA Collective Action Member involved, and will then perform a single re-mailing. Those Class Members and FLSA Collective Action Members who receive a re-mailed Settlement Notice, whether by skip-trace or by request, will have either (a) an additional fifteen (15) calendar days or (b) until the Response Deadline, whichever is later, to submit a Request for Exclusion or FLSA Opt In Form.

55. Class Notice. All Class Members will be mailed a Class Notice. Each Class Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of Workweeks each respective Class Member and PAGA Member worked for Defendants during the Class Period and PAGA Period; (e) each Class Member's and PAGA Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion or Notices of Objection; (h) the deadlines by which the Class Member must postmark or email Request for Exclusions, or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

56. FLSA Notice. All FLSA Collective Action Members will be mailed a FLSA Notice. Each FLSA Notice will provide: (a) information regarding the nature of the Action; (b) the FLSA Collective Action Member and FLSA Opt In Claimant definitions; (d) the total number of Workweeks each respective FLSA Collective Action Member worked for Defendants during the FLSA Period; (e) each FLSA Collective Action Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the FLSA Period; (g) instructions on how to submit FLSA Opt In Forms; (h) the deadline by which FLSA Collective Action Members must postmark or email FLSA Opt In Forms; and (i) the Released FLSA Claims to be released by FLSA Opt In Claimants.

57. Disputed Information on Class Notices. Class Members and FLSA Collective Action

Members will have an opportunity to dispute the information provided in their Settlement Notices. To the extent Class Members/ FLSA Collective Action Members dispute their employment dates or the number of Workweeks on record, Class Members/ FLSA Collective Action Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Defendants' records will be presumed correct, but the Settlement Administrator will contact the Parties regarding the dispute and the Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline, and will be decided within ten (10) business days after the Response Deadline.

58. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark or email a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked or received by email within that period, it will be deemed untimely. If a FLSA Collective Action Member's Opt In Form is defective as to the requirements listed therein, that FLSA Collective Action Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the FLSA Collective Action Member a cure letter within three (3) business days of receiving the defective submission to advise the FLSA Collective Action Member that his or her submission is defective and that the defect must be cured to render the FLSA Opt In Form valid. The FLSA Collective Action Member will have until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark or email a revised FLSA Opt In Form.

59. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the Settlement Agreement must sign and email or postmark a written Request for Exclusion to the Settlement Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request for Exclusion has been timely submitted.

60. Escalator. Defendants estimate that Class Members worked an aggregate total of approximately Thirty-Five Thousand Eight Hundred Eighty-Five (35,885) Workweeks from June 30, 2023 through June 30, 2023. If the actual aggregate total Workweeks worked during the Class Period is greater than Seven Percent (7%) of this estimate, then the Gross Settlement Amount will be increased proportionately. For example, if the total is 8% higher, then the Gross Settlement Amount will be increased by 1%. Alternatively, Defendants may elect to shorten the Class Period and PAGA Period to stay within 7% of the above Workweek estimate.

61. Defendants' Right to Rescind. Defendants will have, in their sole discretion, the right to void and withdraw from the Settlement if, at any time prior to Final Approval, Five Percent (5%) or more of Class Members opt out of the Settlement. Defendants must exercise this right of rescission in writing to Class Counsel within fourteen (14) calendar days after the Response Deadline. If the option to rescind is exercised, then Defendants will be solely responsible for all Settlement Administration Costs incurred to the date of rescission.

62. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the Settlement.

63. Releases by Participating Class Members. Upon the Funding Date, and except as to such rights or claims as may be created by this Settlement Agreement, each Participating Class Member, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, will fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released Class Claims arising during the Class Period.

64. Releases by PAGA Members. Upon the Funding Date, and except as to such rights or claims as may be created by this Settlement Agreement, each PAGA Member, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, will fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released PAGA Claims during the PAGA Period.

65. Releases by FLSA Opt In Claimants. Upon the Funding Date, and except as to such rights or claims as may be created by this Settlement Agreement, each FLSA Opt In Claimant, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, will fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released FLSA Claims during the FLSA Period.

66. Objection Procedures. To object to the Settlement Agreement, a Class Member may either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the final approval order and judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for Exclusion will be given effect and considered valid, the Notice of Objection will be rejected, and the Class Member will not participate in or be bound by the Settlement.

67. Certification Reports Regarding Individual Settlement Payment Calculations. The Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that certifies the number of: (a) Class Members who have submitted valid Requests for Exclusion or objections to the Settlement, and whether any Class Member has submitted a challenge to any information contained in their Class Notice; and (b) FLSA Collective Action Members who have submitted FLSA Opt In Forms. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

68. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days of the Funding Date, the Settlement Administrator will issue payments to: (a) Participating Class Members, PAGA Members, and FLSA Opt In Claimants; (b) the Labor and Workforce Development

Agency; (c) Plaintiff; and (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

69. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be tendered to Worksafe. The Parties do not have a connection to or a relationship with Worksafe that could reasonably create the appearance of impropriety as between the selection of Worksafe as the recipient of the unclaimed residuals and the interests of the class.

70. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

71. Treatment of Individual Settlement Payments. All Individual Settlement Payments from the Net Settlement Fund will be allocated as follows: (a) Twenty Percent (20%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent (80%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. All Individual Settlement Payments from the PAGA Fund will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. All Individual Settlement Payments from the FLSA Fund will be allocated as wages for which IRS Forms W-2 will be issued.

72. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA Members, FLSA Opt In Claimants, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

73. Tax Liability. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff, Participating Class Members, PAGA Members, and FLSA Opt In Claimants are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard.

74. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES

OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

75. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

76. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally approve the Settlement as provided herein; or (b) the Settlement does not become final for any other

reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

77. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) conditional certification of the FLSA collective for settlement purposes only; (c) preliminary approval of the proposed Settlement Agreement, (d) setting a date for a final fairness hearing. The Preliminary Approval Order will provide for the Settlement Notice to be sent to all Class Members and FLSA Collective Action Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Class Notice, FLSA Notice, and FLSA Opt In Form, attached as Exhibits A, B, and C. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval.

78. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b) the Class Representative Enhancement Payment; (c) Individual Settlement Payments; (d) the LWDA Payment; (e) all Settlement Administration Costs. The final fairness hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing.

79. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement

Administrator's website.

80. Release by Plaintiff. Upon the Funding Date, in addition to the claims being released by all Participating Class Members, Plaintiff will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiff has or may have against the Released Parties as of the date of execution of this Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiff expressly waives any and all rights and benefits conferred upon him by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

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

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

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

83. Amendment or Modification. No amendment, change, or modification to this Settlement Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved by the Court.

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

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

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

87. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

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

89. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

90. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class

certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court, and either party may appeal any court order that materially alters the Settlement Agreement's terms.

91. Class/Collective Action Certification for Settlement Purposes Only. The Parties agree to stipulate to class/collective action certification for purposes of the Settlement only. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class/collective action certification is proper under the standards applied to contested certification motions and that this Settlement Agreement will not be admissible in this or any other proceeding as evidence that either (a) a class/collective action should be certified or (b) Defendants are liable to Plaintiff or any Class Member/FLSA Collective Action Member, other than according to the Settlement's terms.

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

93. No Public Comment: The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.

94. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement

or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

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

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

97. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

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

99. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

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

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 11/9/2023

DocuSigned by:
51F5EEFBEE9246A...
Richard Rodriguez

DEFENDANTS

Dated: 11/13/23

RACHEL MANOS
Please Print Name of Authorized Signatory For BELFOR USA Group, Inc., BELFOR Environmental, Inc., Oakwood Construction and Restoration Services, Inc., and 1 800 Water Damage North America, LLC.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 11/9/2023

By: ______________________
Raul Perez

Attorneys for Plaintiff Richard Rodriguez

QUARLES & BRADY LLP

Dated: 11/10/2023

By: ______________________
E. Joseph Connaughton

Attorneys for Defendants BELFOR USA Group, Inc., BELFOR Environmental, Inc., Oakwood Construction and Restoration Services, Inc., and 1 800 Water Damage North America, LLC

Exhibit A

Rodriguez v. BELFOR USA Group, Inc., No. 5:22-cv-02071-VKD
UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All persons who were employed by Defendants BELFOR USA Group, Inc., BELFOR Environmental, Inc., Oakwood Construction and Restoration Services, Inc., and 1 800 Water Damage North America, LLC ("Defendants") in the State of California in non-exempt positions at any time during the period from February 25, 2018 to [the date of Preliminary Approval] ("Class Members").

All persons who were employed by Defendants in the State of California in non-exempt positions at any time during the period from March 8, 2021 to [the date of Preliminary Approval] ("PAGA Members").

On ________, the Honorable Virginia K. DeMarchi of the United States District Court, Northern District of California granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants' records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at _:00 _.m. on __________, 2024 in Courtroom 2 of the United States District Court, Northern District of California County Superior Court located at 280 South 1st Street, San Jose, California 95113.

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at https://cptgroupcaseinfo.com/_______, by contacting class counsel at __________, or by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at https://ecf.cand.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 280 South 1st Street, San Jose, CA 95113, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be deemed a "Participating Class Member," and will be eligible for a payment from the Net Settlement Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendants based on the facts alleged in the Action during the applicable Class Period.

You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is [DATE]**	If you don't want to fully participate in the proposed Settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement. You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement **Written Objections Must be Submitted by [DATE]**	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed class settlement, but not the PAGA settlement.
You Can Participate in the [DATE] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [DATE] in Courtroom 2 of the United States District Court, Northern District of California County Superior Court located at 280 South 1st Street, San Jose, California 95113. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement.

Summary of the Litigation

Plaintiff Richard Rodriguez, on his behalf and on behalf of other current and former non-exempt employees, alleges that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked, including for "on call" time; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) reimburse all business-related expenses; and (5) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On June 23, 2023, the parties participated in a mediation with Louis Marlin, Esq., an experienced and well-respected class action mediator. With Mr. Marlin's guidance, the parties were able to negotiate a complete settlement of Plaintiff's claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendants have denied, and continue to deny the factual and legal allegations in the case and believe that they have valid defenses to Plaintiff's claims. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of $1,200,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) an FLSA Settlement Fund of $150,000 which will be allocated to FLSA Claimants (as that term is defined by the Settlement Agreement) as part of a separate settlement; (2) a Class Representative Enhancement Payment of $10,000 to Richard Rodriguez for his services on behalf of the class, and for a release of all claims arising out of his employment with Defendants; (3) $400,000 in attorneys' fees and up to $30,000 in litigation costs; (4) a $100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a $75,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a $25,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at $30,000. After deducting the above payments, a total of approximately $480,000 will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Members will receive a proportional share of the $10,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendants will calculate the total number of Workweeks worked by each Class Member from February 25, 2018 to [the date of Preliminary Approval] ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants' records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately $_____.

Payments from PAGA Fund. Defendants will calculate the total number of Workweeks worked by each PAGA Member from March 8, 2021 to [the date of Preliminary Approval] ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Defendants' records, you worked during the PAGA Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately $_____.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately $_____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or emailed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o _____________
Email No. _________

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – *Automatically Receive a Payment from the Settlement*
If want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims and Released PAGA Claims:

> **Released Class Claims**: All claims, rights, demands, liabilities, and causes of action, reasonably arising from, or reasonably related to, the same set of operative facts as those set forth in the operative complaint during the Class Period, including: (1) 29 U.S.C. sections 201, *et seq.* (Fair Labor Standards Act); (2) Sections 510 and 1198 (unpaid overtime); (3) Sections 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (4) Sections 226.7, 512(a), 516, and 1198 (failure to provide meal periods); (5) Sections 226.7, 516, and 1198 (failure to authorize and permit rest periods); (6) Sections 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll records); (7) Sections 201 and 202 (wages not timely paid upon termination); (8) Section 204 (failure to timely pay wages during employment); (9) Section 1198 and California Code of Regulations Title 8, section 11160 Subdivision 5(B) (failure to provide reporting time pay); (10) Section 2802 (unreimbursed business expenses); (11) California Business & Professions Code sections 17200, *et seq.* (unlawful business practices); and (12) California Business & Professions Code sections 17200, *et seq.* (unfair business practices).
>
> **Released PAGA Claims**: All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the facts alleged in Plaintiff's LWDA letter during the PAGA Period.

Option 2 – *Opt Out of the Settlement*
If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator
c/o ____________
____

The Request for Exclusion must be postmarked or emailed not later than __________, 2024. If you submit a Request for Exclusion which is not postmarked or emailed by __________, 2024, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement
You may object to the terms of the settlement before the Final Approval Hearing. However, if the Court rejects your objection, you will still be bound by the terms of the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

You may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Rodriguez v. BELFOR USA Group, Inc.*, No. 5:22-cv-02071-VKD (N.D. Cal.)), (b) be filed with the Court and served on the Parties on or before [DATE].

By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Approval Hearing set for [DATE] at _ a.m. in the United States District Court, Northern District of California and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, and if the Court approves the settlement, you will still be entitled to the money from the settlement and you will be deemed to have released the Released Class Claims, and if you are also a PAGA Member, the Released PAGA Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: 1 (888) 378-8466
Email: info@belforlawsuit.com

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS' ATTORNEYS WITH INQUIRIES.

Exhibit B

Rodriguez v. BELFOR USA Group, Inc., No. 5:22-cv-02071-VKD
UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA
NOTICE OF COLLECTIVE ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All persons who were employed by Defendants BELFOR USA Group, Inc., BELFOR Environmental, Inc., Oakwood Construction and Restoration Services, Inc., and 1 800 Water Damage North America, LLC ("Defendants") in the United States of America, excluding California, in non-exempt positions at any time during the period from February 25, 2019 to [the date of Preliminary Approval] ("FLSA Collective Action Members").

On ________, the Honorable Virginia K. DeMarchi of the United States District Court, Northern District of California granted preliminary approval of this collective action settlement under the Fair Labor Standards Act ("FLSA") and ordered the litigants to notify all FLSA Collective Action Members of the settlement. **You have received this notice because Defendants' records indicate that you are a FLSA Collective Action Member, <u>and therefore entitled to a payment from the settlement, BUT ONLY IF YOU COMPLETE AND RETURN THE ENCLOSED FLSA OPT IN FORM</u>.**

This notice summarizes the proposed FLSA settlement. For the precise terms and conditions of the FLSA settlement, please see the settlement agreement available at https://cptgroupcaseinfo.com/_______, by contacting collective action counsel at _________, or by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at https://ecf.cand.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 280 South 1st Street, San Jose, CA 95113, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

Your Options	
Return Your FLSA Opt In Form By [DATE] To Be Eligible for a Payment	**Become part of this lawsuit and settlement.** By returning your FLSA Opt In Form by [DATE], you will become a participant in this settlement. Therefore, if the Court approves the settlement at the Final Approval Hearing on [DATE], you will receive a payment from the FLSA Settlement Fund (see below). But, you give up any rights to sue Defendants about the same FLSA claims in this lawsuit.
Do Nothing	**You will not be part of this settlement. Give up the possibility of getting money from the settlement.** If you do nothing, you will not become a participant in this settlement, and will not receive a payment from the FLSA Settlement Fund. But, you keep any rights to sue Defendants separately about the same FLSA claims in this lawsuit, if you do so in the applicable statute of limitations.

<u>Summary of the Litigation</u>

Plaintiff Richard Rodriguez, on his behalf and on behalf of other current and former non-exempt employees, alleges that Defendants violated the FLSA as a result of their alleged failure to, among other things, pay minimum wages and overtime to employees for all hours worked, including for "on call" time. After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On June 23, 2023, the parties participated in a mediation with Louis Marlin, Esq., an experienced and well-respected mediator. With Mr. Marlin's guidance, the parties were able to negotiate a complete settlement of Plaintiff's FLSA claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent FLSA Collective Action Members, Capstone Law APC ("Collective Action Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Collective Action Counsel believe that the claims alleged in this lawsuit have merit, Collective Action Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Collective Action Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of FLSA Collective Action Members.

Defendants have denied, and continue to deny the factual and legal allegations in the case and believe that they have valid defenses to Plaintiff's claims. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Settlement Terms: Plaintiff and Defendants have agreed to settle the underlying FLSA claims in the lawsuit in exchange for an FLSA Settlement Fund of **$150,000**. Payments from the FLSA Settlement Fund will, upon Court approval of the FLSA Settlement, be made to all FLSA Collective Action Members who complete and return the enclosed FLSA Opt In Form. These individuals ("FLSA Claimants") will receive a share of the FLSA Settlement Fund proportional to the number of weeks they worked during the period from February 25, 2019 to [the date of Preliminary Approval] ("FLSA Period").

Your Estimated Payment: According to Defendants' records, you worked during the FLSA Period in a non-exempt position for a total of ____ weeks. Accordingly, your estimated payment from the FLSA Settlement Fund is approximately $_____, but this estimate will increase if fewer than 100% of all FLSA Collective Action Members return FLSA Opt In Forms.

If you believe the work week information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o ______________
Fax No. __________

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

Taxes: Payments from the FLSA Settlement Fund will be reduced by any required deductions, including employee-side tax withholdings or deductions. FLSA Claimants should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, settlement payments will be treated as wages for which IRS Forms W-2 will be issued.

How You Receive a Payment

To be eligible for a payment from the FLSA Settlement Fund, you must complete and return the enclosed FLSA Opt In Form by [DATE]. ***See* enclosed FLSA Opt In Form for further instructions.**

Payments will be issued if the Court approves the settlement at the Final Approval Hearing, currently set for __________, 2024 at _ p.m. in Courtroom 2 of the United States District Court, Northern District of California County Superior Court located at 280 South 1st Street, San Jose, California 95113.

What Are You Giving By Participating in the FLSA Collective Action Settlement?

If you choose complete and return the FLSA Opt In Form by [DATE], you will be bound by the settlement in this lawsuit, and will bound by the following release:

> All claims arising under the Fair Labor Standards Act, both known and unknown, which were asserted or could reasonably have been asserted in the Action based on the facts alleged, including, but is not limited to, any claim for failure to pay overtime wages, minimum wages, unpaid wages, and failure to pay overtime wages at the regular rate of pay during the FLSA Period.

Additional Information

This Notice of Collective Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by FLSA Collective Action Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
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Los Angeles, CA 90067
Phone: 1 (888) 378-8466
Email: info@belforlawsuit.com

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS' ATTORNEYS WITH INQUIRIES.

Exhibit C

Rodriguez v. BELFOR USA Group, Inc., No. 5:22-cv-02071-VKD (N.D. Cal.)

FLSA OPT IN FORM

COMPLETE THIS FORM **ONLY IF YOU WISH TO PARTICIPATE IN THE FLSA SETTLMENT**.

YOU MUST POSTMARK OR EMAIL THIS FORM TO THE SETTLEMENT ADMINISTRATOR NO LATER THAN [**DEADLINE**].

THIS MUST BE MAILED OR FAXED TO: **CPT GROUP, INC., THE SETTLEMENT ADMINISTRATOR** **50 Corporate Park, Irvine, CA 92606** **Email ____________**

I ___________________________________ [←*print name*] request to opt in to the FLSA settlement in the matter entitled *Rodriguez v. BELFOR USA Group, Inc.*, No. 5:22-cv-02071-VKD (N.D. Cal.). I understand that by submitting this FLSA Opt In Form, I will be eligible for a payment from the FLSA Settlement Fund if the Court approves the settlement, and that I will release the following claims:

> All claims arising under the Fair Labor Standards Act, both known and unknown, which were asserted or could reasonably have been asserted in the Action based on the facts alleged, including, but is not limited to, any claim for failure to pay overtime wages, minimum wages, unpaid wages, and failure to pay overtime wages at the regular rate of pay during the FLSA Period.

____
Sign your name here

____
Address

____
Telephone