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15 Attorneys for Representative Plaintiff
16 and the Putative Class

17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
18 **COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**
19 **(UNLIMITED JURISDICTION)**

20 MARCO GUTIERREZ, on behalf of himself
21 and all others similarly situated;

22 Plaintiff,

23 v.

24 DEL WEST ENGINEERING, INC., a
25 California corporation, and DOES 1 through
26 50, inclusive;

27 Defendants.

Case No. 21STCV45477

CLASS ACTION

***SUPPLEMENTAL DECLARATION OF
KEVIN R. ALLEN IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT***

Date: January 23, 2023

Time: 10:00 a.m.

**Judge: Hon. Yvette M. Palazuelos
Dept.: 9**

1 I, KEVIN R. ALLEN, declare as follows:

2 1. I am the Owner and Principal of Allen Attorney Group PC, an attorney-at-law
3 licensed and admitted to practice before the courts of the State of California, and am an attorney-
4 of-record in this action for Plaintiff Marco Gutierrez and the class he seeks to represent in her
5 lawsuit against defendants Del West Engineering, Inc. (collectively “Defendant”).

6 2. I have personal knowledge of the facts in this Declaration and, if called as a witness,
7 I could and would testify competently thereto. I make this *Supplemental* Declaration in support of
8 Plaintiff’s Motion for Preliminary Approval of Class Action Settlement.

9 3. On October 3, 2022, I filed a Motion for Preliminary Approval. A hearing was set
10 for November 29, 2022.

11 4. On or around November 22, 2022 the Court issued an Order continuing the hearing
12 to January 23, 2023 and directing counsel to file a text searchable version of the Settlement
13 agreement on or by December 20, 2022.

14 5. I apologize that the prior filing was not text searchable.

15 6. After discussing the Court’s Order, the Parties agreed to also make some slight non-
16 substantive modifications to the proposed Settlement.

17 7. Attached hereto as **Exhibit “S1”** is a true and correct copy of the *Amended* Class
18 Action and PAGA Settlement Agreement and Release (“Amended Settlement”).

19 8. Attached as **Exhibit “S2”** is a redline version of the Amended Settlement showing
20 all changes from the previous version.

21 9. The changes to the Settlement include correcting several typos and updating the
22 name of class counsel Nicolas Orihuela’s law firm which is now Orihuela Law Firm P.C.

23 10. The Parties have also agreed to allow Defendant to fund the settlement in a single
24 \$515,000.00 payment on the earlier of July 1, 2023 or seven (7) days after the Effective Date. They
25 have also agreed having a single distribution of all amounts that are to be paid from the fund.

26 11. The prior version required Defendant to fund the Maximum Settlement Amount in
27 two installments with the first installment being paid to the settlement administrator in December
28

2022, even if the agreement had not reached preliminary approval which we know it cannot. Additionally, the prior agreement provided for two rounds of payments from the maximum settlement amount, one after each installment. These deadlines did not make sense once the preliminary approval hearing was delayed into 2023.

12. It is also my understanding that Defendant may be using a line of credit to fund some or all of the Maximum Settlement Amount. If we had insisted on the December 2022 installment then this would have required them to potentially start paying interest on the amount even though the money would not be distributed until July 2023 at the earliest. I do not believe it is in the Class Members' interest to increase the transaction costs to Defendant in this manner.

13. I continue to believe the Settlement is a good result for the class and warrants preliminary approval. The above modifications do not change the analysis provided in my prior declaration.

14. Below is an updated schedule of deadlines for the Amended Settlement:

a.	Defendants to Provide Class Information to Settlement Administrator.	Within 14 calendar days of entry of Preliminary Approval. [Settlement, ¶ 3.3.2]
b.	Deadline for Settlement Administrator to Mail Notice to Class Members	Within 14 calendar days after receipt of Class List. [Settlement, ¶ 3.3.4]
b.	Response Deadline for Class Members to Postmark Requests for Exclusions, Objections or to Dispute employer's records	Deadline is 60 calendar days after mailing of the Notice to Class Members. [Settlement, ¶¶ 1.36, 3.5, 3.6]

c.	Deadline for Class Counsel to file Motion for Final Approval of Settlement	At least 16 court days before Final Approval Hearing.
d.	Final Fairness Hearing and Final Approval	_____
f.	Deadline for Defendant to deposit Maximum Settlement Amount with Settlement Administrator.	On the earlier of July 1, 2023 or seven (7) days after the Effective Date of the Settlement ¹ [<i>Amended Settlement</i> , ¶ 3.10]
g.	Deadline for Settlement Administrator to Distribute Settlement Payments	The latter of fourteen (14) days of after the Effective Date or the date of funding. [<i>Amended Settlement</i> , ¶ 3.11]
h.	Deadline for Class Members to cash or deposit Individual Settlement Shares and PAGA Payments or else checks will be cancelled. ²	180 days after mailing date of issuance. [<i>Amended Settlement</i> , ¶ 3.11]

¹ The “Effective Date” is defined in the Settlement as means the date that the Court grants Final Approval unless there are objector/objections to the Settlement in which case the Effective Date shall be the date after the appeal period runs (if no appeal is filed) or the date all appeals are denied or otherwise finally resolved or decided in favor of the Settlement.” See Settlement ¶ 1.18

² The funds from voided checks in the first distribution shall be reissued and sent to the same Settlement Class Member alongside or in addition to their second check (i.e., after the second installment payment). Settlement, ¶ 3.9.

1 I declare under penalty of perjury under the laws of the United States and the State of California
2 that the foregoing is true and correct.

3 Executed on this 20th day of December, 2022 in Lake Oswego, Oregon.

4 
5 KEVIN R. ALLEN

Exhibit S1

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17 Attorneys for Defendant

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

21 MARCO GUTIERREZ, on behalf of himself and
22 all others similarly situated;

23 Plaintiff,

24 vs.

25 DEL WEST ENGINEERING, INC., a California
26 corporation, and DOES 1 through 50, inclusive;

27 Defendants.

CASE NO. 21STCV45477

**AMENDED CLASS ACTION AND
PAGA SETTLEMENT
AGREEMENT AND RELEASE**

Dept: Dept. 9

Judge: Hon. Yvette Palazuelos

Complaint Filed: December 14, 2021

Trial Date: None Set

1 **AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND**
2 **RELEASE**

3 This Amended Class Action and PAGA Settlement Agreement (“Agreement”) is made by
4 and between Plaintiff Marco Gutierrez (“Plaintiff”) and Defendant Del West Engineering, Inc.
5 (“Defendant”) (collectively, “Parties”).

6 **1. DEFINITIONS**

7 Unless otherwise defined herein, initial capitalized terms used in this Agreement shall
8 have the meanings set forth below:

9 1.1 “Action” means Plaintiff’s lawsuit alleging wage and hour violations against
10 Defendant captioned *Marco Gutierrez, on behalf of himself and all others similarly situated v.*
11 *Del West Engineering, Inc., et al.*, No. 21STCV45477, initiated on December 14, 2021 and
12 pending in the Superior Court of the State of California, County of Los Angeles.

13 1.2 “Administrator” means Phoenix Class Action Administration Solutions
14 (“Phoenix”), the neutral entity the Parties have agreed to appoint to administer the Settlement.

15 1.3 “Class” or “Class Members” means all current and former individuals who have
16 been employed by Del West Engineering, Inc. as a non-exempt employee in one or more of the
17 job titles listed in Exhibit A herein within the State of California at any time during the Class
18 Period; however, former employees who Defendant laid off in September 2019 as part of
19 Defendant’s reduction in force and who received separation pay in exchange for a general release
20 of claims are excluded from the Class and are not entitled to any additional payments provided in
21 this Settlement.

22 1.4 “Class Claims” means all claims and causes of action alleged in the Complaint
23 except the claim under the Private Attorneys General Act (“PAGA”).

24 1.5 “Class Counsel” means Kevin R. Allen of Allen Attorney Group P.C., and Nicolas
25 Orihuela of Orihuela Law Firm, PC.

26 1.6 “Class Counsel Costs” means expenses and costs actually incurred by Class
27 Counsel according to proof and subject to Court approval for Class Counsel’s litigation and
28 resolution of this Action, not to exceed Eight Thousand, Five Hundred Dollars and No Cents

1 (\$8,500). Class Counsel Costs shall be paid from the Maximum Settlement Amount. Any portion
2 of the requested Class Counsel Costs that is not awarded to Class Counsel shall be a part of the
3 Net Settlement Amount and distributed to Settlement Class Members as provided in this
4 Agreement.

5 1.7 "Class Information" means information regarding Class Members and PAGA
6 Members that Defendant will in good faith compile from its records and provide only to the
7 Settlement Administrator. Class Information shall be provided as a password-protected,
8 Microsoft Excel spreadsheet and shall include each Class and PAGA Member's: (a) full name;
9 (b) last known address; (c) last known telephone number; (d) Social Security number; (e) start
10 date of employment and/or assignment at Defendant; (f) end date of employment and/or
11 assignment at Defendant; and (g) Compensable Weeks (as defined below in Paragraph 1.14); and
12 (h) Compensable Pay Periods (as defined in Paragraph 1.13). Because Social Security numbers
13 are included in the Class Information, the Settlement Administrator shall maintain the Class
14 Information in confidence, it shall be transmitted in password-protected file(s), and access shall
15 be limited to those with a need to use the Class Information as part of the administration of the
16 Settlement. The Class Information shall not be provided to Class Counsel for any purpose but
17 may be disclosed by the Settlement Administrator to the extent necessary to resolve a dispute by a
18 Class or PAGA Member regarding their Compensable Weeks or Compensable Pay Periods.

19 1.8 "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and
20 resolution of this Action not to exceed Thirty-Five Percent (35%) of the Maximum Settlement
21 Amount (i.e., One Hundred Eighty Thousand, Two Hundred Fifty Dollars And Zero Cents
22 (\$180,250)), subject to approval by the Court. The Court shall review the requested amount of
23 the Class Counsel Award, and the approved amount shall be paid from the Maximum Settlement
24 Amount. Any portion of the requested Class Counsel Award that is not awarded to Class Counsel
25 shall be a part of the Net Settlement Amount and distributed to Settlement Class Members as
26 provided in this Agreement.

27 1.9 "Class Period" means the period from December 14, 2017 through and including
28 June 26, 2022 (i.e., 60 days from the date the Parties accepted the mediator's proposal).

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1 1.10 “Class Representative” means Plaintiff Marco Gutierrez.

2 1.11 “Class Representative Service Payment” means the payment to the Class
3 Representative for initiating the Action and providing services in support of the Action. Class
4 Counsel shall seek a Class Representative Service Payment for Plaintiff of up to Seven Thousand
5 Five Hundred Dollars (\$7,500.00). Defendant agrees not to oppose the motion by Plaintiff for
6 said Class Representative Service Payment, so long as the request does not exceed this amount.
7 Any portion of the requested Class Representative Service Payment that is not awarded shall be a
8 part of the Net Settlement Amount and distributed to Settlement Class Members as provided in
9 this Agreement.

10 1.12 “Class Settlement Payment” means the net amount paid by check to each
11 Settlement Class Member for their release of the Released Class Claims. The Class Settlement
12 Payment Amounts shall be calculated pursuant to Paragraph 3.12.2.

13 1.13 “Compensable Pay Periods” means all pay periods in which a PAGA Member
14 performed work for Defendant in California during the PAGA Period (as defined below in
15 Paragraph 1.26).

16 1.14 “Compensable Weeks” means all weeks in which a Class Member performed work
17 for Defendant in California during the Class Period.

18 1.15 “Complaint” means Plaintiff’s Complaint on file in the Action, including any and
19 all amendments thereto.

20 1.16 “Court” shall mean the Superior Court of California for the County of Los
21 Angeles.

22 1.17 “Defense Counsel” or “Counsel for Defendant” means Paul Hastings LLP, 515
23 South Flower Street, 25th Floor, Los Angeles, California 90071, c/o Leslie L. Abbott, Esq. and
24 Austin Schulz, Esq.

25 1.18 “Effective Date” means the date by when both of the following have occurred: (a)
26 the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the
27 Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no
28 Participating Class Member objects to the Settlement, the date the Court enters Judgment; (b) if

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1 one or more Participating Class Members objects to the Settlement, the last date when a timely
2 notice of appeal from the Judgment may be filed; or (c) if a timely appeal from the Judgment is
3 filed, the date the appellate court affirms the Judgment and issues a remittitur (“Final”).

4 1.19 “Final Approval Hearing” means the hearing held on the motion for final approval
5 of the Settlement.

6 1.20 “Final Approval Order and Judgment” means the Court’s entry of an order
7 granting final approval of the Settlement and entering judgment in this Action based thereon, in
8 conformity with California Rules of Court rule 3.769(h).

9 1.21 “LWDA Payment” means 75% of the PAGA Payment, which will be paid to the
10 California Labor Workforce Development Agency (“LWDA”) per California Labor Code
11 section 2699(i).

12 1.22 “Maximum Settlement Amount” means Five Hundred Fifteen Thousand Dollars
13 and No Cents (\$515,000.00). Defendant’s obligation to fund the Maximum Settlement Amount is
14 limited to \$515,000.00 plus the employer’s share of payroll taxes. No portion of the Maximum
15 Settlement Amount will revert to Defendant.

16 1.23 “Net Settlement Amount” means the amount of monies available for distribution to
17 Settlement Class Members, which shall be the Maximum Settlement Amount less the Class
18 Counsel Award, Class Counsel Costs, Class Representative Service Payment, Settlement
19 Administration Costs, and PAGA Payment.

20 1.24 “Notice of Class Action Settlement” or “Class Notice” means the Notice of Class
21 Action Settlement, the form of which the Parties shall jointly prepare and submit to the Court for
22 approval.

23 1.25 “PAGA Members” means all current and former individuals who have been
24 employed by Del West Engineering, Inc. as a non-exempt employee in one or more of the job
25 titles listed in Exhibit A herein within the State of California at any time during the PAGA
26 Period.

27 1.26 “PAGA Payment” means the allocation of Thirty Thousand Dollars (\$30,000.00),
28 payable from the Maximum Settlement Amount, subject to approval by the Court, for penalties

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1 under PAGA. 75% of the PAGA Payment is the LWDA Payment and will be paid to the LWDA.
2 The remaining 25% of the PAGA Payment is the PAGA Settlement Payment and will be paid to
3 PAGA Members as described in Paragraph 3.12.4.

4 1.27 “PAGA Period” means the period from December 14, 2020 through and including
5 June 26, 2022 (i.e., 60 days from the date the Parties accepted the mediator’s proposal).

6 1.28 “PAGA Settlement Payment” means the amount payable to each PAGA Member
7 for the release of his or her Released PAGA Claims, regardless of whether the PAGA Member
8 objects, opts out, or otherwise excludes himself or herself from the release of Released Class
9 Claims. The amount of the PAGA Settlement Payment distributed to each PAGA Member shall
10 be calculated pursuant to Paragraph 3.12.4 herein.

11 1.29 “Plaintiff” means Marco Gutierrez, the named plaintiff in the Action.

12 1.30 “Preliminary Approval” or “Preliminary Approval Date” means the date the Court
13 enters an Order preliminarily approving the Settlement.

14 1.31 “Preliminary Approval Order” means the Order granting preliminary approval of
15 the Settlement.

16 1.32 “Released Class Claims” means any and all wage-and-hour individual and class
17 claims, rights, demands, liabilities, and/or causes of action of every nature and description, arising
18 from or related to any and all claims during the Class Period that were asserted or could have
19 been asserted based on the facts alleged in the Complaint, including, without limitation, statutory,
20 constitutional, contractual, and/or common law claims for wages, damages, unpaid costs,
21 penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs,
22 restitution, or equitable relief.

23 1.33 “Released PAGA Claims” means any and all individual and representative PAGA
24 claims for civil penalties, attorneys’ fees, and costs during the PAGA Period under California
25 Labor Code section 2698, *et seq.* and any applicable IWC Wage Order that were or could have
26 been asserted based on the facts alleged in the Complaint and Plaintiff’s notice to the LWDA.

27 1.34 “Released Parties” means Del West Engineering, Inc., and all of its current and
28 former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their
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1 respective officers, directors, owners, employees, partners, shareholders, agents, attorneys,
2 insurers, and assigns, and each of them.

3 1.35 "Request for Exclusion" means a Class Member's request to be excluded from the
4 Class Settlement Payment that is made in conformity with this Agreement, the instructions in the
5 Class Notice, and the Court's orders, and that results in the Class Member not being bound by the
6 Released Class Claims. A Request for Exclusion shall not apply to eligible Class Members' (i.e.,
7 PAGA Members) receipt of a PAGA Settlement Payment and such Class Members shall remain
8 bound by the Released PAGA Claims regardless of their Request for Exclusion from the Class
9 Settlement Payment.

10 1.36 "Response Deadline" means the date that is sixty (60) calendar days after the
11 Settlement Administrator mails the Class Notice to Class Members and the last date on which
12 Class Members eligible for Class Settlement Payments only may: (a) postmark or fax a Request
13 for Exclusion to the Administrator (as set forth in Paragraph 3.6); (b) postmark or fax a Notice of
14 Objection (as set forth in Paragraph 3.7) to the Settlement to the Administrator; or (c) postmark or
15 fax a Dispute (as set forth in Paragraph 3.5) to the Settlement to the Administrator.

16 1.37 "Settlement Account" means the account established by the Administrator
17 pursuant to the terms of this Stipulation into which all monies funded by Defendant under the
18 terms of the Settlement shall be deposited and from which all monies payable under the terms of
19 this Settlement shall be paid, as set forth herein.

20 1.38 "Settlement Administration Costs" means the amount to be paid to the Settlement
21 Administrator from the Maximum Settlement Amount for the administration of the Settlement.
22 The Settlement Administration Costs amount is presently estimated not to exceed Nine Thousand
23 Five Hundred Dollars (\$9,500.00). If the Settlement Administration Costs are awarded in an
24 amount less than Nine Thousand Five Hundred Dollars (\$9,500.00), the unawarded portion shall
25 be a part of the Net Settlement Amount and distributed to Settlement Class Members as provided
26 in this Agreement.

27 1.39 "Settlement Class Members" or "Settlement Class" means all Class Members who
28 do not submit a valid and timely Request for Exclusion.

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1 **2. RECITALS**

2 2.1 Description and Procedural Posture of the Litigation. On December 14, 2021,
3 Plaintiff filed the Action, alleging claims for: (i) unpaid minimum and overtime wages, (ii)
4 unpaid meal period and rest period compensation, (iii) failure to pay all wages on a timely basis
5 and at termination, (iv) failure to provide accurate itemized wage statements, and (viii) violation
6 of the California Business and Professions Code. The Parties engaged in informal, confidential
7 discovery for the purpose of settlement discussions. On April 21, 2022, the Parties attended a
8 mediation with Dennis F. Moss, Esq. in an attempt to resolve the Action. Following the
9 mediation, the parties accepted a mediator's proposal that resolved the Action, which included
10 that Plaintiff would file an amended Complaint to add a PAGA claim prior to seeking preliminary
11 approval of this Settlement, and that is now documented in this Class Action and PAGA
12 Settlement Agreement and Release.

13 2.2 Certification of the Settlement Class. The Parties stipulate and agree to the
14 certification of this Action for purposes of this Settlement only. Should the Settlement not
15 become final and effective as herein provided, class certification shall immediately be set aside
16 (subject to further proceedings on motion of any party to certify or deny certification thereafter).
17 The Parties' willingness to stipulate to class certification as part of the Settlement shall have no
18 bearing on, and shall not be admissible in or considered in connection with, the issue of whether a
19 class should be certified in a non-settlement context in this Action and shall have no bearing on,
20 and shall not be admissible or considered in connection with, the issue of whether a class should
21 be certified in any other lawsuit.

22 2.3 Benefits of Settlement to Class Members and PAGA Members. Plaintiff and Class
23 Counsel recognize the expense and length of continued proceedings necessary to litigate their
24 disputes through trial and through any possible appeals. Plaintiff and Class Counsel have also
25 taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties
26 and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens
27 of proof necessary to establish liability for the claims asserted in the Action, both generally and in
28 response to Defendant's defenses thereto (many of which have been shared during the course of
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1 the Parties' extensive settlement negotiations), and potential difficulties in establishing damages
2 and entitlement to monetary recovery including civil penalties for the PAGA Members. Plaintiff
3 and Class Counsel have also taken into account Defendant's agreement to enter into a settlement
4 that confers substantial relief upon Class Members and PAGA Members based on the terms set
5 forth herein. Based on the foregoing, Plaintiff and Class Counsel have determined that the
6 Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement and is in the
7 best interests of the Class Members and PAGA Members.

8 2.4 Defendant's Reasons for Settlement. Defendant has concluded that any further
9 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts
10 of time, energy, and resources of Defendant have been and, unless this Settlement is made, will
11 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also
12 taken into account the risks of further litigation in reaching its decision to enter into this
13 Settlement. Despite continuing to contend that it is not liable for any of the claims set forth by
14 Plaintiff in the Action, Defendant has, nonetheless, agreed to settle in the manner and upon the
15 terms set forth in this Agreement to put to rest the claims alleged in the Action.

16 2.5 Class Members' Claims. Plaintiff, on behalf of Class Members and PAGA
17 Members, has claimed and continues to claim that the Released Class Claims and Released
18 PAGA Claims have merit and give rise to liability on the part of Defendant. This Agreement
19 constitutes Plaintiff's good faith compromise of disputed claims. Nothing contained in this
20 Agreement (and exhibits/attachments hereto), no documents referred to herein, and no action
21 taken to carry out this Agreement may be construed or used as an admission by or against the
22 Class Members, PAGA Members or Class Counsel as to the merits or lack thereof of the claims
23 asserted.

24 2.6 Defendant's Defenses. Defendant has claimed and continues to claim that the
25 Released Class Claims and Released PAGA Claims have no merit and do not give rise to liability.
26 Moreover, Defendant contends that a substantial number of Defendant's employees entered into
27 enforceable arbitration agreements which require them to individually arbitrate all of their claims
28 in the Action. This Agreement constitutes Defendant's good faith compromise of disputed

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1 claims. Nothing contained in this Agreement, no documents referred to herein, and no action
2 taken to carry out this Agreement may be construed or used as an admission by or against
3 Defendant as to the merits or lack thereof of the claims asserted.

4 2.7 Maximum Amount Payable by Defendant. Under the terms of this Settlement, the
5 maximum amount payable by Defendant shall not exceed the Maximum Settlement Amount.
6 However, notwithstanding the foregoing, in addition to the Maximum Settlement Amount,
7 Defendant shall also pay the employer share of payroll taxes due and payable on Class Settlement
8 Payments as a result of this Settlement.

9 **3. TERMS OF AGREEMENT**

10 The Parties agree as follows:

11 3.1 Releases Given by Plaintiff and the Settlement Class.

12 3.1.1 As To All Settlement Class Members and PAGA Members. As of the date
13 Defendant funds the Settlement (as set forth in Paragraph 3.10) all Settlement Class Members,
14 including Plaintiff, release the Released Parties from the Released Class Claims, and all PAGA
15 Members, including Plaintiff, release the Released PAGA Claims.

16 3.1.2 General Release of Class Representative's Claims. Plaintiff releases and
17 discharges all Released Parties from any and all claims relating to or arising from his employment
18 with Defendant including but not limited to: any and all wage-and-hour claims arising under the
19 laws of the State of California, including, without limitation, statutory, constitutional, contractual,
20 and/or common law claims for wages, damages, restitution, unreimbursed expenses, equitable
21 relief, penalties, liquidated damages, and/or punitive damages (including, without limitation,
22 claims under any applicable Industrial Welfare Commission Wage Order, the California Private
23 Attorneys General Act, or any other provision of the California Labor Code); 42 U.S.C. § 1981;
24 the Americans With Disabilities Act; the Family and Medical Leave Act; the Fair Labor
25 Standards Act; the Employee Retirement Income Security Act; the Occupational Safety and
26 Health Act; the Worker Adjustment and Retraining Notification Act, as amended; the California
27 Unfair Competition Law (Cal. Bus. & Prof. Code § 17200, *et seq.*); any state, civil, or statutory
28 laws, including any and all human rights laws and laws against discrimination; any other federal,

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1 state, or local statutes, codes, or ordinances; any common law, contract law, or tort law cause of
2 action; and any claims for interest, attorneys' fees, and/or costs. Plaintiff expressly waives the
3 protections of California Civil Code section 1542, which reads as follows:

4 A general release does not extend to claims that the creditor or releasing party
5 does not know or suspect to exist in his or her favor at the time of executing the
6 release and that, if known by him or her would have materially affected his or her
7 settlement with the debtor or released party.

8 The foregoing General Release provided by Plaintiff does not release, or in no way impacts, (i)
9 any workers compensation claim(s) Plaintiff has or may have against Defendant, or (ii) Plaintiff's
10 individual employment claims in the separate complaint captioned *Marco Gutierrez v. Del West*
11 *Engineering, Inc.* (Los Angeles Superior Court No. 21STCV18645) and/or the Parties'
12 confidential settlement agreement that was reached therein.

13 3.2 Tax Liability. The Parties make no representations as to the tax treatment or legal
14 effect of the payments called for hereunder, and Class Members and PAGA Members are not
15 relying on any statement or representation by the Parties in this regard. Class Members and
16 PAGA Members understand and agree that they will be responsible for the payment of any taxes
17 and penalties assessed on the payments described herein and will hold the Parties free and
18 harmless from and against any claims resulting from treatment of such payments as non-taxable
19 damages, including the treatment of such payments as not subject to withholding or deduction for
20 payroll and employment taxes.

21 3.3 Settlement Approval and Implementation Procedures. As part of this Settlement,
22 the Parties agree to the following procedures for obtaining the Court's preliminary approval of the
23 Settlement, certifying a Class for settlement purposes only, notifying Class Members and PAGA
24 Members of the Settlement, obtaining the Court's final approval of the Settlement, and processing
25 the Class Settlement Payments and PAGA Settlement Payments.

26 3.3.1 Preliminary Approval and Certification. The Parties will jointly submit
27 this Stipulation to the Court for its preliminary approval. Such submission will include this
28 Agreement, the proposed Class Notice, and any motions, memoranda, and evidence as may be
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1 necessary for the Court to determine that this Agreement is fair, adequate, and reasonable. The
2 Parties agree to request the Court to enter an order approving the certification of the Class after
3 the preliminary approval hearing in accordance with California Rules of Court rule 3.769(c).

4 3.3.2 Class Information. No more than fourteen (14) days after the entry of the
5 Preliminary Approval Order, Defendant shall provide the Administrator with the Class
6 Information for purposes of administering the Settlement.

7 3.3.3 Efforts to Locate Class Members and PAGA Members. The Parties agree
8 that locating and contacting Class Members and PAGA Members is an important and material
9 aspect of the Settlement. In this regard, the Administrator shall undertake diligent efforts to
10 locate Class Members and PAGA Members and utilize the best practicable means available for
11 purposes of verifying and/or updating the current address and telephone numbers for all Class
12 Members (including skip tracing). After updating against the National Change of Address
13 Database, the address(es) identified by the Administrator as the current mailing address shall be
14 presumed to be the best mailing address for each Class Member and PAGA Member. The cost of
15 diligently attempting to find the best contact information of the Class Members and PAGA
16 Members shall be included in the Settlement Administration Costs and Defendant shall not, under
17 any circumstances, be required to pay any additional funds for the investigatory duties to be
18 performed by the Administrator.

19 3.3.4 Notice By First Class U.S. Mail. No more than fourteen (14) calendar days
20 after receiving the Class Information from Defendant as provided herein, the Administrator shall
21 mail copies of the Class Notice to all Class Members and PAGA Members by First-Class U.S.
22 Mail. Prior to mailing the Class Notices, the Administrator will use the United States Postal
23 Service National Change of Address Database to locate updated addresses to ensure that the Class
24 Notice is sent to all Class Members and PAGA Members at the addresses most likely to result in
25 receipt of the Class Notice. It will be conclusively presumed that, if an envelope so mailed has
26 not been returned by the Response Deadline, the Class Member and/or PAGA Member received
27 the Class Notice.

1 3.3.5 Undeliverable Notices. Any Class Notice that is returned to the
2 Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the
3 forwarding address affixed thereto, if any. If no forwarding address is provided, the Settlement
4 Administrator shall make any further reasonable efforts to obtain an updated mailing address
5 within two (2) business days of the date of the return of the Class Notice, including, without
6 limitation, conducting one skip trace search. If an updated mailing address is identified, the
7 Administrator shall re-send the Class Notice to the Class Member and/or PAGA Member. Class
8 Members to whom a Class Notice is re-sent after having been returned undeliverable to the
9 Administrator shall have fourteen (14) calendar days thereafter or until the Response Deadline
10 has expired, whichever is later, to mail or fax the Request for Exclusion, Notice of Objection, or
11 Dispute. A Class Notice that is re-sent shall inform the recipient of this adjusted deadline. The
12 date of the postmark of the submission, either based on the date on the return envelope or the date
13 of the fax stamp, shall be the exclusive means used to determine whether a Class Member has
14 timely returned his or her Request for Exclusion, Notice of Objection, or Dispute. Unless
15 otherwise agreed by the Parties, Requests for Exclusion, Notices of Objection, or Disputes shall
16 be deemed valid only if they are signed by the Class Member and postmarked or fax stamped on
17 or before the applicable deadline. If a Class Member's Class Notice is returned to the
18 Administrator more than once as non-deliverable, then the Administrator shall not be required to
19 undertake any additional re-mailing of the returned Class Notice.

20 3.3.6 Compliance with the procedures specified in Paragraphs 3.3.2 through
21 3.3.5 herein shall constitute due and sufficient notice to Class Members of this Settlement and
22 shall satisfy the requirement of due process. Nothing else shall be required of, or done by, the
23 Parties, Class Counsel, and Defense Counsel to provide notice of the proposed Settlement.

24 3.4 Translation of Class Notice. A Spanish and English version of the Class Notice
25 will be mailed to each Class Member. The Administrator shall be responsible for translating the
26 Class Notice from English to Spanish. Costs of translation are included in the Settlement
27 Administration Costs.

1 3.5 Disputes. Class Members and PAGA Members will have the opportunity, should
2 they disagree with Defendant's records regarding their Compensable Weeks for their Class
3 Settlement Payment as stated on their Class Notice, to dispute this information by submitting a
4 written letter ("Dispute") to the Administrator that: (1) contains the name, address, telephone
5 number, last four digits of the Social Security number, and signature of the Class Member; (2)
6 contains the case name and number of the Action; (3) clearly indicates that the Class Member
7 seeks to dispute his or her Compensable Weeks for their Class Settlement Payment; (4) provides
8 documentation and/or an explanation to show contrary Compensable Weeks; and (5) is
9 postmarked or fax-stamped by the Response Deadline and returned to the Settlement
10 Administrator at the specified address or fax telephone number. If there is a Dispute, the
11 Administrator will consult with the Parties to determine whether an adjustment is warranted.
12 Defendant's records will be presumed determinative, but the Administrator and Parties will
13 determine whether an adjustment is warranted.

14 3.6 Requests for Exclusion (Opt Outs). The Class Notice shall state that Class
15 Members who wish to exclude themselves from the Class Settlement Payment and Released Class
16 Claims must submit a written statement to the Administrator ("Request for Exclusion"). The
17 Request for Exclusion must: (1) contain the name, address, telephone number, last four digits of
18 the Social Security number, and signature of the Class Member; (2) contain the case name and
19 number of the Action; (3) clearly indicate that the Class Member seeks to exclude him or herself
20 from the Class Settlement Payment and Released Class Claims; and (4) be postmarked or fax-
21 stamped on or before the Response Deadline and returned to the Administrator at the specified
22 address or fax telephone number. Any Class Member who requests to be excluded from the Class
23 Settlement Payment will not be entitled to any recovery for the Class Claims under the Settlement
24 and will not be bound by the terms of the Settlement with respect to the Class Claims or have any
25 right to object, appeal, or comment thereon. Class Members who receive a Class Notice but fail
26 to submit a valid and timely Request for Exclusion shall be bound by all terms of the Settlement
27 and any Final Approval Order and Judgment entered in this Action if the Settlement is approved
28 by the Court. No later than fourteen (14) calendar days after the Response Deadline, the

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1 Administrator shall provide Defense Counsel with a complete list of all members of the Class
2 who have timely submitted Requests for Exclusion. At no time shall any of the Parties or their
3 counsel seek to solicit or otherwise encourage members of the Class to submit Requests for
4 Exclusion from the Settlement. Any Class Member who submits a valid and timely Request for
5 Exclusion shall forfeit his or her right to receive a Class Settlement Payment under this
6 Agreement, the amount of which will be part of the Net Settlement Amount to be distributed to
7 Settlement Class Members as provided in this Agreement, but will still release the Released
8 PAGA Claims and receive a PAGA Settlement Payment (if eligible).

9 3.7 Objections. The Class Notice shall state that Settlement Class Members (*i.e.*,
10 Class Members who have not excluded themselves from the Settlement) who wish to object to the
11 Class Claims Settlement must submit a written statement of objection (“Notice of Objection”) on
12 or before the Response Deadline to the Administrator. The Notice of Objection must: (1) contain
13 the name, address, telephone number, last four digits of the Social Security number, and signature
14 of the Class Member; (2) contain the case name and number of the Action; (3) clearly indicate
15 that the Class Member seeks to object to the Class Claims Settlement; (4) state the legal and
16 factual basis for the objection; (5) state whether the Settlement Class Member intends to appear at
17 the Final Approval Hearing; and (6) be postmarked or fax-stamped on or before the Response
18 Deadline and returned to the Administrator at the specified address or fax telephone number. The
19 Administrator shall within five (5) calendar days of receiving a Notice of Objection provide the
20 Parties with copies of the Notices of Objection. The Administrator will lodge all Notices of
21 Objection that it receives with the Court by attaching them to its declaration to be filed with the
22 Court in support of the motion for final approval of the Settlement.

23 3.8 No Solicitation of Objections or Requests for Exclusion. The Parties agree to use
24 their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or
25 their counsel seek to solicit or otherwise encourage Class Members to submit Requests for
26 Exclusion or Notices of Objection or to appeal from the Court’s Final Approval Order and
27 Judgment.

1 3.9 Uncashed Checks. If a Settlement check is returned to the Administrator as
2 undeliverable within thirty (30) calendar days of mailing to a Settlement Class Member, the
3 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace
4 search and, if another address is identified, shall re-mail the check to the newly identified address.
5 No portion of the Maximum Settlement Amount will revert to Defendant. If a Settlement check
6 is not cashed or deposited within one hundred eighty (180) calendar days after the date it is
7 mailed to a Settlement Class Member, it will be voided. The funds associated with such voided
8 checks will be transmitted to the Unclaimed Property Fund maintained by the State Controller's
9 Office in the names of the Settlement Class Members whose checks are voided after the second
10 distribution to Class Members is completed (as set forth in paragraph 3.11). Settlement checks in
11 the first distribution to Class Members (as set forth in paragraph 3.11) that are not
12 cashed/deposited shall not be sent to the Unclaimed Property Fund; instead, their first distribution
13 checks shall be voided by the Administrator prior to the second distribution, and the uncashed
14 funds from the first distribution shall be included in their respective second distribution settlement
15 checks.

16 3.10 Funding of Settlement. Defendant is required to fully fund and pay Five Hundred
17 Fifteen Thousand Dollars (\$515,000.00) of the Maximum Settlement Amount on the earlier of
18 July 1, 2023 or seven (7) days after the Effective Date of the Settlement. Defendant shall provide
19 the funds for the Settlement to the Administrator by wire transfer. The Administrator shall
20 deposit the funds in the Settlement Account.

21 3.11 Settlement Distributions. The Administrator will retain the funds from Defendant
22 in its trust account and shall distribute it the latter of fourteen (14) days after the Effective Date of
23 the Settlement or the date of the funding. The foregoing timing of the distribution, as approved
24 by the Court, shall apply to: (1) the Class Settlement Payment to Settlement Class Members; (2)
25 the Class Representative Service Payment; (3) the Class Counsel Award and Class Counsel Costs;
26 (4) the Settlement Administration Costs; and (5) the PAGA Payment to the LWDA and eligible
27 PAGA Members. No portion of the Maximum Settlement Amount will revert to Defendant.

28 3.12 Class Settlement Payments and PAGA Settlement Payments.

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1 3.12.1 Class Settlement Payments and PAGA Settlement Payments shall be
2 mailed by regular First-Class U.S. Mail to Settlement Class Members' last known mailing
3 address.

4 3.12.2 Each Settlement Class Member's share of the Net Settlement Amount shall
5 be determined as follows:

- 6 • Total Workweeks = $(1 \times \text{all Covered Employee Weeks})$
- 7 • Workweek Value = $\text{Net Settlement Amount} \div \text{Total Workweeks}$
- 8 • Individual Class Settlement Payment = $[(1 \times \text{individual Covered Employee}$
9 Weeks) $\times$ Workweek Value

10 3.12.3 Class Settlement Payments (as defined in Paragraph 3.12.2) will be
11 allocated for tax purposes as follows: thirty-three point three percent (33.3%) as wages and sixty-
12 six point seven percent (66.7%) as interest/penalties/non-wage damages. The wages portion of
13 each Class Settlement Payment will be reduced by any legally-mandated deductions for payroll
14 taxes or other required employee-side taxes and withholdings. Defendant's share of any
15 employer-related payroll taxes will be paid by Defendant separately and in addition to the
16 Maximum Settlement Amount. The Administrator shall issue the appropriate tax documents
17 associated with the Class Settlement Payments and PAGA Settlement Payments, including an
18 IRS Form W-2 for the amounts allocated as wages and an IRS Form 1099 for the amounts
19 allocated as interest/penalties/non-wage damages.

20 3.12.4 The PAGA Settlement Payments payable to each PAGA Member shall be
21 determined as follows:

- 22 • Pay Period Value = $\text{PAGA Settlement Amount} \div \text{total Compensable Pay}$
23 Periods
- 24 • Individual PAGA Settlement Payment = $\text{individual Compensable Pay}$
25 Periods $\times$ Pay Period Value

26 The PAGA Settlement Payments are considered to be entirely civil penalties and will be paid
27 without reduction for any taxes or other withholdings and will be reported on an IRS Form 1099

1 (if required). The Administrator shall issue the appropriate tax documents associated with the
2 PAGA Settlement Payments.

3 3.12.5 No benefit, including, but not limited to, pension benefits and/or 401(k),
4 shall increase or accrue as a result of any payment made as a result of the Settlement. Except for
5 the Class Representative's Enhancement Award, Class Members and PAGA Members are not
6 eligible to receive any compensation other than Class Settlement Payments and, if eligible, PAGA
7 Settlement Payments, as a result of this Settlement.

8 3.13 Class Representative Service Payment. Defendant agrees not to oppose or object
9 to any application or motion by Plaintiff to be appointed Class Representative and for a Class
10 Representative Service Payment of up to Seven Thousand Five Hundred Dollars (\$7,500.00).
11 Any portion of the requested Class Representative Service Payment that is not awarded shall be a
12 part of the Net Settlement Amount to be distributed to Settlement Class Members as provided in
13 this Agreement. The Class Representative Service Payment is intended to be in recognition of the
14 Class Representative's efforts and time as Class Representative. The Administrator shall issue an
15 IRS Form 1099-MISC to Plaintiff for his Class Representative Service Payment. Plaintiff shall
16 be solely and legally responsible to pay any and all applicable taxes on his Class Representative
17 Service Payment and shall hold harmless Defendant from any claim or liability for taxes,
18 penalties, or interest arising as a result of the Class Representative Service Payment. The Class
19 Representative Service Payment shall be in addition to Plaintiff's Class Settlement Payment and
20 PAGA Settlement Payment for which he is eligible. In the event the Court reduces or does not
21 approve the requested Class Representative Service Payment, Plaintiff shall not have the right to
22 revoke his agreement to the Settlement, which shall remain legally binding and enforceable on the
23 Parties.

24 3.14 Class Counsel Award and Class Counsel Costs. Defendant agrees not to oppose or
25 object to any application or motion by Class Counsel for attorneys' fees not to exceed thirty-five
26 percent (35%) (i.e., One Hundred Eighty Thousand Two Hundred Fifty Dollars And Zero Cents
27 (\$180,250) of the Maximum Settlement Amount and Class Counsel Costs not to exceed Eight
28 Thousand five Hundred Dollars and No Cents (\$8,500.00), as supported by declarations from
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1 Class Counsel, from the Maximum Settlement Amount. Class Counsel shall be solely and legally
2 responsible to pay all applicable taxes on the payment made pursuant to this Paragraph. The
3 Administrator shall issue an IRS Form 1099-MISC to Class Counsel for the payments made
4 pursuant to this Paragraph. In the event the Court reduces or does not approve the requested
5 Class Counsel Award and/or Class Counsel Costs, the Settlement shall remain legally binding and
6 enforceable on the Parties. Any amount requested by Class Counsel for the Class Counsel Award
7 and/or Class Counsel Costs and not granted by the Court shall be included in the Net Settlement
8 Amount before it is distributed as provided in this Agreement.

9 3.15 PAGA Payment. Subject to approval by the Court, the Parties shall allocate a total
10 of Thirty Thousand Dollars (\$30,000.00) for payment of penalties pursuant to PAGA per
11 California Labor Code section 2699(i) (*i.e.*, the PAGA Payment). 75% of the PAGA Payment
12 (*i.e.*, \$22,500.00) will be paid to California's Labor Workforce Development Agency ("LWDA")
13 from the Maximum Settlement Amount (*i.e.*, the LWDA Payment) by the Settlement
14 Administrator. The remaining 25% of the PAGA Payment (\$7,500.00) shall be distributed to
15 PAGA Members as described in Paragraph 3.12.4 (*i.e.*, the PAGA Settlement Payment). It is
16 intended by the Parties that the LWDA Payment shall satisfy the distribution requirements of Cal.
17 Lab. Code § 2698, *et seq.* If the Court awards a lesser amount for the PAGA Payment, then the
18 LWDA Payment shall be adjusted to 75% of the Court-approved amount, and the PAGA
19 Settlement Payment shall be adjusted to 25% of the Court-approved amount.

20 3.16 Plaintiff's Option to Terminate Settlement. Defendant represented that there were
21 18,515 Compensable Weeks during the Class Period through March 22, 2022. If the total number
22 of Compensable Weeks exceeds this figure by fifteen (15%) (*i.e.*, 21,292 Compensable Weeks) or
23 higher by the date sixty (60) days from the date the Parties accepted the mediator's proposal (*i.e.*,
24 June 26, 2022), then the Parties will meet and confer in good faith regarding a potential
25 proportional increase in the Maximum Settlement Amount based on the Compensable Weeks in
26 excess of 18,515. If the Parties do not agree, then Plaintiff, in his sole discretion, may nullify this
27 Settlement in its entirety by giving notice to Defendant, in conformity with Paragraph 3.37 herein.

1 3.17 Defendant's Option to Terminate Settlement. If ten percent (10%) or more of the
2 Class Members, or a number of Class Members whose Class Settlement Payments represent ten
3 percent (10%) or more of the total of all Class Settlement Payments, validly elect not to
4 participate in the Settlement, Defendant will have the right to rescind the Settlement, and the
5 Settlement and all actions taken in its furtherance will be null and void. Defendant must exercise
6 this right within fifteen (15) days after the Administrator notifies the Parties of the number of opt-
7 outs, which the Administrator will do within ten (10) days after the deadline for submission of
8 opt-outs. If Defendant exercises the right to rescind, it will be responsible for the costs of
9 administration of the Settlement incurred through that time. If the option to terminate this
10 Settlement is exercised by Defendant, Defendant shall exercise it by providing written notice to
11 Class Counsel, in conformity with Paragraph 3.37 herein.

12 3.18 Settlement Administration Costs. The Administrator shall be paid for the costs of
13 administration of the Settlement from the Maximum Settlement Amount. Such costs of
14 administration are estimated not to exceed Nine Thousand Five Hundred Dollars (\$9,500.00). No
15 fewer than twenty-one (21) calendar days prior to the Final Approval Hearing, the Administrator
16 shall provide the Parties with a statement detailing the costs of administration. The
17 Administrator, on Defendant's behalf, shall have the authority and obligation to make payments,
18 credits, and disbursements, including payments and credits in the manner set forth herein, to
19 Settlement Class Members and PAGA Members calculated in accordance with the methodology
20 set out in this Agreement and orders of the Court. The Parties agree to cooperate in the
21 Settlement administration process and to make all reasonable efforts to control and minimize the
22 cost and expenses incurred in administration of the Settlement. The Parties each represent they
23 do not have any financial interest in the Administrator or otherwise have a relationship with the
24 Administrator that could create a conflict of interest. The Administrator shall be responsible for:
25 processing and mailing payments to Plaintiff, Class Counsel, Class Members, PAGA Members,
26 and the LWDA; printing and mailing the Class Notice to the Class Members as directed by the
27 Court; receiving and reporting the Requests for Exclusion, Disputes, or Notices of Objection
28 submitted by Class Members (including providing weekly status reports); providing

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1 declaration(s) as necessary in support of preliminary and/or final approval of this Settlement;
2 payment of all applicable payroll taxes and withholding and reporting of such payments; and
3 other tasks as the Parties mutually agree or the Court orders the Administrator to perform. The
4 Administrator shall keep the Parties timely apprised of the performance of all Administrator
5 responsibilities. Any legally-mandated tax reports, tax forms, tax filings, or other tax documents
6 required by administration of this Agreement shall be prepared by the Administrator. Any
7 expenses incurred in connection with such preparation shall be a cost of administration of the
8 Settlement.

9 3.19 Final Approval Hearing. At a reasonable time following the Response Deadline,
10 the Court shall hold the Final Approval Hearing, where objections, if any, may be heard, and the
11 Court shall determine amounts properly payable for (i) the Class Counsel Award and Class
12 Counsel Costs, (ii) the Class Representative Service Payment, (iii) the PAGA Payment, and (iv)
13 the Settlement Administration Costs. The Court will hear from any Class Member who attends
14 the Final Approval Hearing and asks to speak regardless of whether the Class Member complied
15 with the Objection procedures in section 3.7.

16 3.20 Entry of Judgment. If the Court approves this Settlement at the Final Approval
17 Hearing, the Parties shall request that the Court enter judgment, with the Court retaining
18 jurisdiction over the Parties to enforce the terms of the judgment, pursuant to California Rules of
19 Court rule 3.769. To provide notice of judgment to the Class, the Administrator will post the
20 Court's Final Approval Order and Judgment on its website for sixty (60) calendar days after the
21 date of entry of the Final Approval Order and Judgment, and no individualized notice will be
22 required.

23 3.21 Nullification of Settlement Agreement. In the event: (i) the Court does not enter
24 the Preliminary Approval Order as provided herein; (ii) the Court does not grant final approval of
25 the Settlement as provided herein; (iii) the Court does not enter a Final Approval Order and
26 Judgment as provided herein; or (iv) the Settlement does not become final for any other reason,
27 this Settlement Agreement shall be null and void and any order or judgment entered by the Court
28 in furtherance of this Settlement shall be treated as void from the beginning. However,

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1 notwithstanding the foregoing, the Parties will cooperate to obtain a Preliminary Approval Order
2 and Final Approval Order from the Court. In such a case, the Parties and any funds to be awarded
3 under this Settlement shall be returned to their respective statuses as of the date and time
4 immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects
5 as if this Agreement had not been executed, except that any fees already incurred by the
6 Settlement Administrator shall be paid by the Parties in equal shares. In the event an appeal is
7 filed from the Court's Final Approval Order and Judgment, or any other appellate review in this
8 action is sought, administration of the Settlement shall be stayed pending final resolution of the
9 appeal or other appellate review.

10 3.22 No Admission by Defendant. Defendant denies any and all claims alleged in this
11 Action and denies all wrongdoing whatsoever. This Agreement is not a concession or admission
12 and shall not be used against Defendant as an admission or indication with respect to any claim of
13 any fault, concession, or omission by Defendant.

14 3.23 Dispute Resolution. Except as otherwise set forth herein, all disputes concerning
15 the interpretation, calculation of payment of settlement claims, or other disputes regarding
16 compliance with this Agreement shall be resolved as follows:

17 3.23.1 If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class
18 Members and/or PAGA Member, or Defendant, at any time believe that the other Party has
19 breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of
20 the alleged violation.

21 3.23.2 Upon receiving notice of the alleged violation or dispute, the responding
22 party shall have ten (10) business days to correct the alleged violation and/or respond to the
23 initiating party with the reasons why the Party disputes all or part of the allegation.

24 3.23.3 If the response does not address the alleged violation to the initiating
25 party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) business days to
26 resolve their differences.

27 3.23.4 If thereafter the Parties still cannot resolve the dispute, the parties shall
28 utilize the services of Dennis F. Moss, Esq., in a good-faith attempt to mediate and resolve the

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1 dispute, with the expense of the mediator to be shared equally by the Parties. If Mr. Moss is not
2 available to mediate the dispute, and the Parties do not agree to a different mediator, or either
3 Party desires to forego mediation of the dispute, the dispute may be submitted directly to the
4 Court as set forth in Paragraph 3.23.5.

5 3.23.5 If the Parties are thereafter still unable to resolve their differences after
6 twenty (20) business days, either Party may file a motion with the Court, including and not
7 limited to, pursuant to California Rules of Court rule 3.769 and/or California Civil Procedure
8 Code section 664.6.

9 3.24 Exhibits and Headings. The terms of this Agreement include the terms set forth in
10 the attached Exhibit, which are incorporated by this reference as though fully set forth herein.
11 The Exhibit to this Agreement is an integral part of the Settlement. The descriptive headings of
12 any paragraphs or sections of this Agreement are inserted for convenience of reference only and
13 do not constitute a part of this Agreement.

14 3.25 Interim Stay of Proceedings. The Parties agree to stay all proceedings in the
15 Action, subject to necessary compliance with the Court's orders, except such proceedings
16 necessary to implement and complete the Settlement, in abeyance pending the Final Approval
17 Hearing to be conducted by the Court.

18 3.26 Amendment or Modification. This Agreement may be amended or modified only
19 by a written instrument signed by counsel for all Parties or their successors-in-interest and
20 approved by the Court.

21 3.27 Entire Agreement. This Agreement and attached Exhibit A constitute the entire
22 Agreement among the Parties, and no oral or written representations, warranties, or inducements
23 have been made to any Party concerning this Agreement or Exhibit A other than the
24 representations, warranties, and covenants contained and memorialized in the Agreement and
25 Exhibit A.

26 3.28 Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
27 and represent they are expressly authorized by the Parties whom they represent to negotiate this
28 Agreement and to take all appropriate actions required or permitted to be taken by such Parties

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1 pursuant to this Agreement to effectuate its terms and to execute any other documents required to
2 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
3 other and use their best efforts to effect the implementation of the Settlement. In the event the
4 Parties are unable to reach agreement on the form or content of any document needed to
5 implement the Settlement, or on any supplemental provisions that may become necessary to
6 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
7 such disagreement. The persons signing this Agreement on behalf of Defendant represent and
8 warrant that they are authorized to sign this Agreement on behalf of Defendant. Plaintiff
9 represents and warrants that he is authorized to sign this Agreement and that he has not assigned
10 any claim, or part of a claim, covered by this Settlement to a third party.

11 3.29 Binding Nature of Agreement. This Agreement shall be binding upon, and inure
12 to the benefit of, the successors, heirs, assigns, and third-party beneficiaries of the Parties hereto,
13 as previously defined. To the extent permitted by law, the PAGA Members and Settlement Class
14 Members shall also be bound by this Agreement and any judgment relating thereto.

15 3.30 California Law Governs. All terms of this Agreement shall be governed by and
16 interpreted according to the laws of the State of California.

17 3.31 This Settlement is Fair, Adequate, and Reasonable. The Parties believe and
18 stipulate that this Settlement is a fair, adequate, and reasonable settlement of this Action and have
19 arrived at this Settlement after extensive, arm's-length, non-collusive negotiations, taking into
20 account all relevant factors, present and potential.

21 3.32 Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction
22 with respect to the interpretation, implementation, and enforcement of the terms of this
23 Agreement and all orders and judgments entered in connection therewith, and the Parties and their
24 counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing,
25 and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in
26 connection therewith.

27 3.33 Invalidity of Any Provision. Before declaring any provision of this Agreement
28 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible

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1 consistent with applicable precedents so as to define all provisions of this Agreement valid and
2 enforceable.

3 3.34 No Right to Terminate Based on Reduction of Class Counsel Award or Class
4 Counsel Costs. The Parties agree that any reduction in the Class Counsel Award and Class
5 Counsel Costs shall not constitute grounds to terminate or void the Settlement or otherwise
6 increase the maximum amount payable by Defendant under this Agreement, which shall not
7 exceed the Maximum Settlement Amount defined herein.

8 3.35 Cooperation. The Parties agree to cooperate fully with one another to accomplish
9 and implement the terms of this Settlement. Such cooperation shall include, but not be limited to,
10 execution of such other documents and taking of such other actions as may be reasonably
11 necessary to timely fulfill the terms and approval by the Court of this Settlement. The Parties to
12 this Settlement shall use their best efforts, including all efforts contemplated by this Settlement
13 and any other efforts that may become necessary by Court order or otherwise, to effectuate this
14 Settlement and the terms set forth herein.

15 3.36 Publicity. Plaintiff and Class Counsel agree that they will not issue (before the
16 date of the filing of the motion for preliminary approval of this Settlement) any press releases,
17 initiate any contact with the press, respond to any press inquiry, post any new material on any
18 internet websites, or have any communication with the press about the Action, and/or the fact,
19 amount, or terms of the Settlement. Before the date of the filing of the motion for preliminary
20 approval of the Settlement, Plaintiff and Class Counsel will not initiate any contact with the Class
21 Members, the PAGA Members, or anyone else about the Settlement, except that: (a) Class
22 Counsel, if contacted by a Class Member or a PAGA Member, may respond that a settlement has
23 been reached and that the details will be communicated in a forthcoming Court-approved notice;
24 and (b) Plaintiff, if contacted by a Class Member or a PAGA Member, may respond only that the
25 Class Member or PAGA Member should contact Class Counsel. Nothing in this paragraph shall
26 prevent Class Counsel and Plaintiff from undertaking all required submissions to the LWDA as
27 required by the PAGA statute in connection with this Settlement. Class Counsel and Plaintiff will
28

1 also provide Defendant's Counsel with a copy of the papers submitted to the LWDA, either prior
2 to or on the same day as the submission to the LWDA.

3 3.37 Notices. Unless otherwise specifically provided, all notices, demands, or other
4 communications in connection with this Agreement shall be: (1) in writing; (2) deemed given on
5 the third business day after mailing; (3) sent via email on the date of mailing, and (4) sent via
6 United States registered or certified mail, return receipt requested, addressed as follows:

7 To Plaintiff:

8 Kevin R. Allen, Esq.
9 Allen Attorney Group PC
10 2121 N. California Blvd.
Suite 290
Walnut Creek, CA 94596
kevin@allenattorneygroup.com

To Defendant:

Leslie L. Abbott, Esq.
Austin Schulz, Esq.
Paul Hastings LLP
515 South Flower Street, Twenty-Fifth Floor
Los Angeles, California 90071-2228
LeslieAbbott@paulhastings.com

11
12 3.38 Execution by Class Members. It is agreed that it is impossible or impractical to
13 have each Class Member and PAGA Member execute this Settlement Agreement. The Notice of
14 Settlement will advise all Class Members and PAGA Members of the binding nature of the
15 Released Class Claims as to Settlement Class Members and Released PAGA Claims as to Class
16 Members and PAGA Members, and such shall have the same force and effect as if each Class
17 Member and PAGA Member executed this Agreement.

18 3.39 Execution by Plaintiff. Plaintiff, by signing this Stipulation, is bound by the terms
19 herein.

20 3.40 Drafting of the Agreement. The Parties hereto agree that the terms and conditions
21 of this Stipulation of Settlement are the result of lengthy, intensive, arm's-length, non-collusive
22 negotiations and a neutrally-facilitated mediation between the Parties, and that this Agreement
23 shall not be construed in favor of or against any of the Parties by reason of their participation in
24 the drafting of this Agreement.

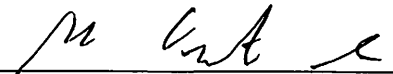
25 3.41 Counterparts. This Agreement shall become effective upon its execution by all of
26 the undersigned, and each consents to electronic signatures. Plaintiff, Class Counsel, Defendant,
27 and Defense Counsel may execute this Stipulation in counterparts, and execution of counterparts
28 shall have the same force and effect as if each had signed the same instrument. Copies of the

LEGAL_US_W # 114571926.1

1 executed Agreement, including scans or PDF versions, shall be effective for all purposes as
2 though the signatures contained therein were original signatures.

3 **STIPULATED, AGREED, AND ACCEPTED.**

4
5 Date: 12/16/22 **PLAINTIFF MARCO GUTIERREZ**

6
7 Signature: 

8
9
10 **DEFENDANT DEL WEST ENGINEERING, INC.**

11
12 Date: _____ Print Name: _____

13 Title: _____

14 Signature: _____

15
16 **APPROVED.**

17 ALLEN ATTORNEY GROUP P.C.
18 KEVIN R. ALLEN
19 Attorneys for Representative Plaintiff
and the Plaintiff Class

20 Date: December 23, 2022 Print Name: Kevin R. Allen

21 Signature: 

22
23 **PAUL HASTINGS LLP**
24 Counsel for Defendant

25 Date: _____ Print Name: _____

26 Signature: _____

1 executed Agreement, including scans or PDF versions, shall be effective for all purposes as
2 though the signatures contained therein were original signatures.

3 **STIPULATED, AGREED, AND ACCEPTED.**

4
5 Date: _____ **PLAINTIFF MARCO GUTIERREZ**

6
7 Signature: _____
8
9

10 **DEFENDANT DEL WEST ENGINEERING, INC.**

11
12 Date: 12/16/22 Print Name: Mark Sommer

13 Title: CEO

14 Signature: 
15
16

16 **APPROVED.**

17 ALLEN ATTORNEY GROUP P.C.
18 KEVIN R. ALLEN
19 Attorneys for Representative Plaintiff
and the Plaintiff Class

20 Date: _____ Print Name: _____

21 Signature: _____
22

23 **PAUL HASTINGS LLP**
24 Counsel for Defendant

25 Date: 12/19/22 Print Name: Leslie Abbott

26 Signature: 
27
28

Exhibit A

JOB TITLES

1. Final Inspector
2. Forge Operator
3. Inspector
4. Machine Operator
5. Machinist
6. Maintenance Mechanic
7. Maintenance Technician
8. Polisher
9. Preventive Maintenance Technician
10. Prototype Machinist
11. PVD Operator
12. Quality Assurance Technician
13. Receiving Clerk
14. Robotic Polish Operator
15. Sodium Fill Operator
16. Janitor - AWS
17. Shipping Clerk - AWS
18. Team Leader – AWS

Exhibit B

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EXHIBIT “B”
NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

1 **NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

2 SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES
3 MARCO GUTIERREZ V. DEL WEST ENGINEERING, INC., CASE NO. 21STCV45477

4 **ATTENTION: IF YOU WERE EMPLOYED AS A PRODUCTION**
5 **EMPLOYEE BY DEL WEST ENGINEERING, INC. IN**
6 **CALIFORNIA BETWEEN DECEMBER 14, 2017 AND JUNE 26,**
7 **2022, YOU COULD GET A PAYMENT FROM THIS**
8 **SETTLEMENT.**

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

- 10 • If approved by the Court the Settlement will provide \$515,000.00 to resolve claims of
11 approximately 172 individuals who were employed by defendant Del West Engineering, Inc.
12 (“Del West” or “Defendant”) as a production employee in California between December 14,
13 2017 and June 22, 2026.
- 14 • The Settlement involves a lawsuit over whether Defendant paid Plaintiff Marco Gutierrez and
15 other production employees all wages owed and provided timely meal periods and rest breaks.
16 The two sides disagree over how much money, if any, could have been won at trial.
- 17 • Your legal rights are affected whether or not you act. **READ THIS NOTICE CAREFULLY!**

18 **OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE**
19 **SETTLEMENT**

20 **DO NOTHING**

21 Get a payment. Give up rights.

22 **UPDATE YOUR**
23 **CONTACT**
24 **INFORMATION**

25 Update your contact information with CPT Group, Inc. so that future
26 notices and settlement check(s) are sent to the correct address.

27 **GO TO FINAL**
28 **FAIRNESS**
29 **HEARING**

30 Attend the final approval hearing which will be held at _____ on
31 _____ in department XXX of the Los Angeles County Superior
32 Court, located at _____.

33 **EXCLUDE**
34 **YOURSELF**

35 Get no Individual Settlement Payment.

36 You may opt out of the settlement by submitting a Request for
37 Exclusion. However, if you are a PAGA Employee and the Court grants
38 final approval of the settlement, you will still receive a share of the
39 portion of the Net Settlement Amount allocated to the PAGA Employees
40 and will be bound by the PAGA release provisions of the settlement,
41 whether or not you submit a Request for Exclusion.

42 **OBJECT**

43 Tell the Court about why you don’t like the Settlement.

44 **DISPUTE**
45 **“WORKWEEKS”**

46 Settlement amounts will be based on the number of weeks you worked in
47 a covered position during the Class Period. If you think Defendant’s
48 records (*see* Section X *infra*) are incorrect then you may submit a dispute
49 with the Settlement Administrator XXXXXX.

- 50 • These rights and options – and the deadlines to exercise them- are explained in this

1 notice. Additional information and settlement documents are available by contacting
2 Class Counsel.

- 3 • The Court handling this case still has to decide whether to approve the Settlement.
4 Settlement payments will only be issued if the Court approves the Settlement and all
5 appeals are resolved. Please be patient.

6 **IMPORTANT NOTE: If the Court approves the Settlement at the Final**
7 **Approval Hearing on XXXXX, then your payment will be issued in approx. X,**
8 **2023. IT IS VERY IMPORTANT THAT YOU INFORM THE SETTLEMENT**
9 **ADMINISTRATOR (identified in Sections 10 and 15) IF THIS NOTICE WAS**
10 **SENT TO THE WRONG ADDRESS OR YOU MOVE BEFORE RECEIVING**
11 **YOUR CHECK!!**

12 **WHAT IS THIS NOTICE?**

13 **BASIC INFORMATION.....1**

- 14 1. Why did I get this notice?.....1
- 15 2. What is this lawsuit about?.....1
- 16 3. What is a class action lawsuit?.....3
- 17 4. What is the Difference Between “Class,” Settlement Class” and “PAGA Members”?.....3
- 18 5. Why is there a settlement?.....3

19 **THE SETTLEMENT BENEFITS.....**

- 20 6. What do I get?.....3
- 21 7. What am I giving up?.....4

22 **HOW TO GET A SETTLEMENT PAYMENT**

- 23 8. How do I get a settlement payment?.....5
- 24 9. When will I get my check?.....5

25 **EXCLUDING YOURSELF FROM THE SETTLEMENT**

- 26 10. How do I ask the Court to exclude me from the Settlement Class?.....5
- 27 11. If I exclude myself, can I get anything from the Settlement?.....5
- 28 12. If I don’t exclude myself, can I sue later?.....6

29 **THE LAWYERS REPRESENTING YOU**

- 30 13. Do I have a lawyer in this case?.....6
- 31 14. How will the costs of the lawsuit and settlement be paid?.....6

32 **OBJECTING TO THE SETTLEMENT**

- 33 15. How do I object to the Settlement?.....6
- 34 16. What’s the difference between objection and asking to be excluded?.....7

35 **THE COURT’S FINAL APPROVAL HEARING**

- 36 17. When and where will the Court decide whether to approve the settlement?.....7
- 37 18. Do I have to come to the hearing?.....8
- 38 19. May I speak at the hearing?.....8

39 **IF YOU DO NOTHING**

- 40 20. What happens if I do nothing at all?.....8

41 **GETTING MORE INFORMATION**

- 42 21. How do I get more information?.....8

BASIC INFORMATION

1. Why did I get this notice?

Defendant Del West Engineering, Inc.'s records show that you were employed as a non-exempt production employee at one of defendant's factories in Valencia, California between December 14, 2017 and June 26, 2022, inclusive. This is referred to as the "Class Period." This notice explains the lawsuit, the Settlement, and your legal rights.

The term "**production employee**" includes the following job titles: Final Inspector; Forge Operator; Inspector; Machine Operator; Machinist; Maintenance Mechanic; Maintenance Technician; Polisher; Preventive Maintenance Technician; Prototype Machinist; PVD Operator; Quality Assurance Technician; Receiving Clerk; Robotic Polish Operator; Sodium Fill Operator; Janitor - AWS; Shipping Clerk - AWS; and Team Leader – AWS.

The lawsuit is known as *Marco Gutierrez v. Del West Engineering, Inc.*, and is pending in the Superior Court of California for the County of Los Angeles, Case No. 21STCV45477 (the "Action"). Marco Gutierrez is called the Plaintiff or Class Representative, and the company he sued is called the Defendant (i.e., Del West Engineering, Inc.).

2. What is this lawsuit about?

The lawsuit involves claims under California's wage and hour laws. Plaintiff worked as a production employee at one of Defendant's factories in Valencia, California within the Class Period. He alleges that Defendant failed to pay him and other Class Members all wages owed due to time rounding and the alternative workweek schedule. Plaintiff also alleges that Defendants failed to provide timely and lawful meal periods and rest breaks. As a result, Plaintiff alleges that he, and the members of the Class (defined in response to Question 3 below), are entitled to recover unpaid wages, interest, and statutory and civil penalties.

Defendant denies engaging in any wrongful conduct or that it violated the law in any way, and believes that Plaintiff and the Class Members were properly compensated, including final wages, and they were provided lawful meal and rest periods.

Both Plaintiff and Defendant believe that the Settlement is fair, adequate, and reasonable, and that it is in the best interest of the members of the Class.

3. What is a class action lawsuit?

In a class action, one or more people called the "Plaintiff" or "Representative Plaintiff" (in this case, Marco Gutierrez) sue an employer on behalf of people who have similar alleged claims. All of these similar people are referred to as the "Class" or "Class Members." On XXXXX, the Court issued an order certifying a class for purposes of settlement only.

4. What is the Difference Between "Class," "Settlement Class" and "PAGA Members"?

Under the Settlement the term "Class" means all current and former individuals who have been

1 employed by Del West Engineering, Inc. as a non-exempt production employee within the State
2 of California at any time during the Class Period. The “Class Period” is defined as the period
3 from December 14, 2017 through and including June 26, 2022.

4 The term “Settlement Class Members” or “Settlement Class” means all Class Members who do
5 not request to be excluded from the Settlement in response to this Notice.

6 “PAGA Members” means all current and former individuals who have been employed by Del
7 West Engineering, Inc. as a non-exempt production employee¹ within the State of California at
8 any time during the PAGA Period. The “PAGA Period” is defined as December 14, 2020 through
9 and including June 26, 2022. Due to the nature of PAGA claims, PAGA Members cannot opt out
10 of the Settlement.

11 NOTE: Former employees who Defendant laid off in September 2019 as part of Defendant’s
12 reduction in force and who received separation pay in exchange for a general release of claims
13 are excluded from the Class and are not entitled to any additional payments provided in this
14 Settlement except to the extent they were rehired after the severance and performed work during
15 the Class Period that was not otherwise released by the severance agreement.

16 **5. Why is there a settlement?**

17 After conducting substantial investigation, including review of policies, payroll and time records
18 and personnel files, both sides agreed to the Settlement to avoid the cost and risk of further
19 litigation. The Settlement does not mean that any law was broken. Defendant denies all of the
20 claims asserted in the Action and denies that it has violated any laws. Plaintiff and his lawyers
21 think the Settlement is in the best interests of all Class and PAGA Members.

22 **THE SETTLEMENT BENEFITS**

23 **6. What do I get?**

24 Under the terms of the Settlement, Defendant agreed to pay the Maximum Settlement Amount
25 on the earlier of July 1, 2023 or seven (7) days after the Effective Date of the Settlement. *See*
26 Section 9 of this Notice for the definition of “Effective Date.” Defendant shall provide the funds
27 for the Settlement to the Administrator by wire transfer.

28 This Maximum Settlement Amount will be used to pay Plaintiff’s attorneys’ fees (not to exceed
35% of the Maximum Settlement Amount, i.e., \$180,250.00), Plaintiff’s attorneys’ actual
litigation costs (up to \$8,500), a Class Representative Enhancement Award to the Plaintiff (not
to exceed \$7,500.00), a payment of \$22,500.00 to the State of California Labor and Workforce
Development Agency (“LWDA”) for alleged penalties under the Private Attorney General Act
(“PAGA”), and the fees and expenses of the Settlement Administrator (estimated to cost
\$XXXXX). The remainder, referred to as the Net Settlement Amount, will be distributed in full
to Settlement Class Members who do not request to be excluded from the Settlement and to
PAGA Members regardless of whether they opt out or not.

¹ The job titles included in “production employee” are listed in section 1 above.

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Individual Class Settlement Payment

The Net Settlement Amount will be distributed to Settlement Class Members based on the number of **Workweeks** worked for Defendant in covered position during the Class Period relative to the total number of Workweeks worked by all Settlement Class Members during the Class Period.

According to Defendants' records, your dates of employment in a covered position for Del West during the Class Period were _____ to _____. **Based on these dates, your Individual Settlement Award is estimated to be at least \$ _____.** Your actual Individual Settlement Award may be for more than this amount depending on the number of Settlement Class Members who participate and/or request to opt out of the Settlement.

PAGA Settlement Payment

The employees shall first share \$7,500.00 (i.e., 25% of the \$30,000 total amount allocated to the PAGA claim) which shall be split amongst all Class Members that worked for Del West between December 14, 2020 through and including June 26, 2022, inclusive (the "PAGA Period"). This payment will be distributed to Class Members based on the number of **Pay Periods** worked for Defendant in a class position during the PAGA Period relative to the total number of Pay Periods worked by all Class Members during the PAGA Period.

According to Defendant's records, you worked for ____ Pay Periods in a covered position during the PAGA Period. **Based on these dates, your portion of the PAGA settlement payment is estimated to be at least \$ _____.**

Class Members who are eligible for a PAGA settlement payment will receive it regardless of whether they request exclusion or object to the Settlement. This payment shall be reported as penalties and reported by IRS Form 1099.

Defendant's Records Will Be Presumed Correct But May Be Disputed

Defendant's records shall be presumed correct, unless evidence to the contrary is timely submitted to the Settlement Administrator. Class Members who disagree with Defendant's records of their Workweeks or Pay Period, as presented above, must notify the Settlement Administrator of the dispute and submit documentation to support their claimed dates of employment (such as, without limitation, payroll or time keeping records, paycheck stubs). The dispute must be received by [RESPONSE DEADLINE 60 days] or else it will be disregarded and you will be paid according to the dates listed in Defendant's records.

NOTE: A Class Member can only dispute his/her dates of employment if he/she does not exclude himself/herself from the Settlement. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Parties shall engage in a good faith effort to reach an agreement as to whether a workweek adjustment for the Class Member is warranted and, if the Parties are unable to reach an agreement, the determination of the Settlement Administrator shall be deemed final.

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Tax Treatment of Your Payments

Individual Class Settlement Payments will be allocated for tax reporting purposes as thirty-three point three percent (33.3%) wages and sixty-six point seven percent (66.7%) as interest/penalties/non-wage damages. The wages portion of each Class Settlement Payment will be reduced by any legally-mandated deductions for payroll taxes or other required employee-side taxes and withholdings. **Defendant's share of any employer-related payroll taxes will be paid by Defendant separately and in addition to the Maximum Settlement Amount.**

The Administrator shall issue the appropriate tax documents associated with the Class Settlement Payments and PAGA Settlement Payments, including an IRS Form W-2 for the amounts allocated as wages and an IRS Form 1099 for the amounts allocated as interest/penalties/non-wage damages.

7. What am I giving up?

Released Class Claims

If the Settlement is approved then Plaintiff and each member of the Class who does not submit a Request for Exclusion (defined in response to Question 10 below), referred to as a Settlement Class Member, will release Defendant Del West Engineering, Inc., and all of its current and former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their respective officers, directors, owners, employees, partners, shareholders, agents, attorneys, insurers, and assigns, and each of them (collectively, the "Released Parties") from any and all wage-and-hour individual and class claims, rights, demands, liabilities, and/or causes of action of every nature and description, arising from or related to any and all claims during the Class Period that were asserted or could have been asserted based on the facts alleged in the Complaint, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief ("Released Claims").

Released PAGA Claims

If the Settlement is approved then Plaintiff and each member of the PAGA Class, regardless of whether they submit a valid Request for Exclusion, will release Defendant Del West Engineering, Inc., and all of its current and former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their respective officers, directors, owners, employees, partners, shareholders, agents, attorneys, insurers, and assigns, and each of them (collectively, the "Released Parties") any and all individual and representative PAGA claims for civil penalties, attorneys' fees, and costs during the PAGA Period under California Labor Code section 2698, *et seq.* and any applicable IWC Wage Order that were or could have been asserted based on the facts alleged in the Complaint and Plaintiff's notice to the LWDA.

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

1 You need not do anything in order to receive an Individual Settlement Award or PAGA Payment
2 from this Settlement. Provided the Settlement is approved by the Court, you will be sent
3 settlement payment(s) at the address where this Notice was mailed. If you request to be excluded
4 then you will not receive the Individual Settlement Award but will still receive your portion of
the PAGA Payment if you are eligible.

5 **IMPORTANT REMINDER: If this was sent to the wrong address, or you move before**
6 **receiving your settlement checks and tax return documents, then it is very important that**
7 **you provide a forwarding address to the Settlement Administrator!** Otherwise your
settlement check(s) and/or your tax return documentation could be sent to the wrong address.

8 **9. When will I get my check?**

9 If approved then Defendants will be required to fund the \$515,000.00 Maximum Settlement
10 Amount in on the earlier of July 1, 2023 or seven (7) days after the Effective Date of the
Settlement.

11 “Effective Date” means the date by when both of the following have occurred: (a) the Court
12 enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment
13 is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating
14 Class Member objects to the Settlement, the date the Court enters Judgment; (b) if one or more
15 Participating Class Members objects to the Settlement, the last date when a timely notice of
16 appeal from the Judgment may be filed; or (c) if a timely appeal from the Judgment is filed, the
17 date the appellate court affirms the Judgment and issues a remittitur (“Final”).

18 If there are any appeals, resolving them could take some time, so please be patient.

19 If approved by the Court then all payments required by the Settlement will be paid out the latter
20 of fourteen (14) days after the Effective Date of the Settlement or the date of the funding.

21 Please be advised that you will only have 180 days from the date that the check is issued to cash
22 it. If a Settlement check is not cashed or deposited within one hundred eighty (180) calendar days
23 after the date it is mailed to a Settlement Class Member, it will be voided. The funds associated
24 with such voided checks will be transmitted to the Unclaimed Property Fund maintained by the
25 State Controller’s Office in the names of the Settlement Class Members whose checks are voided.

26 **EXCLUDING YOURSELF FROM THE SETTLEMENT**

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

28 If you do not want to participate in the Settlement (“opt-out”), you must submit a timely written
statement requesting exclusion (“Request for Exclusion”). Class Members who timely request
exclusion will no longer be eligible to receive an individual Settlement Award but will also not
be bound by the release of Class claims in the Settlement. Class Members cannot, however, seek
exclusion from the PAGA component of the Settlement and will receive a PAGA Settlement
Payment even if they file a timely request for exclusion, to the extent they worked during the
PAGA Period.

1 In order to be valid, your Request for Exclusion must be signed, dated and mailed by First Class
2 U.S. Mail, or the equivalent, postmarked no later than **[+60 days from date of mailing]** to:

3 **INSERT SETTLEMENT ADMINISTRATOR INFO**

4 Requests for Exclusion that do not include all required information and/or that are not timely
5 submitted will be deemed null, void, and ineffective. Class Members who fail to submit a valid
6 and timely Request for Exclusion on or before the above-specified deadline shall be bound by all
7 terms of the Settlement and any Final Judgment entered in the Action if the Settlement is
8 approved by the Court.

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

10 You will not get a class settlement payment if you exclude yourself from the Settlement.
11 However, you will still receive a PAGA Settlement Payment if you are eligible.

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

13 Yes, but not as to PAGA claims that are released by the Settlement. If you exclude yourself now
14 you will still get a pro rata share of the PAGA Settlement Payment if you are eligible for one.
15 You will not get an Individual Settlement Payment and you will not be bound by the non-PAGA
16 component of the Settlement.

17 **THE LAWYERS REPRESENTING YOU**

18 **13. Do I have a lawyer in this case?**

19 The Court has appointed Kevin R. Allen of Allen Attorney Group, PC and Nicolas Orihuela of
20 Orihuela Law Firm PC as class counsel. They represent the named Plaintiff and the Settlement
21 Class Members and PAGA Members in this lawsuit. Their contact information is listed in
22 Paragraph 21 ("Getting More Information").

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

24 Subject to Court approval, the Maximum Settlement Amount will be used to pay Class Counsel
25 their actual litigation costs and up to \$180,250.00 in attorneys' fees (i.e., 35% of the Maximum
26 Settlement Amount). It will also be used to pay Plaintiff up to \$7,500.00 as a "Class
27 Representative Enhancement Award" for his participation in this lawsuit and for taking on the
28 risk of litigation. The Maximum Settlement Amount will also be used to pay the Settlement
Administrator's costs and fees associated with administering the Settlement, estimated at
\$XXXXX.

The Court may award *less* than these amounts. If lesser amounts are awarded, the difference will
be distributed to Settlement Class Members as part of the Net Settlement Amount.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

If you do not think the Settlement is fair then you can tell the court why. This is referred to as an “objection.” In order to ensure the Court reviews your Objection, all written objections, and supporting papers, should be submitted no later than **[+60 days from mailing]**. You can submit your written objection via mail to the Settlement Administrator at the following address. In order to be timely it must have a U.S. Mail postmark no later than **[+60 days from date of mailing]**:

Settlement Administrator
[insert info]

A written objection must: (1) contain the name, address, telephone number, last four digits of the Social Security number, and signature of the Class Member; (2) contain the case name and number of the Action; (3) clearly indicate that the Class Member seeks to object to the Class Claims Settlement; (4) state the legal and factual basis for the objection; (5) state whether the Settlement Class Member intends to appear at the Final Approval Hearing; and (6) be postmarked or fax-stamped on or before the Response Deadline and returned to the Administrator at the specified address or fax telephone number. Late or incomplete objections may not be considered and may be deemed invalid by the Court.

You do not need to file a written objection. Any Class Member, or person purporting to object on behalf of any Class Member, may be received or considered by the Court at the Final Approval Hearing, regardless of whether a written notice of objection is filed or delivered to the Parties.

Any Settlement Class Member who files an objection remains eligible to get paid from the Settlement unless he or she submits a valid Request for Exclusion.

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.

THE COURT’S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the settlement. If you have filed an objection on time you may appear in person or via phone using a third-party service provider called CourtCall (*see* Section 15) 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 9 at the Superior Court of California for the County of Los Angeles, located at ADDRESS, **Los Angeles, California**. The hearing may be moved to a different date and/or time without additional notice. 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 only listen to people who have asked to speak at the hearing. The Court will also decide how much to pay Class Counsel in fees and costs. After the hearing, the Court will decide whether to approve the Settlement.

1 We do not know how long these decisions will take.

2 **18. Do I have to appear at the hearing?**

3 No. Class Counsel will answer any questions the judge may have. But, you are welcome to
4 come at your own expense. If you send a written objection, you don't have to come to Court to
5 talk about it. As long as you mailed your written objection to the Settlement Administrator on
6 time, the Court will consider it. You may also pay (at your own expense) another lawyer to
attend, but it is not required.

7 **19. May I speak at the hearing?**

8 You do not need to submit a written objection in order to appear at the hearing. Any Class
9 Member, or person purporting to object on behalf of any Class Member, may be received or
10 considered by the Court at the Final Approval Hearing, regardless of whether a written notice of
objection is filed or delivered to the Parties.

11 **IF YOU DO NOTHING**

12 **20. What happens if I do nothing at all?**

13 If you do nothing, you will bound by the releases described in this notice and will receive an
14 Individual Class Settlement Award and PAGA Award if you are eligible.

15 **GETTING MORE INFORMATION**

16 **21. How do I get more information?**

17 The above is a summary of the basic terms of the Settlement. For the precise terms and conditions
18 of the Settlement, you may review the detailed "Class Action and PAGA Settlement Agreement
19 and Release" which is on file with the Clerk of Court. The pleadings and other records in the
20 Action, including the proposed Settlement, may be examined at any time during regular business
21 hours at the Office of the Clerk of Court for the Superior Court of California, County of Los
Angeles, ADDRESS, California, ZIP. You may also review most of the filings, including the
initial complaint, the Motion for Preliminary Approval of the proposed Settlement, and the
Settlement itself on the Court's website.

22 If you want additional information about the Action and its proceedings, or copies of settlement
23 paperwork, then you may contact Class Counsel:

24 KEVIN R. ALLEN (SBN 237994)
ALLEN ATTORNEY GROUP PC
2121 N. California Blvd., Suite 290
Walnut Creek, CA 94596
Tel. (925) 695-4913
Fax (925) 334-7470
kevin@allenattorneygroup.com

NICOLAS ORIHUELA (SBN # 221898)
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no@orihuelalaw.com

Exhibit S2

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

MARCO GUTIERREZ, on behalf of himself and
all others similarly situated;

Plaintiff,

vs.

DEL WEST ENGINEERING, INC., a California
corporation, and DOES 1 through 50, inclusive;

Defendants.

CASE NO. 21STCV45477

**AMENDED CLASS ACTION AND
PAGA SETTLEMENT
AGREEMENT AND RELEASE**

Dept: Dept. 9
Judge: Hon. Yvette Palazuelos

Complaint Filed: December 14, 2021
Trial Date: None Set

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CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

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**AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND
RELEASE**

This Amended Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Marco Gutierrez (“Plaintiff”) and Defendant Del West Engineering, Inc. (“Defendant”) (collectively, “Parties”).

1. DEFINITIONS

Unless otherwise defined herein, initial capitalized terms used in this Agreement shall have the meanings set forth below:

1.1 “Action” means Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Marco Gutierrez, on behalf of himself and all others similarly situated v. Del West Engineering, Inc., et al.*, No. 21STCV45477, initiated on December 14, 2021 and pending in the Superior Court of the State of California, County of Los Angeles.

1.2 “Administrator” means Phoenix Class Action Administration Solutions (“Phoenix”), the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Class” or “Class Members” means all current and former individuals who have been employed by Del West Engineering, Inc. as a non-exempt employee in one or more of the job titles listed in Exhibit A herein within the State of California at any time during the Class Period; however, former employees who Defendant laid off in September 2019 as part of Defendant’s reduction in force and who received separation pay in exchange for a general release of claims are excluded from the Class and are not entitled to any additional payments provided in this Settlement.

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1.4 “Class Claims” means all claims and causes of action alleged in the Complaint except the claim under the Private Attorneys General Act (“PAGA”).

1.5 “Class Counsel” means Kevin R. Allen of Allen Attorney Group P.C., and Nicolas Orihuela of Orihuela Law Firm, PC.

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1.6 “Class Counsel Costs” means expenses and costs actually incurred by Class Counsel according to proof and subject to Court approval for Class Counsel’s litigation and resolution of this Action, not to exceed Eight Thousand, Five Hundred Dollars and No Cents (\$8,500). Class Counsel Costs shall be paid from the Maximum Settlement Amount. Any portion of the requested

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1 Class Counsel Costs that is not awarded to Class Counsel shall be a part of the Net Settlement
2 Amount and distributed to Settlement Class Members as provided in this Agreement.

3 1.7 "Class Information" means information regarding Class Members and PAGA
4 Members that Defendant will in good faith compile from its records and provide only to the
5 Settlement Administrator. Class Information shall be provided as a password-protected, Microsoft
6 Excel spreadsheet and shall include each Class and PAGA Member's: (a) full name; (b) last known
7 address; (c) last known telephone number; (d) Social Security number; (e) start date of employment
8 and/or assignment at Defendant; (f) end date of employment and/or assignment at Defendant; and
9 (g) Compensable Weeks (as defined below in Paragraph 1.14); and (h) Compensable Pay Periods
10 (as defined in Paragraph 1.13). Because Social Security numbers are included in the Class
11 Information, the Settlement Administrator shall maintain the Class Information in confidence, it
12 shall be transmitted in password-protected file(s), and access shall be limited to those with a need
13 to use the Class Information as part of the administration of the Settlement. The Class Information
14 shall not be provided to Class Counsel for any purpose but may be disclosed by the Settlement
15 Administrator to the extent necessary to resolve a dispute by a Class or PAGA Member regarding
16 their Compensable Weeks or Compensable Pay Periods.

17 1.8 "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and
18 resolution of this Action not to exceed Thirty-Five Percent (35%) of the Maximum Settlement
19 Amount (i.e., One Hundred Eighty Thousand, Two Hundred Fifty Dollars And Zero Cents
20 (\$180,250)), subject to approval by the Court. The Court shall review the requested amount of the
21 Class Counsel Award, and the approved amount shall be paid from the Maximum Settlement
22 Amount. Any portion of the requested Class Counsel Award that is not awarded to Class Counsel
23 shall be a part of the Net Settlement Amount and distributed to Settlement Class Members as
24 provided in this Agreement.

25 1.9 "Class Period" means the period from December 14, 2017 through and including
26 June 26, 2022 (i.e., 60 days from the date the Parties accepted the mediator's proposal).

27 1.10 "Class Representative" means Plaintiff Marco Gutierrez.

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1.11 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action. Class Counsel shall seek a Class Representative Service Payment for Plaintiff of up to Seven Thousand Five Hundred Dollars (\$7,500.00). Defendant agrees not to oppose the motion by Plaintiff for said Class Representative Service Payment, so long as the request does not exceed this amount. Any portion of the requested Class Representative Service Payment that is not awarded shall be a part of the Net Settlement Amount and distributed to Settlement Class Members as provided in this Agreement.

1.12 “Class Settlement Payment” means the net amount paid by check to each Settlement Class Member for their release of the Released Class Claims. The Class Settlement Payment Amounts shall be calculated pursuant to Paragraph 3.12.2.

1.13 “Compensable Pay Periods” means all pay periods in which a PAGA Member performed work for Defendant in California during the PAGA Period (as defined below in Paragraph 1.26).

1.14 “Compensable Weeks” means all weeks in which a Class Member performed work for Defendant in California during the Class Period.

1.15 “Complaint” means Plaintiff’s Complaint on file in the Action, including any and all amendments thereto.

1.16 “Court” shall mean the Superior Court of California for the County of Los Angeles.

1.17 “Defense Counsel” or “Counsel for Defendant” means Paul Hastings LLP, 515 South Flower Street, 25th Floor, Los Angeles, California 90071, c/o Leslie L. Abbott, Esq. and Austin Schulz, Esq.

1.18 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the date the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the last date when a timely

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notice of appeal from the Judgment may be filed; or (c) if a timely appeal from the Judgment is filed, the date the appellate court affirms the Judgment and issues a remittitur ("Final").

1.19 "Final Approval Hearing" means the hearing held on the motion for final approval of the Settlement.

1.20 "Final Approval Order and Judgment" means the Court's entry of an order granting final approval of the Settlement and entering judgment in this Action based thereon, in conformity with California Rules of Court rule 3.769(h).

1.21 "LWDA Payment" means 75% of the PAGA Payment, which will be paid to the California Labor Workforce Development Agency ("LWDA") per California Labor Code section 2699(i).

1.22 "Maximum Settlement Amount" means Five Hundred Fifteen Thousand Dollars and No Cents (\$515,000.00). Defendant's obligation to fund the Maximum Settlement Amount is limited to \$515,000.00 plus the employer's share of payroll taxes. No portion of the Maximum Settlement Amount will revert to Defendant.

1.23 "Net Settlement Amount" means the amount of monies available for distribution to Settlement Class Members, which shall be the Maximum Settlement Amount less the Class Counsel Award, Class Counsel Costs, Class Representative Service Payment, Settlement Administration Costs, and PAGA Payment.

1.24 "Notice of Class Action Settlement" or "Class Notice" means the Notice of Class Action Settlement, the form of which the Parties shall jointly prepare and submit to the Court for approval.

1.25 "PAGA Members" means all current and former individuals who have been employed by Del West Engineering, Inc. as a non-exempt employee in one or more of the job titles listed in Exhibit A herein within the State of California at any time during the PAGA Period.

1.26 "PAGA Payment" means the allocation of Thirty Thousand Dollars (\$30,000.00), payable from the Maximum Settlement Amount, subject to approval by the Court, for penalties under PAGA. 75% of the PAGA Payment is the LWDA Payment and will be paid to the LWDA.

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1 The remaining 25% of the PAGA Payment is the PAGA Settlement Payment and will be paid to
2 PAGA Members as described in Paragraph 3.12.4.

3 1.27 "PAGA Period" means the period from December 14, 2020 through and including
4 June 26, 2022 (i.e., 60 days from the date the Parties accepted the mediator's proposal).

5 1.28 "PAGA Settlement Payment" means the amount payable to each PAGA Member
6 for the release of his or her Released PAGA Claims, regardless of whether the PAGA Member
7 objects, opts out, or otherwise excludes himself or herself from the release of Released Class
8 Claims. The amount of the PAGA Settlement Payment distributed to each PAGA Member shall
9 be calculated pursuant to Paragraph 3.12.4 herein.

10 1.29 "Plaintiff" means Marco Gutierrez, the named plaintiff in the Action.

11 1.30 "Preliminary Approval" or "Preliminary Approval Date" means the date the Court
12 enters an Order preliminarily approving the Settlement.

13 1.31 "Preliminary Approval Order" means the Order granting preliminary approval of
14 the Settlement.

15 1.32 "Released Class Claims" means any and all wage-and-hour individual and class
16 claims, rights, demands, liabilities, and/or causes of action of every nature and description, arising
17 from or related to any and all claims during the Class Period that were asserted or could have been
18 asserted based on the facts alleged in the Complaint, including, without limitation, statutory,
19 constitutional, contractual, and/or common law claims for wages, damages, unpaid costs, penalties,
20 liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or
21 equitable relief.

22 1.33 "Released PAGA Claims" means any and all individual and representative PAGA
23 claims for civil penalties, attorneys' fees, and costs during the PAGA Period under California Labor
24 Code section 2698, *et seq.* and any applicable IWC Wage Order that were or could have been
25 asserted based on the facts alleged in the Complaint and Plaintiff's notice to the LWDA.

26 1.34 "Released Parties" means Del West Engineering, Inc., and all of its current and
27 former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their
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1 respective officers, directors, owners, employees, partners, shareholders, agents, attorneys,
2 insurers, and assigns, and each of them.

3 1.35 "Request for Exclusion" means a Class Member's request to be excluded from the
4 Class Settlement Payment that is made in conformity with this Agreement, the instructions in the
5 Class Notice, and the Court's orders, and that results in the Class Member not being bound by the
6 Released Class Claims. A Request for Exclusion shall not apply to eligible Class Members' (i.e.,
7 PAGA Members) receipt of a PAGA Settlement Payment and such Class Members shall remain
8 bound by the Released PAGA Claims regardless of their Request for Exclusion from the Class
9 Settlement Payment.

10 1.36 "Response Deadline" means the date that is sixty (60) calendar days after the
11 Settlement Administrator mails the Class Notice to Class Members and the last date on which Class
12 Members eligible for Class Settlement Payments only may: (a) postmark or fax a Request for
13 Exclusion to the Administrator (as set forth in Paragraph 3.6); (b) postmark or fax a Notice of
14 Objection (as set forth in Paragraph 3.7) to the Settlement to the Administrator; or (c) postmark or
15 fax a Dispute (as set forth in Paragraph 3.5) to the Settlement to the Administrator.

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16 1.37 "Settlement Account" means the account established by the Administrator pursuant
17 to the terms of this Stipulation into which all monies funded by Defendant under the terms of the
18 Settlement shall be deposited and from which all monies payable under the terms of this Settlement
19 shall be paid, as set forth herein.

20 1.38 "Settlement Administration Costs" means the amount to be paid to the Settlement
21 Administrator from the Maximum Settlement Amount for the administration of the Settlement. The
22 Settlement Administration Costs amount is presently estimated not to exceed Nine Thousand Five
23 Hundred Dollars (\$9,500.00). If the Settlement Administration Costs are awarded in an amount
24 less than Nine Thousand Five Hundred Dollars (\$9,500.00), the unawarded portion shall be a part
25 of the Net Settlement Amount and distributed to Settlement Class Members as provided in this
26 Agreement.

27 1.39 "Settlement Class Members" or "Settlement Class" means all Class Members who
28 do not submit a valid and timely Request for Exclusion.

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2. **RECITALS**

2.1 Description and Procedural Posture of the Litigation. On December 14, 2021, Plaintiff filed the Action, alleging claims for: (i) unpaid minimum and overtime wages, (ii) unpaid meal period and rest period compensation, (iii) failure to pay all wages on a timely basis and at termination, (iv) failure to provide accurate itemized wage statements, and (viii) violation of the California Business and Professions Code. The Parties engaged in informal, confidential discovery for the purpose of settlement discussions. On April 21, 2022, the Parties attended a mediation with Dennis F. Moss, Esq. in an attempt to resolve the Action. Following the mediation, the parties accepted a mediator's proposal that resolved the Action, which included that Plaintiff would file an amended Complaint to add a PAGA claim prior to seeking preliminary approval of this Settlement, and that is now documented in this Class Action and PAGA Settlement Agreement and Release.

2.2 Certification of the Settlement Class. The Parties stipulate and agree to the certification of this Action for purposes of this Settlement only. Should the Settlement not become final and effective as herein provided, class certification shall immediately be set aside (subject to further proceedings on motion of any party to certify or deny certification thereafter). The Parties' willingness to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in or considered in connection with, the issue of whether a class should be certified in a non-settlement context in this Action and shall have no bearing on, and shall not be admissible or considered in connection with, the issue of whether a class should be certified in any other lawsuit.

2.3 Benefits of Settlement to Class Members and PAGA Members. Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate their disputes through trial and through any possible appeals. Plaintiff and Class Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendant's defenses thereto (many of which have been shared during the course of the Parties' extensive settlement negotiations), and potential difficulties in establishing damages

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1 and entitlement to monetary recovery including civil penalties for the PAGA Members. Plaintiff
2 and Class Counsel have also taken into account Defendant's agreement to enter into a settlement
3 that confers substantial relief upon Class Members and PAGA Members based on the terms set
4 forth herein. Based on the foregoing, Plaintiff and Class Counsel have determined that the
5 Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement and is in the
6 best interests of the Class Members and PAGA Members.

7 2.4 Defendant's Reasons for Settlement. Defendant has concluded that any further
8 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
9 time, energy, and resources of Defendant have been and, unless this Settlement is made, will
10 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken
11 into account the risks of further litigation in reaching its decision to enter into this Settlement.
12 Despite continuing to contend that it is not liable for any of the claims set forth by Plaintiff in the
13 Action, Defendant has, nonetheless, agreed to settle in the manner and upon the terms set forth in
14 this Agreement to put to rest the claims alleged in the Action.

15 2.5 Class Members' Claims. Plaintiff, on behalf of Class Members and PAGA
16 Members, has claimed and continues to claim that the Released Class Claims and Released PAGA
17 Claims have merit and give rise to liability on the part of Defendant. This Agreement constitutes
18 Plaintiff's good faith compromise of disputed claims. Nothing contained in this Agreement (and
19 exhibits/attachments hereto), no documents referred to herein, and no action taken to carry out this
20 Agreement may be construed or used as an admission by or against the Class Members, PAGA
21 Members or Class Counsel as to the merits or lack thereof of the claims asserted.

22 2.6 Defendant's Defenses. Defendant has claimed and continues to claim that the
23 Released Class Claims and Released PAGA Claims have no merit and do not give rise to liability.
24 Moreover, Defendant contends that a substantial number of Defendant's employees entered into
25 enforceable arbitration agreements which require them to individually arbitrate all of their claims
26 in the Action. This Agreement constitutes Defendant's good faith compromise of disputed claims.
27 Nothing contained in this Agreement, no documents referred to herein, and no action taken to carry
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1 out this Agreement may be construed or used as an admission by or against Defendant as to the
2 merits or lack thereof of the claims asserted.

3 2.7 Maximum Amount Payable by Defendant. Under the terms of this Settlement, the
4 maximum amount payable by Defendant shall not exceed the Maximum Settlement Amount.
5 However, notwithstanding the foregoing, in addition to the Maximum Settlement Amount,
6 Defendant shall also pay the employer share of payroll taxes due and payable on Class Settlement
7 Payments as a result of this Settlement.

8 3. TERMS OF AGREEMENT

9 The Parties agree as follows:

10 3.1 Releases Given by Plaintiff and the Settlement Class.

11 3.1.1 As To All Settlement Class Members and PAGA Members. As of the date
12 Defendant funds the Settlement (as set forth in Paragraph 3.10) all Settlement Class Members,
13 including Plaintiff, release the Released Parties from the Released Class Claims, and all PAGA
14 Members, including Plaintiff, release the Released PAGA Claims.

15 3.1.2 General Release of Class Representative's Claims. Plaintiff releases and
16 discharges all Released Parties from any and all claims relating to or arising from his employment
17 with Defendant including but not limited to: any and all wage-and-hour claims arising under the
18 laws of the State of California, including, without limitation, statutory, constitutional, contractual,
19 and/or common law claims for wages, damages, restitution, unreimbursed expenses, equitable
20 relief, penalties, liquidated damages, and/or punitive damages (including, without limitation, claims
21 under any applicable Industrial Welfare Commission Wage Order, the California Private Attorneys
22 General Act, or any other provision of the California Labor Code); 42 U.S.C. § 1981; the Americans
23 With Disabilities Act; the Family and Medical Leave Act; the Fair Labor Standards Act; the
24 Employee Retirement Income Security Act; the Occupational Safety and Health Act; the Worker
25 Adjustment and Retraining Notification Act, as amended; the California Unfair Competition Law
26 (Cal. Bus. & Prof. Code § 17200, *et seq.*); any state, civil, or statutory laws, including any and all
27 human rights laws and laws against discrimination; any other federal, state, or local statutes, codes,
28 or ordinances; any common law, contract law, or tort law cause of action; and any claims for
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1 interest, attorneys' fees, and/or costs. Plaintiff expressly waives the protections of California Civil
2 Code section 1542, which reads as follows:

3 A general release does not extend to claims that the creditor or releasing party does
4 not know or suspect to exist in his or her favor at the time of executing the release
5 and that, if known by him or her would have materially affected his or her
6 settlement with the debtor or released party.

7 The foregoing General Release provided by Plaintiff does not release, or in no way impacts, (i) any
8 workers compensation claim(s) Plaintiff has or may have against Defendant, or (ii) Plaintiff's
9 individual employment claims in the separate complaint captioned *Marco Gutierrez v. Del West*
10 *Engineering, Inc.* (Los Angeles Superior Court No. 21STCV18645) and/or the Parties' confidential
11 settlement agreement that was reached therein.

12 3.2 Tax Liability. The Parties make no representations as to the tax treatment or legal
13 effect of the payments called for hereunder, and Class Members and PAGA Members are not
14 relying on any statement or representation by the Parties in this regard. Class Members and PAGA
15 Members understand and agree that they will be responsible for the payment of any taxes and
16 penalties assessed on the payments described herein and will hold the Parties free and harmless
17 from and against any claims resulting from treatment of such payments as non-taxable damages,
18 including the treatment of such payments as not subject to withholding or deduction for payroll and
19 employment taxes.

20 3.3 Settlement Approval and Implementation Procedures. As part of this Settlement,
21 the Parties agree to the following procedures for obtaining the Court's preliminary approval of the
22 Settlement, certifying a Class for settlement purposes only, notifying Class Members and PAGA
23 Members of the Settlement, obtaining the Court's final approval of the Settlement, and processing
24 the Class Settlement Payments and PAGA Settlement Payments.

25 3.3.1 Preliminary Approval and Certification. The Parties will jointly submit this
26 Stipulation to the Court for its preliminary approval. Such submission will include this Agreement,
27 the proposed Class Notice, and any motions, memoranda, and evidence as may be necessary for
28 the Court to determine that this Agreement is fair, adequate, and reasonable. The Parties agree to
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request the Court to enter an order approving the certification of the Class after the preliminary approval hearing in accordance with California Rules of Court rule 3.769(c).

3.3.2 Class Information. No more than fourteen (14) days after the entry of the Preliminary Approval Order, Defendant shall provide the Administrator with the Class Information for purposes of administering the Settlement.

3.3.3 Efforts to Locate Class Members and PAGA Members. The Parties agree that locating and contacting Class Members and PAGA Members is an important and material aspect of the Settlement. In this regard, the Administrator shall undertake diligent efforts to locate Class Members and PAGA Members and utilize the best practicable means available for purposes of verifying and/or updating the current address and telephone numbers for all Class Members (including skip tracing). After updating against the National Change of Address Database, the address(es) identified by the Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member and PAGA Member. The cost of diligently attempting to find the best contact information of the Class Members and PAGA Members shall be included in the Settlement Administration Costs and Defendant shall not, under any circumstances, be required to pay any additional funds for the investigatory duties to be performed by the Administrator.

3.3.4 Notice By First Class U.S. Mail. No more than fourteen (14) calendar days after receiving the Class Information from Defendant as provided herein, the Administrator shall mail copies of the Class Notice to all Class Members and PAGA Members by First-Class U.S. Mail. Prior to mailing the Class Notices, the Administrator will use the United States Postal Service National Change of Address Database to locate updated addresses to ensure that the Class Notice is sent to all Class Members and PAGA Members at the addresses most likely to result in receipt of the Class Notice. It will be conclusively presumed that, if an envelope so mailed has not been returned by the Response Deadline, the Class Member and/or PAGA Member received the Class Notice.

3.3.5 Undeliverable Notices. Any Class Notice that is returned to the Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the [LEGAL_US_W # 114571926.1](#)

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1 forwarding address affixed thereto, if any. If no forwarding address is provided, the Settlement
2 Administrator shall make any further reasonable efforts to obtain an updated mailing address within
3 two (2) business days of the date of the return of the Class Notice, including, without limitation,
4 conducting one skip trace search. If an updated mailing address is identified, the Administrator
5 shall re-send the Class Notice to the Class Member and/or PAGA Member. Class Members to
6 whom a Class Notice is re-sent after having been returned undeliverable to the Administrator shall
7 have fourteen (14) calendar days thereafter or until the Response Deadline has expired, whichever
8 is later, to mail or fax the Request for Exclusion, Notice of Objection, or Dispute. A Class Notice
9 that is re-sent shall inform the recipient of this adjusted deadline. The date of the postmark of the
10 submission, either based on the date on the return envelope or the date of the fax stamp, shall be
11 the exclusive means used to determine whether a Class Member has timely returned his or her
12 Request for Exclusion, Notice of Objection, or Dispute. Unless otherwise agreed by the Parties,
13 Requests for Exclusion, Notices of Objection, or Disputes shall be deemed valid only if they are
14 signed by the Class Member and postmarked or fax stamped on or before the applicable deadline.
15 If a Class Member's Class Notice is returned to the Administrator more than once as non-
16 deliverable, then the Administrator shall not be required to undertake any additional re-mailing of
17 the returned Class Notice.

18 3.3.6 Compliance with the procedures specified in Paragraphs 3.3.2 through 3.3.5
19 herein shall constitute due and sufficient notice to Class Members of this Settlement and shall
20 satisfy the requirement of due process. Nothing else shall be required of, or done by, the Parties,
21 Class Counsel, and Defense Counsel to provide notice of the proposed Settlement.

22 3.4 Translation of Class Notice. A Spanish and English version of the Class Notice will
23 be mailed to each Class Member. The Administrator shall be responsible for translating the Class
24 Notice from English to Spanish. Costs of translation are included in the Settlement Administration
25 Costs.

26 3.5 Disputes. Class Members and PAGA Members will have the opportunity, should
27 they disagree with Defendant's records regarding their Compensable Weeks for their Class
28 Settlement Payment as stated on their Class Notice, to dispute this information by submitting a
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1 written letter (“Dispute”) to the Administrator that: (1) contains the name, address, telephone
2 number, last four digits of the Social Security number, and signature of the Class Member; (2)
3 contains the case name and number of the Action; (3) clearly indicates that the Class Member seeks
4 to dispute his or her Compensable Weeks for their Class Settlement Payment; (4) provides
5 documentation and/or an explanation to show contrary Compensable Weeks; and (5) is postmarked
6 or fax-stamped by the Response Deadline and returned to the Settlement Administrator at the
7 specified address or fax telephone number. If there is a Dispute, the Administrator will consult
8 with the Parties to determine whether an adjustment is warranted. Defendant’s records will be
9 presumed determinative, but the Administrator and Parties will determine whether an adjustment
10 is warranted.

11 3.6 Requests for Exclusion (Opt Outs). The Class Notice shall state that Class Members
12 who wish to exclude themselves from the Class Settlement Payment and Released Class Claims
13 must submit a written statement to the Administrator (“Request for Exclusion”). The Request for
14 Exclusion must: (1) contain the name, address, telephone number, last four digits of the Social
15 Security number, and signature of the Class Member; (2) contain the case name and number of the
16 Action; (3) clearly indicate that the Class Member seeks to exclude him or herself from the Class
17 Settlement Payment and Released Class Claims; and (4) be postmarked or fax-stamped on or before
18 the Response Deadline and returned to the Administrator at the specified address or fax telephone
19 number. Any Class Member who requests to be excluded from the Class Settlement Payment will
20 not be entitled to any recovery for the Class Claims under the Settlement and will not be bound by
21 the terms of the Settlement with respect to the Class Claims or have any right to object, appeal, or
22 comment thereon. Class Members who receive a Class Notice but fail to submit a valid and timely
23 Request for Exclusion shall be bound by all terms of the Settlement and any Final Approval Order
24 and Judgment entered in this Action if the Settlement is approved by the Court. No later than
25 fourteen (14) calendar days after the Response Deadline, the Administrator shall provide Defense
26 Counsel with a complete list of all members of the Class who have timely submitted Requests for
27 Exclusion. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage
28 members of the Class to submit Requests for Exclusion from the Settlement. Any Class Member
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1 who submits a valid and timely Request for Exclusion shall forfeit his or her right to receive a Class
2 Settlement Payment under this Agreement, the amount of which will be part of the Net Settlement
3 Amount to be distributed to Settlement Class Members as provided in this Agreement, but will still
4 release the Released PAGA Claims and receive a PAGA Settlement Payment (if eligible).

5 3.7 Objections. The Class Notice shall state that Settlement Class Members (*i.e.*,
6 Class Members who have not excluded themselves from the Settlement) who wish to object to the
7 Class Claims Settlement must submit a written statement of objection (“Notice of Objection”) on
8 or before the Response Deadline to the Administrator. The Notice of Objection must: (1) contain
9 the name, address, telephone number, last four digits of the Social Security number, and signature
10 of the Class Member; (2) contain the case name and number of the Action; (3) clearly indicate
11 that the Class Member seeks to object to the Class Claims Settlement; (4) state the legal and
12 factual basis for the objection; (5) state whether the Settlement Class Member intends to appear at
13 the Final Approval Hearing; and (6) be postmarked or fax-stamped on or before the Response
14 Deadline and returned to the Administrator at the specified address or fax telephone number. The
15 Administrator shall within five (5) calendar days of receiving a Notice of Objection provide the
16 Parties with copies of the Notices of Objection. The Administrator will lodge all Notices of
17 Objection that it receives with the Court by attaching them to its declaration to be filed with the
18 Court in support of the motion for final approval of the Settlement.

19 3.8 No Solicitation of Objections or Requests for Exclusion. The Parties agree to use
20 their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or
21 their counsel seek to solicit or otherwise encourage Class Members to submit Requests for
22 Exclusion or Notices of Objection or to appeal from the Court’s Final Approval Order and
23 Judgment.

24 3.9 Uncashed Checks. If a Settlement check is returned to the Administrator as
25 undeliverable within thirty (30) calendar days of mailing to a Settlement Class Member, the
26 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace
27 search and, if another address is identified, shall re-mail the check to the newly identified address.

28 No portion of the Maximum Settlement Amount will revert to Defendant. If a Settlement check is
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not cashed or deposited within one hundred eighty (180) calendar days after the date it is mailed to a Settlement Class Member, it will be voided. The funds associated with such voided checks will be transmitted to the Unclaimed Property Fund maintained by the State Controller's Office in the names of the Settlement Class Members whose checks are voided after the second distribution to Class Members is completed (as set forth in paragraph 3.11). Settlement checks in the first distribution to Class Members (as set forth in paragraph 3.11) that are not cashed/deposited shall not be sent to the Unclaimed Property Fund; instead, their first distribution checks shall be voided by the Administrator prior to the second distribution, and the uncashed funds from the first distribution shall be included in their respective second distribution settlement checks.

3.10 Funding of Settlement. Defendant is required to fully fund and pay Five Hundred Fifteen Thousand Dollars (\$515,000.00) of the Maximum Settlement Amount on the earlier of July 1, 2023 or seven (7) days after the Effective Date of the Settlement. Defendant shall provide the funds for the Settlement to the Administrator by wire transfer. The Administrator shall deposit the funds in the Settlement Account.

3.11 Settlement Distributions. The Administrator will retain the funds from Defendant in its trust account and shall distribute it the latter of fourteen (14) days after the Effective Date of the Settlement or the date of the funding. The foregoing timing of the distribution, as approved by the Court, shall apply to: (1) the Class Settlement Payment to Settlement Class Members; (2) the Class Representative Service Payment; (3) the Class Counsel Award and Class Counsel Costs; (4) the Settlement Administration Costs; and (5) the PAGA Payment to the LWDA and eligible PAGA Members. No portion of the Maximum Settlement Amount will revert to Defendant.

3.12 Class Settlement Payments and PAGA Settlement Payments.

3.12.1 Class Settlement Payments and PAGA Settlement Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' last known mailing address.

3.12.2 Each Settlement Class Member's share of the Net Settlement Amount shall be determined as follows:

- Total Workweeks = (1 x all Covered Employee Weeks)
- Workweek Value = Net Settlement Amount ÷ Total Workweeks

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Deleted: ; and (2) Defendant will fund the second installment on the earlier of July 1, 2023 or six (6) months after the date the first installment was funded ("Installment Funding Schedule").

Deleted: after receiving each installment according to the Installment Funding Schedule,

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Deleted: the first installment is funded; (2) the second distribution will be made within fourteen (14) days after receipt of the second installment ("Settlement Distribution Schedule").

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- Individual Class Settlement Payment = [(1 x individual Covered Employee Weeks) x Workweek Value

3.12.3 Class Settlement Payments (as defined in Paragraph 3.12.2) will be allocated for tax purposes as follows: thirty-three point three percent (33.3%) as wages and sixty-six point seven percent (66.7%) as interest/penalties/non-wage damages. The wages portion of each Class Settlement Payment will be reduced by any legally-mandated deductions for payroll taxes or other required employee-side taxes and withholdings. Defendant's share of any employer-related payroll taxes will be paid by Defendant separately and in addition to the Maximum Settlement Amount. The Administrator shall issue the appropriate tax documents associated with the Class Settlement Payments and PAGA Settlement Payments, including an IRS Form W-2 for the amounts allocated as wages and an IRS Form 1099 for the amounts allocated as interest/penalties/non-wage damages.

3.12.4 The PAGA Settlement Payments payable to each PAGA Member shall be determined as follows:

- Pay Period Value = PAGA Settlement Amount ÷ total Compensable Pay Periods
- Individual PAGA Settlement Payment = individual Compensable Pay Periods x Pay Period Value

The PAGA Settlement Payments are considered to be entirely civil penalties and will be paid without reduction for any taxes or other withholdings and will be reported on an IRS Form 1099 (if required). The Administrator shall issue the appropriate tax documents associated with the PAGA Settlement Payments.

3.12.5 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 the Settlement. Except for the Class Representative's Enhancement Award, Class Members and PAGA Members are not eligible to receive any compensation other than Class Settlement Payments and, if eligible, PAGA Settlement Payments, as a result of this Settlement.

3.13 Class Representative Service Payment. Defendant agrees not to oppose or object to any application or motion by Plaintiff to be appointed Class Representative and for a Class [LEGAL_US_W # 114571926.1](#)

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1 Representative Service Payment of up to Seven Thousand Five Hundred Dollars (\$7,500.00). Any
2 portion of the requested Class Representative Service Payment that is not awarded shall be a part
3 of the Net Settlement Amount to be distributed to Settlement Class Members as provided in this
4 Agreement. The Class Representative Service Payment is intended to be in recognition of the Class
5 Representative's efforts and time as Class Representative. The Administrator shall issue an IRS
6 Form 1099-MISC to Plaintiff for his Class Representative Service Payment. Plaintiff shall be
7 solely and legally responsible to pay any and all applicable taxes on his Class Representative
8 Service Payment and shall hold harmless Defendant from any claim or liability for taxes, penalties,
9 or interest arising as a result of the Class Representative Service Payment. The Class
10 Representative Service Payment shall be in addition to Plaintiff's Class Settlement Payment and
11 PAGA Settlement Payment for which he is eligible. In the event the Court reduces or does not
12 approve the requested Class Representative Service Payment, Plaintiff shall not have the right to
13 revoke his agreement to the Settlement, which shall remain legally binding and enforceable on the
14 Parties.

15 3.14 Class Counsel Award and Class Counsel Costs. Defendant agrees not to oppose or
16 object to any application or motion by Class Counsel for attorneys' fees not to exceed thirty-five
17 percent (35%) (i.e., One Hundred Eighty Thousand Two Hundred Fifty Dollars And Zero Cents
18 (\$180,250) of the Maximum Settlement Amount and Class Counsel Costs not to exceed Eight
19 Thousand five Hundred Dollars and No Cents (\$8,500.00), as supported by declarations from Class
20 Counsel, from the Maximum Settlement Amount. Class Counsel shall be solely and legally
21 responsible to pay all applicable taxes on the payment made pursuant to this Paragraph. The
22 Administrator shall issue an IRS Form 1099-MISC to Class Counsel for the payments made
23 pursuant to this Paragraph. In the event the Court reduces or does not approve the requested Class
24 Counsel Award and/or Class Counsel Costs, the Settlement shall remain legally binding and
25 enforceable on the Parties. Any amount requested by Class Counsel for the Class Counsel Award
26 and/or Class Counsel Costs and not granted by the Court shall be included in the Net Settlement
27 Amount before it is distributed as provided in this Agreement.

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1 3.15 PAGA Payment. Subject to approval by the Court, the Parties shall allocate a total
2 of Thirty Thousand Dollars (\$30,000.00) for payment of penalties pursuant to PAGA per California
3 Labor Code section 2699(i) (*i.e.*, the PAGA Payment). 75% of the PAGA Payment (*i.e.*,
4 \$22,500.00) will be paid to California's Labor Workforce Development Agency ("LWDA") from
5 the Maximum Settlement Amount (*i.e.*, the LWDA Payment) by the Settlement Administrator. The
6 remaining 25% of the PAGA Payment (\$7,500.00) shall be distributed to PAGA Members as
7 described in Paragraph 3.12.4 (*i.e.*, the PAGA Settlement Payment). It is intended by the Parties
8 that the LWDA Payment shall satisfy the distribution requirements of Cal. Lab. Code § 2698, *et*
9 *seq.* If the Court awards a lesser amount for the PAGA Payment, then the LWDA Payment shall
10 be adjusted to 75% of the Court-approved amount, and the PAGA Settlement Payment shall be
11 adjusted to 25% of the Court-approved amount.

12 3.16 Plaintiff's Option to Terminate Settlement. Defendant represented that there were
13 18,515 Compensable Weeks during the Class Period through March 22, 2022. If the total number
14 of Compensable Weeks exceeds this figure by fifteen (15%) (*i.e.*, 21,292 Compensable Weeks) or
15 higher by the date sixty (60) days from the date the Parties accepted the mediator's proposal (*i.e.*,
16 June 26, 2022), then the Parties will meet and confer in good faith regarding a potential proportional
17 increase in the Maximum Settlement Amount based on the Compensable Weeks in excess of
18 18,515. If the Parties do not agree, then Plaintiff, in his sole discretion, may nullify this Settlement
19 in its entirety by giving notice to Defendant, in conformity with Paragraph 3.37 herein.

20 3.17 Defendant's Option to Terminate Settlement. If ten percent (10%) or more of the
21 Class Members, or a number of Class Members whose Class Settlement Payments represent ten
22 percent (10%) or more of the total of all Class Settlement Payments, validly elect not to participate
23 in the Settlement, Defendant will have the right to rescind the Settlement, and the Settlement and
24 all actions taken in its furtherance will be null and void. Defendant must exercise this right within
25 fifteen (15) days after the Administrator notifies the Parties of the number of opt-outs, which the
26 Administrator will do within ten (10) days after the deadline for submission of opt-outs. If
27 Defendant exercises the right to rescind, it will be responsible for the costs of administration of the
28 Settlement incurred through that time. If the option to terminate this Settlement is exercised by
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1 Defendant, Defendant shall exercise it by providing written notice to Class Counsel, in conformity
2 with Paragraph 3.37 herein.

3 3.18 Settlement Administration Costs. The Administrator shall be paid for the costs of
4 administration of the Settlement from the Maximum Settlement Amount. Such costs of
5 administration are estimated not to exceed Nine Thousand Five Hundred Dollars (\$9,500.00). No
6 fewer than twenty-one (21) calendar days prior to the Final Approval Hearing, the Administrator
7 shall provide the Parties with a statement detailing the costs of administration. The Administrator,
8 on Defendant's behalf, shall have the authority and obligation to make payments, credits, and
9 disbursements, including payments and credits in the manner set forth herein, to Settlement Class
10 Members and PAGA Members calculated in accordance with the methodology set out in this
11 Agreement and orders of the Court. The Parties agree to cooperate in the Settlement administration
12 process and to make all reasonable efforts to control and minimize the cost and expenses incurred
13 in administration of the Settlement. The Parties each represent they do not have any financial
14 interest in the Administrator or otherwise have a relationship with the Administrator that could
15 create a conflict of interest. The Administrator shall be responsible for: processing and mailing
16 payments to Plaintiff, Class Counsel, Class Members, PAGA Members, and the LWDA; printing
17 and mailing the Class Notice to the Class Members as directed by the Court; receiving and reporting
18 the Requests for Exclusion, Disputes, or Notices of Objection submitted by Class Members
19 (including providing weekly status reports); providing declaration(s) as necessary in support of
20 preliminary and/or final approval of this Settlement; payment of all applicable payroll taxes and
21 withholding and reporting of such payments; and other tasks as the Parties mutually agree or the
22 Court orders the Administrator to perform. The Administrator shall keep the Parties timely
23 apprised of the performance of all Administrator responsibilities. Any legally-mandated tax
24 reports, tax forms, tax filings, or other tax documents required by administration of this Agreement
25 shall be prepared by the Administrator. Any expenses incurred in connection with such preparation
26 shall be a cost of administration of the Settlement.

27 3.19 Final Approval Hearing. At a reasonable time following the Response Deadline,
28 the Court shall hold the Final Approval Hearing, where objections, if any, may be heard, and the
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1 Court shall determine amounts properly payable for (i) the Class Counsel Award and Class Counsel
2 Costs, (ii) the Class Representative Service Payment, (iii) the PAGA Payment, and (iv) the
3 Settlement Administration Costs. The Court will hear from any Class Member who attends the
4 Final Approval Hearing and asks to speak regardless of whether the Class Member complied with
5 the Objection procedures in section 3.7.

6 3.20 Entry of Judgment. If the Court approves this Settlement at the Final Approval
7 Hearing, the Parties shall request that the Court enter judgment, with the Court retaining jurisdiction
8 over the Parties to enforce the terms of the judgment, pursuant to California Rules of Court rule
9 3.769. To provide notice of judgment to the Class, the Administrator will post the Court's Final
10 Approval Order and Judgment on its website for sixty (60) calendar days after the date of entry of
11 the Final Approval Order and Judgment, and no individualized notice will be required.

12 3.21 Nullification of Settlement Agreement. In the event: (i) the Court does not enter the
13 Preliminary Approval Order as provided herein; (ii) the Court does not grant final approval of the
14 Settlement as provided herein; (iii) the Court does not enter a Final Approval Order and Judgment
15 as provided herein; or (iv) the Settlement does not become final for any other reason, this Settlement
16 Agreement shall be null and void and any order or judgment entered by the Court in furtherance of
17 this Settlement shall be treated as void from the beginning. However, notwithstanding the
18 foregoing, the Parties will cooperate to obtain a Preliminary Approval Order and Final Approval
19 Order from the Court. In such a case, the Parties and any funds to be awarded under this Settlement
20 shall be returned to their respective statuses as of the date and time immediately prior to the
21 execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had
22 not been executed, except that any fees already incurred by the Settlement Administrator shall be
23 paid by the Parties in equal shares. In the event an appeal is filed from the Court's Final Approval
24 Order and Judgment, or any other appellate review in this action is sought, administration of the
25 Settlement shall be stayed pending final resolution of the appeal or other appellate review.

26 3.22 No Admission by Defendant. Defendant denies any and all claims alleged in this
27 Action and denies all wrongdoing whatsoever. This Agreement is not a concession or admission
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1 and shall not be used against Defendant as an admission or indication with respect to any claim of
2 any fault, concession, or omission by Defendant.

3 3.23 Dispute Resolution. Except as otherwise set forth herein, all disputes concerning
4 the interpretation, calculation of payment of settlement claims, or other disputes regarding
5 compliance with this Agreement shall be resolved as follows:

6 3.23.1 If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class
7 Members and/or PAGA Member, or Defendant, at any time believe that the other Party has
8 breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of
9 the alleged violation.

10 3.23.2 Upon receiving notice of the alleged violation or dispute, the responding
11 party shall have ten (10) business days to correct the alleged violation and/or respond to the
12 initiating party with the reasons why the Party disputes all or part of the allegation.

13 3.23.3 If the response does not address the alleged violation to the initiating party's
14 satisfaction, the Parties shall negotiate in good faith for up to ten (10) business days to resolve their
15 differences.

16 3.23.4 If thereafter the Parties still cannot resolve the dispute, the parties shall
17 utilize the services of Dennis F. Moss, Esq., in a good-faith attempt to mediate and resolve the
18 dispute, with the expense of the mediator to be shared equally by the Parties. If Mr. Moss is not
19 available to mediate the dispute, and the Parties do not agree to a different mediator, or either Party
20 desires to forego mediation of the dispute, the dispute may be submitted directly to the Court as set
21 forth in Paragraph 3.23.5.

22 3.23.5 If the Parties are thereafter still unable to resolve their differences after
23 twenty (20) business days, either Party may file a motion with the Court, including and not limited
24 to, pursuant to California Rules of Court rule 3.769 and/or California Civil Procedure Code section
25 664.6.

26 3.24 Exhibits and Headings. The terms of this Agreement include the terms set forth in
27 the attached Exhibit, which are incorporated by this reference as though fully set forth herein. The
28 Exhibit to this Agreement is an integral part of the Settlement. The descriptive headings of any
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1 paragraphs or sections of this Agreement are inserted for convenience of reference only and do not
2 constitute a part of this Agreement.

3 3.25 Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
4 subject to necessary compliance with the Court's orders, except such proceedings necessary to
5 implement and complete the Settlement, in abeyance pending the Final Approval Hearing to be
6 conducted by the Court.

7 3.26 Amendment or Modification. This Agreement may be amended or modified only
8 by a written instrument signed by counsel for all Parties or their successors-in-interest and approved
9 by the Court.

10 3.27 Entire Agreement. This Agreement and attached Exhibit A constitute the entire
11 Agreement among the Parties, and no oral or written representations, warranties, or inducements
12 have been made to any Party concerning this Agreement or Exhibit A other than the representations,
13 warranties, and covenants contained and memorialized in the Agreement and Exhibit A.

14 3.28 Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
15 and represent they are expressly authorized by the Parties whom they represent to negotiate this
16 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
17 pursuant to this Agreement to effectuate its terms and to execute any other documents required to
18 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
19 and use their best efforts to effect the implementation of the Settlement. In the event the Parties
20 are unable to reach agreement on the form or content of any document needed to implement the
21 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms
22 of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.
23 The persons signing this Agreement on behalf of Defendant represent and warrant that they are
24 authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that he
25 is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim,
26 covered by this Settlement to a third party.

27 3.29 Binding Nature of Agreement. This Agreement shall be binding upon, and inure to
28 the benefit of, the successors, heirs, assigns, and third-party beneficiaries of the Parties hereto, as
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1 previously defined. To the extent permitted by law, the PAGA Members and Settlement Class
2 Members shall also be bound by this Agreement and any judgment relating thereto.

3 3.30 California Law Governs. All terms of this Agreement shall be governed by and
4 interpreted according to the laws of the State of California.

5 3.31 This Settlement is Fair, Adequate, and Reasonable. The Parties believe and stipulate
6 that this Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at
7 this Settlement after extensive, arm's-length, non-collusive negotiations, taking into account all
8 relevant factors, present and potential.

9 3.32 Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction
10 with respect to the interpretation, implementation, and enforcement of the terms of this Agreement
11 and all orders and judgments entered in connection therewith, and the Parties and their counsel
12 hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and
13 enforcing the Settlement embodied in this Agreement and all orders and judgments entered in
14 connection therewith.

15 3.33 Invalidity of Any Provision. Before declaring any provision of this Agreement
16 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible
17 consistent with applicable precedents so as to define all provisions of this Agreement valid and
18 enforceable.

19 3.34 No Right to Terminate Based on Reduction of Class Counsel Award or Class
20 Counsel Costs. The Parties agree that any reduction in the Class Counsel Award and Class Counsel
21 Costs shall not constitute grounds to terminate or void the Settlement or otherwise increase the
22 maximum amount payable by Defendant under this Agreement, which shall not exceed the
23 Maximum Settlement Amount defined herein.

24 3.35 Cooperation. The Parties agree to cooperate fully with one another to accomplish
25 and implement the terms of this Settlement. Such cooperation shall include, but not be limited to,
26 execution of such other documents and taking of such other actions as may be reasonably necessary
27 to timely fulfill the terms and approval by the Court of this Settlement. The Parties to this
28 Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any
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1 other efforts that may become necessary by Court order or otherwise, to effectuate this Settlement
2 and the terms set forth herein.

3 3.36 Publicity. Plaintiff and Class Counsel agree that they will not issue (before the date
4 of the filing of the motion for preliminary approval of this Settlement) any press releases, initiate
5 any contact with the press, respond to any press inquiry, post any new material on any internet
6 websites, or have any communication with the press about the Action, and/or the fact, amount, or
7 terms of the Settlement. Before the date of the filing of the motion for preliminary approval of the
8 Settlement, Plaintiff and Class Counsel will not initiate any contact with the Class Members, the
9 PAGA Members, or anyone else about the Settlement, except that: (a) Class Counsel, if contacted
10 by a Class Member or a PAGA Member, may respond that a settlement has been reached and that
11 the details will be communicated in a forthcoming Court-approved notice; and (b) Plaintiff, if
12 contacted by a Class Member or a PAGA Member, may respond only that the Class Member or
13 PAGA Member should contact Class Counsel. Nothing in this paragraph shall prevent Class
14 Counsel and Plaintiff from undertaking all required submissions to the LWDA as required by the
15 PAGA statute in connection with this Settlement. Class Counsel and Plaintiff will also provide
16 Defendant's Counsel with a copy of the papers submitted to the LWDA, either prior to or on the
17 same day as the submission to the LWDA.

18 3.37 Notices. Unless otherwise specifically provided, all notices, demands, or other
19 communications in connection with this Agreement shall be: (1) in writing; (2) deemed given on
20 the third business day after mailing; (3) sent via email on the date of mailing, and (4) sent via United
21 States registered or certified mail, return receipt requested, addressed as follows:

22 To Plaintiff:

To Defendant:

23 Kevin R. Allen, Esq.
24 Allen Attorney Group PC
25 2121 N. California Blvd.
26 Suite 290
27 Walnut Creek, CA 94596
28 kevin@allenattorneygroup.com

Leslie L. Abbott, Esq.
Austin Schulz, Esq.
Paul Hastings LLP
515 South Flower Street, Twenty-Fifth Floor
Los Angeles, California 90071-2228
LeslieAbbott@paulhastings.com

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3.38 Execution by Class Members. It is agreed that it is impossible or impractical to have
each Class Member and PAGA Member execute this Settlement Agreement. The Notice of
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1 Settlement will advise all Class Members and PAGA Members of the binding nature of the
2 Released Class Claims as to Settlement Class Members and Released PAGA Claims as to Class
3 Members and PAGA Members, and such shall have the same force and effect as if each Class
4 Member and PAGA Member executed this Agreement.

5 3.39 Execution by Plaintiff. Plaintiff, by signing this Stipulation, is bound by the terms
6 herein.

7 3.40 Drafting of the Agreement. The Parties hereto agree that the terms and conditions
8 of this Stipulation of Settlement are the result of lengthy, intensive, arm's-length, non-collusive
9 negotiations and a neutrally-facilitated mediation between the Parties, and that this Agreement shall
10 not be construed in favor of or against any of the Parties by reason of their participation in the
11 drafting of this Agreement.

12 3.41 Counterparts. This Agreement shall become effective upon its execution by all of
13 the undersigned, and each consents to electronic signatures. Plaintiff, Class Counsel, Defendant,
14 and Defense Counsel may execute this Stipulation in counterparts, and execution of counterparts
15 shall have the same force and effect as if each had signed the same instrument. Copies of the
16 executed Agreement, including scans or PDF versions, shall be effective for all purposes as though
17 the signatures contained therein were original signatures.

18 **STIPULATED, AGREED, AND ACCEPTED.**

19
20 Date: _____ **PLAINTIFF MARCO GUTIERREZ**

21
22 Signature: _____

23
24
25 **DEFENDANT DEL WEST ENGINEERING, INC.**

26
27 Date: _____ Print Name: _____

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CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

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Title: _____

Signature: _____

APPROVED.

ALLEN ATTORNEY GROUP P.C.
KEVIN R. ALLEN
Attorneys for Representative Plaintiff
and the Plaintiff Class

Date: _____ Print Name: _____

Signature: _____

PAUL HASTINGS LLP
Counsel for Defendant

Date: _____ Print Name: _____

Signature: _____

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Exhibit A

JOB TITLES

1. Final Inspector
2. Forge Operator
3. Inspector
4. Machine Operator
5. Machinist
6. Maintenance Mechanic
7. Maintenance Technician
8. Polisher
9. Preventive Maintenance Technician
10. Prototype Machinist
11. PVD Operator
12. Quality Assurance Technician
13. Receiving Clerk
14. Robotic Polish Operator
15. Sodium Fill Operator
16. Janitor - AWS
17. Shipping Clerk - AWS
18. Team Leader – AWS

Exhibit B

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EXHIBIT “B”
NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES
MARCO GUTIERREZ V. DEL WEST ENGINEERING, INC., CASE NO. 21STCV45477

**ATTENTION: IF YOU WERE EMPLOYED AS A PRODUCTION
EMPLOYEE BY DEL WEST ENGINEERING, INC. IN
CALIFORNIA BETWEEN DECEMBER 14, 2017 AND JUNE 26,
2022, YOU COULD GET A PAYMENT FROM THIS
SETTLEMENT.**

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

- If approved by the Court the Settlement will provide \$515,000.00 to resolve claims of approximately 172 individuals who were employed by defendant Del West Engineering, Inc. ("Del West" or "Defendant") as a production employee in California between December 14, 2017 and June 22, 2026.
- The Settlement involves a lawsuit over whether Defendant paid Plaintiff Marco Gutierrez and other production employees all wages owed and provided timely meal periods and rest breaks. The two sides disagree over how much money, if any, could have been won at trial.
- Your legal rights are affected whether or not you act. **READ THIS NOTICE CAREFULLY!**

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
DO NOTHING	Get a payment. Give up rights.
UPDATE YOUR CONTACT INFORMATION	Update your contact information with CPT Group, Inc. so that future notices and settlement check(s) are sent to the correct address.
GO TO FINAL FAIRNESS HEARING	Attend the final approval hearing which will be held at _____ on _____ in department XXX of the Los Angeles County Superior Court, located at _____.
EXCLUDE YOURSELF	Get <u>no</u> Individual Settlement Payment. You may opt out of the settlement by submitting a Request for Exclusion. However, if you are a PAGA Employee and the Court grants final approval of the settlement, you will still receive a share of the portion of the Net Settlement Amount allocated to the PAGA Employees and will be bound by the PAGA release provisions of the settlement, whether or not you submit a Request for Exclusion.
OBJECT	Tell the Court about why you don't like the Settlement.
DISPUTE "WORKWEEKS"	Settlement amounts will be based on the number of weeks you worked in a covered position during the Class Period. If you think Defendant's records (<i>see</i> Section X <i>infra</i>) are incorrect then you may submit a dispute with the Settlement Administrator XXXXXX.

- These rights and options – and the deadlines to exercise them- are explained in this

notice. Additional information and settlement documents are available by contacting Class Counsel.

- The Court handling this case still has to decide whether to approve the Settlement. Settlement payments will only be issued if the Court approves the Settlement and all appeals are resolved. Please be patient.

IMPORTANT NOTE: If the Court approves the Settlement at the Final Approval Hearing on XXXXX, then your payment will be issued in approx. X, 2023. IT IS VERY IMPORTANT THAT YOU INFORM THE SETTLEMENT ADMINISTRATOR (identified in Sections 10 and 15) IF THIS NOTICE WAS SENT TO THE WRONG ADDRESS OR YOU MOVE BEFORE RECEIVING YOUR CHECK!!

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1 **BASIC INFORMATION**

2 **1. Why did I get this notice?**

3 Defendant Del West Engineering, Inc.'s records show that you were employed as a non-exempt
4 production employee at one of defendant's factories in Valencia, California between December
5 14, 2017 and June 26, 2022, inclusive. This is referred to as the "Class Period." This notice
6 explains the lawsuit, the Settlement, and your legal rights.

7 The term "**production employee**" includes the following job titles: Final Inspector; Forge
8 Operator; Inspector; Machine Operator; Machinist; Maintenance Mechanic; Maintenance
9 Technician; Polisher; Preventive Maintenance Technician; Prototype Machinist; PVD Operator;
10 Quality Assurance Technician; Receiving Clerk; Robotic Polish Operator; Sodium Fill Operator;
11 Janitor - AWS; Shipping Clerk - AWS; and Team Leader – AWS.

12 The lawsuit is known as *Marco Gutierrez v. Del West Engineering, Inc.*, and is pending in the
13 Superior Court of California for the County of Los Angeles, Case No. 21STCV45477 (the
14 "Action"). Marco Gutierrez is called the Plaintiff or Class Representative, and the company he
15 sued is called the Defendant (i.e., Del West Engineering, Inc.).

16 **2. What is this lawsuit about?**

17 The lawsuit involves claims under California's wage and hour laws. Plaintiff worked as a
18 production employee at one of Defendant's factories in Valencia, California within the Class
19 Period. He alleges that Defendant failed to pay him and other Class Members all wages owed
20 due to time rounding and the alternative workweek schedule. Plaintiff also alleges that
21 Defendants failed to provide timely and lawful meal periods and rest breaks. As a result, Plaintiff
22 alleges that he, and the members of the Class (defined in response to Question 3 below), are
23 entitled to recover unpaid wages, interest, and statutory and civil penalties.

24 Defendant denies engaging in any wrongful conduct or that it violated the law in any way, and
25 believes that Plaintiff and the Class Members were properly compensated, including final wages,
26 and they were provided lawful meal and rest periods.

27 Both Plaintiff and Defendant believe that the Settlement is fair, adequate, and reasonable, and
28 that it is in the best interest of the members of the Class.

29 **3. What is a class action lawsuit?**

30 In a class action, one or more people called the "Plaintiff" or "Representative Plaintiff" (in this
31 case, Marco Gutierrez) sue an employer on behalf of people who have similar alleged claims. All
32 of these similar people are referred to as the "Class" or "Class Members." On XXXXX, the Court
33 issued an order certifying a class for purposes of settlement only.

34 **4. What is the Difference Between "Class," "Settlement Class" and "PAGA
35 Members"?**

36 Under the Settlement the term "Class" means all current and former individuals who have been

employed by Del West Engineering, Inc. as a non-exempt production employee within the State of California at any time during the Class Period. The “Class Period” is defined as the period from December 14, 2017 through and including June 26, 2022.

The term “Settlement Class Members” or “Settlement Class” means all Class Members who do not request to be excluded from the Settlement in response to this Notice.

“PAGA Members” means all current and former individuals who have been employed by Del West Engineering, Inc. as a non-exempt production employee¹ within the State of California at any time during the PAGA Period. The “PAGA Period” is defined as December 14, 2020 through and including June 26, 2022. Due to the nature of PAGA claims, PAGA Members cannot opt out of the Settlement.

NOTE: Former employees who Defendant laid off in September 2019 as part of Defendant’s reduction in force and who received separation pay in exchange for a general release of claims are excluded from the Class and are not entitled to any additional payments provided in this Settlement except to the extent they were rehired after the severance and performed work during the Class Period that was not otherwise released by the severance agreement.

5. Why is there a settlement?

After conducting substantial investigation, including review of policies, payroll and time records and personnel files, both sides agreed to the Settlement to avoid the cost and risk of further litigation. The Settlement does not mean that any law was 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 and PAGA Members.

THE SETTLEMENT BENEFITS

6. What do I get?

Under the terms of the Settlement, Defendant agreed to pay ~~the Maximum Settlement Amount on the earlier of July 1, 2023 or seven (7) days after the Effective Date of the Settlement. See Section 9 of this Notice for the definition of “Effective Date.”~~ Defendant shall provide the funds for the Settlement to the Administrator by wire transfer.

This Maximum Settlement Amount will be used to pay Plaintiff’s attorneys’ fees (not to exceed 35% of the Maximum Settlement Amount, i.e., \$180,250.00), Plaintiff’s attorneys’ actual litigation costs (up to \$8,500), a Class Representative Enhancement Award to the Plaintiff (not to exceed \$7,500.00), a payment of \$22,500.00 to the State of California Labor and Workforce Development Agency (“LWDA”) for alleged penalties under the Private Attorney General Act (“PAGA”), and the fees and expenses of the Settlement Administrator (estimated to cost \$XXXXX). The remainder, referred to as the Net Settlement Amount, will be distributed in full to Settlement Class Members who do not request to be excluded from the Settlement and to PAGA Members regardless of whether they opt out or not.

¹ The job titles included in “production employee” are listed in section 1 above.

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2 **Individual Class Settlement Payment**

3 The Net Settlement Amount will be distributed to Settlement Class Members based on the
4 number of **Workweeks** worked for Defendant in covered position during the Class Period
5 relative to the total number of Workweeks worked by all Settlement Class Members during the
6 Class Period.

7 According to Defendants' records, your dates of employment in a covered position for Del West
8 during the Class Period were _____ to _____. **Based on these dates, your**
9 **Individual Settlement Award is estimated to be at least \$**_____. Your actual
10 Individual Settlement Award may be for more than this amount depending on the number of
11 Settlement Class Members who participate and/or request to opt out of the Settlement.

12 **PAGA Settlement Payment**

13 The employees shall first share \$7,500.00 (i.e., 25% of the \$30,000 total amount allocated
14 to the PAGA claim) which shall be split amongst all Class Members that worked for Del West
15 between December 14, 2020 through and including June 26, 2022, inclusive (the "PAGA
16 Period"). This payment will be distributed to Class Members based on the number of **Pay Periods**
17 worked for Defendant in a class position during the PAGA Period relative to the total number of
18 Pay Periods worked by all Class Members during the PAGA Period.

19 According to Defendant's records, you worked for ____ Pay Periods in a covered position
20 during the PAGA Period. **Based on these dates, your portion of the PAGA settlement**
21 **payment is estimated to be at least \$**_____.

22 Class Members who are eligible for a PAGA settlement payment will receive it regardless of
23 whether they request exclusion or object to the Settlement. This payment shall be reported as
24 penalties and reported by IRS Form 1099.

25 **Defendant's Records Will Be Presumed Correct But May Be Disputed**

26 Defendant's records shall be presumed correct, unless evidence to the contrary is timely
27 submitted to the Settlement Administrator. Class Members who disagree with Defendant's
28 records of their Workweeks or Pay Period, as presented above, must notify the Settlement
29 Administrator of the dispute and submit documentation to support their claimed dates of
30 employment (such as, without limitation, payroll or time keeping records, paycheck stubs). The
31 dispute must be received by [RESPONSE DEADLINE 60 days] or else it will be disregarded
32 and you will be paid according to the dates listed in Defendant's records.

33 NOTE: A Class Member can only dispute his/her dates of employment if he/she does not exclude
34 himself/herself from the Settlement. If there is a dispute, the Settlement Administrator will
35 consult with the Parties to determine whether an adjustment is warranted. The Parties shall
36 engage in a good faith effort to reach an agreement as to whether a workweek adjustment for the
37 Class Member is warranted and, if the Parties are unable to reach an agreement, the determination
38 of the Settlement Administrator shall be deemed final.

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Tax Treatment of Your Payments

Individual Class Settlement Payments will be allocated for tax reporting purposes as thirty-three point three percent (33.3%) wages and sixty-six point seven percent (66.7%) as interest/penalties/non-wage damages. The wages portion of each Class Settlement Payment will be reduced by any legally-mandated deductions for payroll taxes or other required employee-side taxes and withholdings. **Defendant's share of any employer-related payroll taxes will be paid by Defendant separately and in addition to the Maximum Settlement Amount.**

The Administrator shall issue the appropriate tax documents associated with the Class Settlement Payments and PAGA Settlement Payments, including an IRS Form W-2 for the amounts allocated as wages and an IRS Form 1099 for the amounts allocated as interest/penalties/non-wage damages.

7. What am I giving up?

Released Class Claims

If the Settlement is approved then Plaintiff and each member of the Class who does not submit a Request for Exclusion (defined in response to Question 10 below), referred to as a Settlement Class Member, will release Defendant Del West Engineering, Inc., and all of its current and former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their respective officers, directors, owners, employees, partners, shareholders, agents, attorneys, insurers, and assigns, and each of them (collectively, the "Released Parties") from any and all wage-and-hour individual and class claims, rights, demands, liabilities, and/or causes of action of every nature and description, arising from or related to any and all claims during the Class Period that were asserted or could have been asserted based on the facts alleged in the Complaint, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief ("Released Claims").

Released PAGA Claims

If the Settlement is approved then Plaintiff and each member of the PAGA Class, regardless of whether they submit a valid Request for Exclusion, will release Defendant Del West Engineering, Inc., and all of its current and former parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their respective officers, directors, owners, employees, partners, shareholders, agents, attorneys, insurers, and assigns, and each of them (collectively, the "Released Parties") any and all individual and representative PAGA claims for civil penalties, attorneys' fees, and costs during the PAGA Period under California Labor Code section 2698, *et seq.* and any applicable IWC Wage Order that were or could have been asserted based on the facts alleged in the Complaint and Plaintiff's notice to the LWDA.

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

You need not do anything in order to receive an Individual Settlement Award or PAGA Payment from this Settlement. Provided the Settlement is approved by the Court, you will be sent settlement payment(s) at the address where this Notice was mailed. If you request to be excluded then you will not receive the Individual Settlement Award but will still receive your portion of the PAGA Payment if you are eligible.

IMPORTANT REMINDER: If this was sent to the wrong address, or you move before receiving your settlement checks and tax return documents, then it is very important that you provide a forwarding address to the Settlement Administrator! Otherwise your settlement check(s) and/or your tax return documentation could be sent to the wrong address.

9. When will I get my check?

If approved then Defendants will be required to fund the \$515,000.00 Maximum Settlement Amount in **on the earlier of July 1, 2023 or seven (7) days after the Effective Date of the Settlement.**

“Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the date the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the last date when a timely notice of appeal from the Judgment may be filed; or (c) if a timely appeal from the Judgment is filed, the date the appellate court affirms the Judgment and issues a remittitur (“Final”).

If there are any appeals, resolving them could take some time, so please be patient.

If approved by the Court then all payments required by the Settlement will be paid out **the latter of fourteen (14) days after the Effective Date of the Settlement or the date of the funding.**

Please be advised that you will only have 180 days from the date that the check is issued to cash it. If a Settlement check is not cashed or deposited within one hundred eighty (180) calendar days after the date it is mailed to a Settlement Class Member, it will be voided. The funds associated with such voided checks will be transmitted to the Unclaimed Property Fund maintained by the State Controller’s Office in the names of the Settlement Class Members whose checks are voided.

EXCLUDING YOURSELF FROM THE SETTLEMENT

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

If you do not want to participate in the Settlement (“opt-out”), you must submit a timely written statement requesting exclusion (“Request for Exclusion”). Class Members who timely request exclusion will no longer be eligible to receive an individual Settlement Award but will also not be bound by the release of Class claims in the Settlement. Class Members cannot, however, seek exclusion from the PAGA component of the Settlement and will receive a PAGA Settlement Payment even if they file a timely request for exclusion, to the extent they worked during the PAGA Period.

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1 In order to be valid, your Request for Exclusion must be signed, dated and mailed by First Class
2 U.S. Mail, or the equivalent, postmarked no later than **[+60 days from date of mailing]** to:

3 **INSERT SETTLEMENT ADMINISTRATOR INFO**

4 Requests for Exclusion that do not include all required information and/or that are not timely
5 submitted will be deemed null, void, and ineffective. Class Members who fail to submit a valid
6 and timely Request for Exclusion on or before the above-specified deadline shall be bound by all
7 terms of the Settlement and any Final Judgment entered in the Action if the Settlement is
8 approved by the Court.

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

10 You will not get a class settlement payment if you exclude yourself from the Settlement.
11 However, you will still receive a PAGA Settlement Payment if you are eligible.

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

13 Yes, but not as to PAGA claims that are released by the Settlement. If you exclude yourself now
14 you will still get a pro rata share of the PAGA Settlement Payment if you are eligible for one.
15 You will not get an Individual Settlement Payment and you will not be bound by the non-PAGA
16 component of the Settlement.

17 **THE LAWYERS REPRESENTING YOU**

18 **13. Do I have a lawyer in this case?**

19 The Court has appointed Kevin R. Allen of Allen Attorney Group, PC and Nicolas Orihuela of
20 Orihuela Law Firm PC as class counsel. They represent the named Plaintiff and the Settlement
21 Class Members and PAGA Members in this lawsuit. Their contact information is listed in
22 Paragraph 21 ("Getting More Information").

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

24 Subject to Court approval, the Maximum Settlement Amount will be used to pay Class Counsel
25 their actual litigation costs and up to \$180,250.00 in attorneys' fees (i.e., 35% of the Maximum
26 Settlement Amount). It will also be used to pay Plaintiff up to \$7,500.00 as a "Class
27 Representative Enhancement Award" for his participation in this lawsuit and for taking on the
28 risk of litigation. The Maximum Settlement Amount will also be used to pay the Settlement
Administrator's costs and fees associated with administering the Settlement, estimated at
\$XXXXXX.

The Court may award *less* than these amounts. If lesser amounts are awarded, the difference will
be distributed to Settlement Class Members as part of the Net Settlement Amount.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

1 If you do not think the Settlement is fair then you can tell the court why. This is referred to as an
2 "objection." In order to ensure the Court reviews your Objection, all written objections, and
3 supporting papers, should be submitted no later than **[+60 days from mailing]**. You can submit
4 your written objection via mail to the Settlement Administrator at the following address. In order
to be timely it must have a U.S. Mail postmark no later than **[+60 days from date of mailing]**:

5 Settlement Administrator
6 [insert info]

7 A written objection must: (1) contain the name, address, telephone number, last four digits of the
8 Social Security number, and signature of the Class Member; (2) contain the case name and
9 number of the Action; (3) clearly indicate that the Class Member seeks to object to the Class
10 Claims Settlement; (4) state the legal and factual basis for the objection; (5) state whether the
11 Settlement Class Member intends to appear at the Final Approval Hearing; and (6) be postmarked
or fax-stamped on or before the Response Deadline and returned to the Administrator at the
specified address or fax telephone number. Late or incomplete objections may not be considered
and may be deemed invalid by the Court.

12 **You do not need to file a written objection. Any Class Member, or person purporting to**
13 **object on behalf of any Class Member, may be received or considered by the Court at the**
14 **Final Approval Hearing, regardless of whether a written notice of objection is filed or**
15 **delivered to the Parties.**

16 Any Settlement Class Member who files an objection remains eligible to get paid from the
Settlement unless he or she submits a valid Request for Exclusion.

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

18 Objecting is simply telling the Court you do not like something about the Settlement. Excluding
19 yourself is telling the Court that you do not want to be part of the Settlement.

20 **THE COURT'S FINAL APPROVAL HEARING**

21 The Court will hold a hearing to decide whether to approve the settlement. If you have filed an
22 objection on time you may appear in person or via phone using a ~~third-party~~ service provider called
CourtCall (see Section 15) and you may ask to speak, but you don't have to.

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

24 The Court will hold a Final Approval Hearing on [insert time/date] in Department 9 at the
25 Superior Court of California for the County of Los Angeles, located at ADDRESS, **Los Angeles,**
26 **California.** The hearing may be moved to a different date and/or time without additional notice.
27 At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate.
28 If there are objections, the Court will consider them. The Court will only listen to people who
have asked to speak at the hearing. The Court will also decide how much to pay Class Counsel
in fees and costs. 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 appear at the hearing?

No. Class Counsel will answer any questions the judge may have. But, you are welcome to come at your own expense. If you send a written objection, you don't have to come to Court to talk about it. As long as you mailed your written objection to the Settlement Administrator on time, the Court will consider it. You may also pay (at your own expense) another lawyer to attend, but it is not required.

19. May I speak at the hearing?

You do not need to submit a written objection in order to appear at the hearing. Any Class Member, or person purporting to object on behalf of any Class Member, may be received or considered by the Court at the Final Approval Hearing, regardless of whether a written notice of objection is filed or delivered to the Parties.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, you will bound by the releases described in this notice and will receive an Individual Class Settlement Award and PAGA Award if you are eligible.

GETTING MORE INFORMATION

21. How do I get more information?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may review the detailed "Class Action and PAGA Settlement Agreement and Release" which is on file with the Clerk of Court. The pleadings and other records in the Action, including the proposed Settlement, may be examined at any time during regular business hours at the Office of the Clerk of Court for the Superior Court of California, County of Los Angeles, ADDRESS, California, ZIP. You may also review most of the filings, including the initial complaint, the Motion for Preliminary Approval of the proposed Settlement, and the Settlement itself on the Court's website.

If you want additional information about the Action and its proceedings, or copies of settlement paperwork, then you may contact Class Counsel:

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