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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ALAMEDA

REY DAVID ARMENDARIZ, on behalf of himself and all other aggrieved employees,

Plaintiff,

v.

TRENCORE PLASTERING INC., a California Corporation; and DOES 1- 50, inclusive,

Defendants.

Case No.: 22CV016814

AMENDED JOINT STIPULATION OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT

Assigned for all purposes to:
Hon. Karin Schwartz, Dept. 20

Complaint Filed: August 24, 2022
FAC Filed: December 13, 2022

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AMENDED JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

This Joint Stipulation of Class and PAGA Representative Action Settlement ("Joint Stipulation of Settlement" or "Settlement" or "Agreement"), is made and entered into by and between Plaintiffs REY DAVID ARMENDARIZ and EDUAR MENCIAS TURCIO, individually, and on behalf of all others similarly situated, ("Plaintiffs" or "Class Representatives"), and Defendant TRENCORE PLASTERING, INC. ("Defendant"). Plaintiffs and Defendant are collectively referred to herein as the "Parties." It is stipulated and agreed by and among the undersigned Parties, that this action shall be, and hereby is, ended, settled, resolved, and concluded by agreement of Defendant to pay the Gross Settlement Amount (defined below) pursuant to the terms and conditions of this Agreement, and subject to the approval of the Court.

THE PARTIES STIPULATE AND AGREE as follows:

DEFINITIONS

1. "Joint Stipulation of Settlement" or "Settlement" or "Agreement" mean this Joint Stipulation of Class and PAGA Representative Action Settlement, including the attached exhibit(s).

2. For purposes of this Settlement, "Complaint" refers to the operative complaint, which is the First Amended Complaint filed on December 13, 2022.

3. For purposes of this Settlement, this matter, entitled *Rey David Armendariz v. Trencore Plastering, Inc.* filed in Alameda Superior Court case number 22CV016814, is referred to herein as the "Action."

4. For purposes of this Settlement, the "Class Period" is the period August 22, 2021, through May 20, 2025.

5. For purposes of this Settlement, the "Class", "Settlement Class", or "Class Members" consist of all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time from August 22, 2021, through May 20, 2025.

6. For purposes of this Settlement, "Class Counsel" means Jose Garay of Jose Garay, APLC, and Justin Lo of Work Lawyers PC.

7. For purposes of this Settlement, "Workweeks" means the number of weeks a Class

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Member worked for Defendant in California during the Class Period.

8. For purposes of this Settlement, "Release Deadline" or "Opt-Out/Objection Period" mean forty-five (45) days after the Settlement Administrator initially mails the Notice to Settlement Class Members and the last date on which Settlement Class Members may submit a request for exclusion from or written objection to the Settlement. In the case of a re-mailed Notice, Class Members receiving a remailed notice shall have an additional thirty (30) days to submit a request for exclusion from or written objection to the Settlement. No Aggrieved Employees are permitted to opt-out of the PAGA portion of the Settlement. The Response Deadline may be extended only as expressly described herein.

9. For purposes of the Settlement, "Defendant's Counsel" means Jason Morris Esq. of Newmeyer & Dillon LLP.

10. For purposes of this Settlement, "PAGA Allocation" means the amount that the Parties have agreed to allocate to resolution of the claim for violation of the Labor Code Private Attorneys General Act of 2004 (Lab. Code §§ 2698, *et seq.*, "PAGA"). The Parties have agreed that the PAGA Allocation will be one hundred thousand dollars and no cents ($100,000.00) from the Gross Settlement Amount. Pursuant to the operative version of PAGA, seventy five percent (75%) of the PAGA Allocation will be paid to the Labor and Workforce Development Agency ("LWDA") ("PAGA Penalty Payment"), and twenty five percent (25%) of the PAGA Allocation will be paid to Aggrieved Employees, regardless of whether they request to be excluded from the Class ("PAGA Settlement Payment").

11. For purposes of this Settlement, "PAGA Period" is the period August 22, 2021, through May 20, 2025.

12. For purposes of this Settlement, "Aggrieved Employees" means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time from August 22, 2021, through May 20, 2025.

13. For purposes of this Settlement, "PAGA Pay Periods" means the number of pay periods each Aggrieved Employee worked during the PAGA Period.

14. For purposes of this Settlement, "PAGA Representatives" means Plaintiffs.

15. For the purpose of this Settlement, "Released Parties" are Defendant and Defendant's past, present, and future officers, directors, shareholders, owners, investors, partners, members, agents,

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principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affilates, parents and attorneys, if any.

16. For purposes of this Settlement, "Released PAGA Claims" means the claims released by Aggrieved Employees as against the Released Parties and includes all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the predicate facts alleged in the complaints in the Lawsuits and Plaintiffs' PAGA Notices during the PAGA Release Period. Plaintiffs' PAGA Notices to the LWDA are attached hereto as **Exhibit A.**

17. For purposes of this Settlement, "PAGA Release Period" means the period between August 22, 2021, through May 20, 2025. ("PAGA Release Period")

18. For the purposes of this Settlement, "Class Release Period" means the period between August 22, 2021, through May 20, 2025. ("Class Release Period")

19. For purposes of this Settlement, "Settlement Payments" means all payments to Settlement Class Members (the "Settlement Class Payments") and all payments to the Aggrieved Employees (the "PAGA Settlement Payment.")

20. For purposes of this Settlement, "Final Order" means the final formal court order signed by the Court following the final fairness and approval hearing in accordance with the terms herein, approving this Agreement.

21. For purposes of this Settlement, "Lawsuits" means this Action and *Eduar Mencias Turcio v. Trencore Plastering, Inc.,* Orange Superior Court Case No. 30-2022-01285709-CU-OE-CXC (the "Turcio Lawsuit").

22. For purposes of this Settlement, "PAGA Notices" means Plaintiffs' administrative complaints to the LWDA, which are attached hereto as **Exhibit A.**

23. For the purposes of this Settlement, "Plaintiffs" means Rey David Armendariz and Eduar Mencias Turcio, named Plaintiffs in the matter titled *Rey David Armendariz v. Trencore Plastering, Inc.* filed in Alameda Superior Court case number 22CV016814.

STIPULATED BACKGROUND

24. On or about June 9, 2022, Plaintiff Armendariz submitted an administrative complaint under PAGA to the LWDA, which was assigned claim number LWDA-CM-888283-22, alleging

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failure to pay wages, failure to pay minimum wages, failure to pay straight time wages, failure to pay overtime, meal period violations, failure to pay meal period premiums, rest period violations, failure to pay rest period premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide accurate wage statements, failure to maintain accurate records, and failure to reimburse business expenses in alleged violation of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 227.3, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 2800, and 2802, and Industrial Welfare Commission Wage Order No. 5, as further set forth therein.

25. On August 24, 2022, Plaintiff Armendariz filed a complaint under PAGA in the Action.

26. On or about October 9, 2022, Plaintiff Turcio submitted an administrative complaint under PAGA to the LWDA, which was assigned claim number LWDA-CM-912847-22, alleging failure to pay wages, failure to pay minimum wages, failure to pay straight time wages, failure to pay overtime, failure to pay vacation wages, meal period violations, failure to pay meal period premiums, rest period violations, failure to pay rest period premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide accurate wage statements, failure to maintain accurate records, and failure to reimburse business expenses in alleged violation of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 227.3, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 2800, and 2802, and Industrial Welfare Commission Wage Orders, as further set forth therein. Collectively, Plaintiffs' administrative complaints under PAGA to the LWDA are the "LWDA Notices".

27. On October 11, 2022, Plaintiff Turcio filed the Turcio Lawsuit, alleging eight causes of action on a class basis for alleged failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to timely pay final wages at termination, and failure to provide accurate itemized wage statements, and unfair competition, in alleged violation of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, and 2802, California Business and Professions Code section 17200 et seq., and Industrial Welfare Commission Wage Orders, as further set forth therein.

28. On December 13, 2022, Plaintiff Armendariz filed a First Amended Complaint in the

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Action, alleging eight causes of action on a class basis for alleged meal period violations, rest break violations, failure to pay wages, minimum wages, and overtime wages, failure to timely pay wages upon termination, failure to provide accurate wage statements and failure to maintain records, failure to reimburse business expenses, and unfair competition, in alleged violation of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 227.3, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 2800, and 2802, California Business and Professions Code section 17200 et seq., and Industrial Welfare Commission Wage Order No. 5, and a ninth cause of action for civil penalties under PAGA, as further set forth therein.

29. On December 14, 2022, Plaintiff Turcio filed a First Amended Complaint in the Turcio Lawsuit, alleging one cause of action for civil penalties under PAGA on a representative basis for alleged failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal periods, failure to authorize and permit rest breaks, failure to indemnify necessary business expenses, failure to timely pay final wages at termination, and failure to provide accurate itemized wage statements in alleged violation of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, 2698 et seq., and 2802, and Industrial Welfare Commission Wage Orders, as further set forth therein.

30. Solely for purposes of settling this case, the Parties agree that Plaintiffs satisfied the administrative exhaustion requirement that is a prerequisite to filing a claim for civil penalties under PAGA by submission of the PAGA Notices to the LWDA and Defendant.

31. Solely for purposes of settling this case, the Parties and their respective counsel stipulate and agree that the requisites for establishing class certification with respect to the Class Members have been met and are met. More specifically, the Parties stipulate and agree that:

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

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

1) Whether or not Defendant paid proper wages and sick pay to the Class;

2) Whether or not Defendant provided meal periods to the Class;

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3) Whether or not Defendant provided rest periods to the Class;

4) Whether or not Defendant paid compensation timely upon separation of employment to Class Members who are former employees;

5) Whether or not Defendant paid compensation timely throughout Class Members' employment;

6) Whether or not Defendant provided accurate itemized statements to the Class;

7) Whether or not waiting-time penalties are available to the Class for violation of California Labor Code § 203;

8) Whether or not Defendant maintained requisite payroll records;

9) Whether or not Defendant paid proper meal period pay or rest period pay to the Class; and

10) Whether or not Defendant engaged in unlawful or unfair business practices affecting the Class in violation of California Business and Professions Code §§ 17200-17208.

(c) Plaintiffs' claims are typical of the claims of the Class Members.

(d) Plaintiffs and Class Counsel will fairly and adequately protect the interests of the Class.

(e) The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.

(f) With respect to the Class, questions of law and fact common to the members of the Class predominate over any questions affecting any individual member in such Class, and that a class action is superior to other available means for the fair and efficient adjudication of the controversy.

32. Should, for whatever reason, the Settlement not become effective, class certification as part of the Settlement shall have no bearing on and shall not be admissible in connection with whether the Class Members and/or the class claims should be certified in a non-settlement context in this Action

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or in any other lawsuit. Defendant expressly reserves its right to oppose class certification in this or any other action should this Settlement not become effective.

33. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the claims alleged in the Complaint and the Lawsuits, and Defendant further denies that, for any purpose other than settling this Action, the action is appropriate for class or representative treatment. With respect to Plaintiffs' claims, Defendant contends, among other things, that it has complied at all times with the California Labor Code and the applicable Wage Orders of the Industrial Welfare Commission. Furthermore, with respect to all claims, Defendant contends that it has complied at all times with the California Business and Professions Code.

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

35. Class Counsel has conducted a thorough investigation into the facts of this Action, including an extensive review of relevant documents, and has diligently pursued an investigation of the claims of the Class and PAGA claims against Defendant. Based on its own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the Class and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay, the risk the Class will not be certified by the Court, defenses asserted by Defendant, and numerous potential appellate issues.

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

37. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the hearing to grant final approval of the Settlement ("Final Approval Hearing") to be conducted by the Court.

PRIMARY TERMS OF SETTLEMENT

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

(a) It is agreed by and among the Settlement Class, Aggrieved Employees, and

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Defendant that this case and any claims, damages, or causes of action arising out of the disputes which are the subject of this Action, be settled and compromised as between the Settlement Class, Aggrieved Employees, and Defendant, subject to the terms and conditions set forth in this Settlement and the approval of the Court.

(b) Effective Date: The "Effective Date" of the Settlement means the later of (a) if no timely objections are filed, or objections are withdrawn prior to the final approval, then the date of final approval of the Settlement; or (b) if a Class Member files an objection to the Settlement, the Effective Date shall be the sixty-first (61st) calendar day after the date of final approval of the Settlement, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing, petitions for review, and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

(c) Gross Settlement Amount: Defendant's maximum total payment under the Settlement, including all attorney's fees and costs, the Service Payment to the named Plaintiffs, the costs of settlement administration, the PAGA Allocation, and any other payments provided by this Settlement, is Nine Hundred Thousand Dollars ($900,000.00) ("Gross Settlement Amount"), subject to the Escalator Clause and except that, to the extent that any portions of the Class Members' Settlement Payments constitute wages, Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions. The Gross Settlement Amount will be funded in two (2) equal installments: (1) the first installment of Four Hundred Fifty Thousand Dollars ($450,000.00) will be due within thirty (30) days after the Effective Date; and (2) the second installment of Four Hundred Fifty Thousand

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Dollars ($450,000.00) will be due within six (6) months after the first installment.

(d) Escalator Clause: The Gross Settlement Amount was calculated with, and is premised on, the understanding that Class Members worked approximately eighty eight thousand (88,000) Workweeks from August 22, 2021, through February 20, 2025. If the actual number of Workweeks from August 22, 2021, through February 20, 2025, is greater than ninety six thousand eight hundred Workweeks (96,800), then Defendant must either, at Defendant's election, (1) increase the Gross Settlement Amount by the percentage increase in the number of Workweeks worked by the Class Members from August 22, 2021, through February 20, 2025 above ten percent (10%) over eighty eight thousand (88,000) (e.g., if the number of Workweeks increases by eleven percent (11%), the Gross Settlement Amount will increase by one percent (1%)), or (2) roll back the Class Release Period and PAGA Release Period to the date on which the ninety six thousand eight hundred (96,800) Workweeks is met (the "Escalator Clause").

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

(f) No Claims Required: Class Members will not be required to submit a claim to receive their Settlement payment.

(g) Net Settlement Amount: The "Net Settlement Amount" shall be calculated by deducting from the Gross Settlement Amount (i.e., nine hundred thousand dollars and no cents ($900,000.00)) the following sums, subject to approval by the Court: (1) attorney's fees not to exceed three hundred fifteen thousand dollars and no cents ($315,000.00) or thirty five percent (35%) of the Gross Settlement Amount whichever is greater; (2) reasonable litigation costs according to proof; (3) Service Payments to Plaintiffs in the amount of fifteen thousand dollars and no cents ($15,000.00) (i.e., ten thousand dollars and no cents ($7,500.00) each to Plaintiff

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Armendariz and Plaintiff Turcio); (4) the PAGA Allocation in the amount of one hundred thousand dollars and no cents ($100,000.00); and (5) costs of settlement administration (not to exceed twenty thousand dollars and no cents ($20,000.00)). Settlement Payments to the Class Members and Aggrieved Employees will be calculated by the Settlement Administrator and paid out of the Net Settlement Amount as set forth below.

(h) Payroll Taxes and Required Withholdings: To the extent that any portions of the Settlement Class Members' Settlement Payments constitute wages, Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions. Except for any employer payroll taxes, it is understood and agreed that Defendant's maximum total liability under this Settlement shall not exceed the Gross Settlement Amount. The Settlement Administrator will calculate and submit the Defendant's employer share of payroll taxes after advising Defendant of the total amount owed, in aggregate, as employer-side payroll taxes and receiving a lump sum payment from Defendant in that amount when the Gross Settlement Amount is delivered to the Settlement Administrator. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs, Participating Class Members, and Aggrieved Employees are not relying on any statement, representation, or calculation by Defendant, Defendant's counsel, or by the Settlement Administrator in this regard.

(i) Settlement Class Payments (Excludes PAGA Penalty Payments): Settlement Class Payments will be paid out of the Net Settlement Amount. Each "Participating Class Member" (i.e., those Class Members who do not opt out of the Class Settlement, as defined above) will be paid a pro-rata share of the Net Settlement Amount, as calculated by the Settlement Administrator. The pro-rata share will be determined by comparing the individual Class Member's Workweeks during the Class Period to the total Workweeks of all the Class

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Members during the Class Period as follows: [Workweeks worked by a Class Member during the Class Period] ÷ [sum of all Workweeks worked by all Class Members during the Class Period] × [Net Settlement Amount] = individual Settlement Class Payment for a Class Member ("Individual Settlement Class Payment"). Settlement Class Payments in the appropriate amounts will be distributed by the Settlement Administrator by mail to the Class Members. If there are any valid and timely request for exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Class Payment for each Participating Class Member according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals one hundred percent (100%) of the Net Settlement Amount.

(j) Defendant's Right to Rescind: In the event that more than five percent (5%) of the Class Members submit elections to opt-out of the Class Action Settlement or a number of Class Members whose share of the Net Settlement Amount is five percent (5%) or more, Defendant will have the right to rescind and terminate the Class Action and PAGA Settlement without prejudice to its pre-settlement positions and defenses in the Lawsuits. Should the five percent (5%) threshold for opt-outs be exceeded, the Settlement Administrator shall notify lead counsel for all Parties via email immediately.

(k) PAGA Settlement Payments: PAGA Settlement Payments will be paid out of the PAGA Allocation after deducting the PAGA Penalty Payment. Each Aggrieved Employee will be paid a pro-rata share of the PAGA Settlement Payment, as calculated by the Settlement Administrator. Class Members will not be permitted to exclude themselves from this portion of the Settlement. Each Aggrieved Employee's pro-rata share of the PAGA Settlement Payment will be determined by comparing the individual Aggrieved Employees' PAGA Pay Periods during the PAGA Period to the total PAGA Pay Periods of all the Aggrieved Employees during the PAGA

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Period as follows: [PAGA Pay Periods worked by an Aggrieved Employee] ÷ [sum of all PAGA Pay Periods worked by all Aggrieved Employees] × [PAGA Settlement Payment to all Aggrieved Employees, i.e. twenty five thousand dollars and no cents ($25,000.00)] = individual Aggrieved Employee's portion of the PAGA Settlement Payment. PAGA Settlement Payments to Aggrieved Employees in the appropriate amounts will be distributed by the Settlement Administrator by mail to the Aggrieved Employees at the same time Settlement Class Payments issue to the Settlement Class. The LWDA's PAGA Penalty Payment will issue to the LWDA at the same time Settlement Payments issue to the Settlement Class.

(l) Allocation of Settlement Payments: The Parties have agreed that Settlement Class Payments will be allocated as follows: ten percent (10%) to wages, ninety percent (90%) to penalties and interest. The PAGA Settlement Payment shares to Aggrieved Employees will be entirely allocated to penalties. Appropriate federal, state and local withholding taxes will be taken out of the wage allocations, and each Class Member will receive an IRS Form W-2 with respect to this portion of the Settlement Payment. The employer's share of payroll taxes and other required withholdings will be paid as set forth above, including but not limited to the Defendant's FICA and FUTA contributions, based on the payment of claims to the Class Members. IRS Forms 1099 will be issued to each Class Member reflecting the payments for penalties and interest. Class Members are responsible to pay appropriate taxes due on the Settlement Payments they receive. To the extent required by law, IRS Forms 1099 and W-2 will be issued to each Class Member with respect to such payments. All PAGA Settlement Payments will be allocated as 100% penalties.

(m) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement Payments to individual Class Members shall be deemed to be paid to such Class

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Member solely in the year in which such payments are actually received by the Class Member. It is expressly understood and agreed that the receipt of such Settlement Payments will not entitle any Class Member to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Class Member to any increased retirement, 401(k) benefits or matching benefits or deferred compensation benefits. It is the intent that the Settlement Payments provided for in this Settlement are the sole payments to be made by Defendant to the Class Members, and that the Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

(n) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not object to Class Counsel's application for attorney's fees not to exceed thirty five percent (35%) or three hundred fifteen thousand dollars and no cents ($315,000.00) of the Gross Settlement Amount, whichever is greater, and reimbursement of Plaintiffs' verified litigation costs and expenses. Approved attorney's fees and litigation costs shall be paid at the same time Settlement Payments issue to the Settlement Class.

(o) Service Payment: Subject to Court approval, and in exchange for a general release, Defendant will not object to Class Counsel's application for a payment of seven thousand five hundred dollars and no cents ($7,500.00) to each of the Plaintiffs for service as a Class Representative ("Service Payment").

(p) The Settlement Administrator will issue an IRS Form 1099 for the Service Payment to the Plaintiffs. The Plaintiffs will be individually responsible for correctly characterizing this compensation on personal income tax returns for tax purposes and for paying any taxes on the amounts received. Plaintiffs agree not

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to opt out or object to the Service Payment as the Class Representative. Plaintiffs understand and agree that this Settlement shall remain in full force and effect even if the full amount of Service Payment sought by Plaintiffs is not ultimately awarded by the Court.

(q) Settlement Administrator: The Settlement Administration will be conducted by Phoenix Class Action Administration Solutions.

(r) Funding of Settlement Account: Defendant will fund the Settlement in two (2) equal installments: (1) the first installment of Four Hundred Fifty Thousand Dollars ($450,000.00) will be due within thirty (30) days after the Effective Date; and (2) the second installment of Four Hundred Fifty Thousand Dollars ($450,000.00) will be due within six (6) months after the first installment.

(s) Distribution and Mailing of Settlement Payments: The Settlement Administrator shall mail the Settlement Payments to the Class Members within fourteen (14) calendar days of receipt of the full Gross Settlement Amount from Defendant, provided that the Settlement Administrator has delivered to the Parties an accounting of the amounts to be paid by Defendant pursuant to the terms of this Settlement.

(t) Notice of Settlement: Each Class Member will be mailed a notice setting forth the material terms of the proposed Settlement, along with instructions about how to object or request exclusion from the proposed class action Settlement ("Notice"). For each Class Member, there will be pre-printed information on the mailed Notice, based on Defendant's records, stating the Class Member's Workweeks during the Class Period and the estimated total Settlement Payment under the Settlement, including the Settlement Class Payment and the PAGA Settlement Payment that will be distributed irrespective of any exclusion request. The pre-printed information based on Defendant's records shall be presumed to be correct. A Class Member may dispute the pre-printed information on the Notice as to his

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or her Workweeks during the Class Period. Class Members must submit any dispute regarding the information on the Notice as to his or her Workweeks within the Response Deadline. Attached hereto as **Exhibit B** is a copy of the Notice.

(u) Settlement Notice Language: The Notice will be issued in English and Spanish.

(v) Class Members Cannot Exclude Themselves from the Released PAGA Claims: Class Members submitting a request for exclusion will nevertheless receive their pro-rata share of the PAGA Settlement Payment. If the Court approves the compromise of the PAGA claim, all Class Members are bound by the Court's resolution of the PAGA claim. Plaintiff shall serve a notice of settlement on the LWDA at or before the time Plaintiff files the motion for preliminary approval.

(w) Resolution of Workweek Disputes: If a Class Member disputes the accuracy of Defendant's records used to calculate Workweeks, the Parties' counsel and the Settlement Administrator will review Defendant's records and any information, or documents submitted by the Class Member to resolve the dispute informally. If the dispute cannot be resolved informally by the Parties' counsel and the Settlement Administrator, the dispute, and all documents pertaining to the dispute, will be submitted to the Court for final resolution. The Class Member must submit information or documents supporting his or her position to the Settlement Administrator prior to the expiration of the Response Deadline. Information or documents submitted after the expiration of the Response Deadline will not be considered by the Settlement Administrator, unless otherwise agreed to by the Parties.

(x) Right of Class Member to Request Exclusion from the Settlement: Any Class Member may request to be excluded from the Class by returning a request for exclusion to the Settlement Administrator within the Response Deadline. The form of Request for Exclusion that will accompany the Notice is attached hereto as **Exhibit C.** The Request for Exclusion form accompanying the Notice will be pre-printed with the Class Member's name and address to facilitate

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identification by the Settlement Administrator. The Class Member must sign the Request for Exclusion Notice and include the last four digits of their social security number to confirm identity or Employee ID. If Class Member does not have a social security number and does not know his Employee ID, he or she can contact the Settlement Administrator to arrange for an alternate method of confirming his/her identity. Any Class Member who timely requests exclusion in compliance with these requirements (i) shall not have any rights under this Settlement other than a right to receive a pro-rata share of the portion of the PAGA Settlement Payment if the Class Member is also an Aggrieved Employee; (ii) shall not be entitled to receive any Settlement Payments under this Settlement other than as stated in (i) in this paragraph; and (iii) shall not be bound by this Settlement or the Court's Final Order and Final Judgment other than as it applies to the PAGA claim. Any Class Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants final approval to the Settlement.

(y) Right of Settlement Class Member to Object to The Settlement: Any Class Member may object to the Settlement. To object, the Class Member may (1) appear in person (including through an audio or video call appearance as allowed by the Court) at the Final Approval Hearing to explain any objection, (2) have an attorney object for the Class Member, or (3) submit a simple written brief or statement of objection to the Settlement Administrator in the form attached hereto as **Exhibit D**. If any Class Member chooses to submit a written objection not in the form attached hereto as **Exhibit D,** the written objection should contain sufficient information to confirm the identity of the objector and the basis of the objection, including (1) the full name of the Settlement Class Member; (2) the signature of the Settlement Class Member; (3) the grounds for the objection; and

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(4) be postmarked within the Response Deadline to permit adequate time for processing and review by the Parties of the written statement or objection. Class Counsel shall ensure that any written objections are transmitted to the Court for the Court's review (either by Class Counsel or as an attachment to declaration from the Settlement Administrator). Regardless of the form, an objection alone will not satisfy the requirement that a Settlement Class Member must either make a timely complaint in intervention before final judgment or by filing a motion to set aside and vacate the class judgment under Code of Civil Procedure § 663 to have standing to appeal entry of judgment approving this Settlement, as is required under the California Supreme Court decision of *Hernandez v. Restoration Hardware* (2018) 4 Cal.5th 260. A Class Member who does not object prior to or at the Final Approval Hearing, will be deemed to have waived any objections and will be foreclosed from making any objections (whether at the Final Approval Hearing, by appeal, or otherwise) to the Settlement. If the objecting Class Member does not formally intervene in the action or move to set aside any judgment and/or the Court rejects the Class Member's objection, the Class Member will still be bound by the terms of this Agreement. Class Counsel and Defendant's Counsel may, at least five (5) calendar days (or some other number of days as the Court shall specify) before the Final Approval Hearing, file responses to any written objections submitted to the Court.

THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES

39. Subject to the Court's approval, the Parties have agreed to the appointment of Phoenix Class Action Administration Solutions to perform the customary duties of Settlement Administrator. The Settlement Administrator will mail the Notice, both in English and Spanish, to the Class Members.

40. The Settlement Administrator will independently review the Workweeks attributed to each Class Member and will calculate the estimated amounts due to each Class Member and the actual amounts due to each Class Member in accordance with this Settlement. The Settlement Administrator shall report, in summary or narrative form, the substance of its findings. The Settlement Administrator

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shall be granted reasonable access to Defendant's records in order to perform its duties.

41. In accordance with the terms of this Settlement, and within fourteen (14) calendar days of receipt of the full Gross Settlement Amount from Defendant, the Settlement Administrator will issue and send out the Settlement Payment checks to the Class Members. Tax treatment of the Settlement Payments will be as set forth herein, and in accordance with state and federal tax laws. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement until all payments and obligations contemplated by this Settlement have been fully carried out. Within fourteen (14) calendar days of receipt of the full Gross Settlement Amount from Defendant the Settlement Administrator will also distribute the Service Payment to Plaintiffs, attorney's fees and costs to Class Counsel, PAGA Penalty Payment to LWDA, and the Settlement Administrator's fees.

42. The Settlement Administrator will post the court orders granting preliminary and final approval of the Settlement and final judgment approving the Settlement on the Settlement Administrator's website for a period of at least one (1) calendar year after the final judgment is entered. The address of that website will be included in the Notice.

43. The Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to the Settlement, and whether any Class Member has submitted a challenge to any information contained in their Class Notice, including those received after the Release Deadline.

44. The Settlement Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, Aggrieved Employees, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

ATTORNEY'S FEES AND COSTS

45. In consideration for resolving this matter and in exchange for the release of all claims by the Class Members, including Plaintiffs, and subject to approval by the Court, Defendant will not object

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to Class Counsel's application for attorney's fees not to exceed thirty five percent (35%) of the Gross Settlement Amount and Plaintiff's verified litigation costs and expenses. The amounts set forth above will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in connection with the approval by the Court of this Settlement and administration of the Settlement.

46. Except as set forth in Paragraph 44, Released Parties shall have no liability to Class Counsel or any other counsel representing or formerly representing Plaintiffs arising from or relating in any way to the Lawsuits, including, but not limited to, any claim to any portion of any attorneys' fees or costs. Plaintiffs and Class Counsel hold Defendant and Defendant's counsel harmless, and indemnifies Defendant and Defendant's counsel, from any dispute or controversy regarding any division or sharing of any attorneys' fees and costs. Each Plaintiff agrees and acknowledges that he or she is responsible, and that neither Defendant nor Defendant's counsel is responsible, for the satisfaction and/or discharge of any and all liens and claims filed and/or asserted by any person or entity, including, but not limited to, any and all liens or claims filed and/or asserted by any attorney for services of any nature whatsoever rendered to such Plaintiff, or rendered on behalf of such Plaintiff, and relating to or arising out of either of the Lawsuits. Plaintiff Turcio's former counsel, Moon Law Group, PC, filed a Notice of Lien in the Turcio Lawsuit. The Court will be apprised of any lien(s) filed in either of the Lawsuits in the motion(s) filed with the Court seeking approval of this Agreement.

THE NOTICE PROCESS

47. A Notice in approximately the form attached hereto as **Exhibit B**, the Request for Exclusion in approximately the form attached hereto as **Exhibit C** and the Objection Form in approximately the form attached hereto as **Exhibit D** (referred to jointly below as the "Notice packet") and as approved by the Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. The Notice packet shall be translated into Spanish so that Spanish and English language versions of the Notice packet are included in the mailing. Any returned envelopes from this mailing with forwarding addresses will be utilized by the Settlement Administrator to forward the Notices to the Class.

(a) Within thirty (30) calendar days from the date of preliminary approval of this Settlement by the Court, Defendant shall provide to the Settlement Administrator

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only a class list containing the following information for each Class Member: (1) name; (2) last known address; (3) social security number; and (4) dates of employment at Defendant's location in California. This list shall be based on Defendant's payroll and other business records and shall be provided in a format acceptable to the Settlement Administrator. Defendant agrees to the Class list will be formatted in Microsoft Office Excel and provided to the Settlement Administrator in such format. The Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List; this check will be performed only once per Class Member by the Settlement Administrator. Absent mutual written agreement of counsel for the Parties or Court order, the Settlement Administrator will keep this Class list and all information contained in it confidential and secure and use it only for the purposes described herein and will return this Class list to Defendant upon final approval of the Settlement or destroy electronic records containing the database after the Settlement is final and all payments are distributed as required under this Agreement.

(b) Within fourteen (14) calendar days after the Class database is provided to the Settlement Administrator, the Settlement Administrator will mail the Notices to the Class Members by First Class United States mail.

(c) Notices returned to the Settlement Administrator as non-deliverable on or before the initial Response Deadline shall be resent to the forwarding address, if any, on the returned envelope. A returned Notice will be forwarded by the Settlement Administrator any time that a forwarding address is provided with the returned mail. If there is no forwarding address, the Settlement Administrator will do a computer search for a new address using the Class Member's social security number or other information. In any instance where a Notice is re-mailed, that Class Member will have until the extended Response Deadline as described above. A letter prepared by the Settlement Administrator will be included in the

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re-mailed Notice in that instance, stating the extended Response Deadline if different than the original Response Deadline. Upon completion of these steps by the Settlement Administrator, Defendant and the Settlement Administrator shall be deemed to have satisfied their obligations to provide the Notice to the affected Class Member. The affected Class Member shall remain a member of the Settlement Class and shall be bound by all the terms of the Settlement and the Court's Final Order and Final Judgment.

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

DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS

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

49. The Settlement Administrator shall cause the Settlement Payments to be mailed to the Settlement Class Members and Aggrieved Employees as provided herein. Settlement Class Payments and PAGA Penalty Payments may be combined into one check. Settlement Payment checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance. Settlement Payment checks will automatically be cancelled by the Settlement Administrator if they are not cashed by the Class Member within that time, and the Class Member's relevant claims will remain released by the Settlement. Settlement Payment checks that have expired will not be reissued.

50. Subject to Court approval, funds represented by Settlement Payment checks returned as undeliverable and Settlement Payment checks remaining uncashed for more than one hundred and eighty (180) calendar days after issuance will be tendered to the Cy Pres recipient, Legal Aid at

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Work, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384, subdivision (b).

51. Upon completion of administration of the Settlement, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a written declaration under oath attesting to such completion to the Court and counsel for all Parties.

RELEASES

52. Release By Participating Class Members: Upon the later of (1) the Settlement's Effective Date, or (2) the satisfaction of Defendant's obligation to provide to the Settlement Administrator a sum in the amount required to satisfy all required payments and distributions pursuant to this Settlement and the Final Order and Judgment of final approval, and except as to such rights or claims as may be created by this Settlement, each Participating Class Member, together and individually, on their behalf and on behalf of their respective representatives, heirs, executors, administrators, agents, attorneys, successors, and assigns, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released Class Claims arising during the Class Period. "Released Class Claims" shall mean all claims, rights, demands, liabilities, actions, suits, attorneys' fees, costs, damages, judgments, orders, penalties, interest, and causes of action that are alleged in the LWDA Notices or the complaints in the Lawsuits, or which could have been alleged by reason of, or in connection with, any matter or fact set forth or referred to in LWDA Notices or the complaints in the Lawsuits, including, but not limited to, claims for violation of: Labor Code sections 201, 202, 203, 204, 226, 226.7, 227.3, 245 et seq., 510, 512, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2100, 2101 *et. seq.,* 2698 et seq., 2800, and 2802, and Business and Professions Code section 17200 et seq., and the applicable Industrial Welfare Commission Wage Orders.

53. Release by Aggrieved Employees: Upon the later of (1) the Settlement's Effective Date, or (2) the satisfaction of Defendant's obligation to provide to the Settlement Administrator a sum in the amount required to satisfy all required payments and distributions pursuant to this Settlement and the Final Order and Judgment of final approval, and except as to such rights or claims as may be created by this Settlement, each Aggrieved Employee, regardless of whether they qualify as a Participating Class Member, together and individually, on their behalf and on behalf of their respective heirs, executors,

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administrators, agents, attorneys, successors, and assigns, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released PAGA Claims during the PAGA Period. "Released PAGA Claims" means all claims for civil penalties under California Labor Code PAGA that were brought or could reasonably have been brought based on the same facts alleged in Plaintiffs' operative complaint and/or Plaintiffs' LWDA Notices during the PAGA Period, including, but not limited to, claims for violation of Labor Code sections 90.5, 98.6, 98.7, 201-204, 206, 208, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 245 et seq., 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1720, 2100, 2101, 2698, 2699, 2699.3, 2699.5, 2800, 2802.

RELEASE BY PLAINTIFFS

54. Upon Final Approval and funding by Defendant of all sums due under this Agreement, in addition to the claims being released by all Participating Class Members and Aggrieved Employees, Plaintiffs will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, rights, demands, liabilities, actions, suits, attorneys' fees, costs, damages, judgments, orders, penalties, interest, and causes of action, known and unknown, asserted and not asserted, suspected or not suspected, of any kind, which Plaintiffs have or may have against the Released Parties at any time from the beginning of time until the date of execution of this Agreement. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

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

DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

55. The Parties will work in good faith to amend the current operative complaint in this matter

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to add Plaintiff Turcio as a named Plaintiff and shall include in such amended complaint ("Second Amended Complaint") any and all claims alleged by Plaintiff Turcio in the Turcio Lawsuit and in Plaintiff Turcio's LWDA Notice(s). Upon acceptance by the Court of the Second Amended Complaint in this Action, Plaintiff Turcio shall cause the Turcio Lawsuit to be dismissed without prejudice.

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

(a) Scheduling a final approval and fairness hearing on the question of whether the proposed Settlement, including, but not limited to, payment of attorney's fees and costs, and the Class Representatives' Service Payment, should be finally approved as fair, reasonable, and adequate as to the members of the Class;

(b) Certifying a Class for the purposes of settlement;

(c) Approving as to form and content the proposed Notices;

(d) Directing the mailing of the Notices;

(e) Preliminarily approving the Settlement, including Class and PAGA claims, subject only to the objections of Class Members as to the Settlement and final review by the Court;

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

(g) Appointing Phoenix Class Action Administration Solutions as the Settlement Administrator and ordering the Settlement Administrator to issue Notices as outlined above.

57. Defendant and its counsel agree to cooperate to obtain approval of the Settlement, pursuant to the terms set forth herein.

DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

58. In conjunction with the hearing of a motion for final approval by the Court of the Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will provide to Defendant's

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Counsel for review and approval and then submit to the Court a proposed Final Order and judgment containing provisions sufficient to accomplish the following:

(a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;

(b) Approving Class Counsel's application for an award of attorney's fees and costs;

(c) Approving the Service Payment to the Class Representatives;

(d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement.

(e) Adjudging Plaintiff and Class Counsel may adequately represent the Settlement Class for the purpose of entering into and implementing the Agreement;

(f) Entering a final judgment in the action as to all PAGA and Class Claims and related issues;

(g) Adjudging that notwithstanding the submission of a timely request for exclusion, Class Members are still bound by the settlement and release of the Released PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior Court* (2009) 46 Cal.4th 969, as requests to be excluded from the Settlement do not apply to the Released PAGA Claims, and further affirms that the State's claims for civil penalties pursuant to PAGA are also extinguished;

(h) Directing the posting of the Settlement documents provided in Paragraph 37 and final judgment on a website maintained by the Settlement Administrator for a period of not less than one (1) year after entry of final judgment.

Any revised final judgments will also be provided to Defendant's Counsel for review and approval before they are submitted to the Court.

NULLIFICATION AND TERMINATION

59. This Settlement will be null and void if any of the following occur: (a) the Court should for any reason fail to certify a class for settlement purposes; (b) the Court should for any reason fail to preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than adjustments made to the attorney's fees and costs, Service Payment, Settlement Administrator's fees; (c)

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the Court should for any reason fail to issue its Final Order or enter the final judgment; (d) the Final Order or final judgment is reversed, modified, or declared or rendered void; or (e) the Settlement does not become final for any other reason.

60. If five percent (5%) or more of the Class Members opt out of this Settlement, then Defendant in its sole discretion may terminate, nullify and void this Settlement. The Settlement Administrator shall provide Defendant's Counsel with the information necessary to effectuate this provision on a regular basis, but no less frequently than on a weekly basis. To terminate this Settlement under this paragraph, Defendant's Counsel must give Plaintiff's Counsel written notice, by facsimile, e-mail, or mail, no later than seven (7) days prior to the date of the Final Approval Hearing. If this option is exercised by Defendant, Defendant shall be solely responsible for the costs incurred by the Settlement Administrator for the settlement administration.

61. In the event this Settlement is nullified or terminated as provided above: (i) this Settlement shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or proceedings shall have any force or effect and no party shall be bound by any of its terms, and (iii) all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

PARTIES' AUTHORITY

62. The Parties hereto hereby represent that they are fully authorized to enter into this Settlement and bind the Parties hereto to the terms and conditions hereof.

MUTUAL FULL COOPERATION

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

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NO PRIOR ASSIGNMENTS

64. The Parties and their respective counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein. Notwithstanding anything to the contrary in this Agreement, this Agreement and any and all rights, duties, obligations, and/or interests hereunder shall not be assignable or delegable, in whole or in part, by Plaintiffs and any purported assignment or delegation by Plaintiffs is and shall be null, void, and without force or effect.

NO ADMISSION OF LIABILITY

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

ENFORCEMENT ACTIONS

66. The Parties agree that following entry of the Final Approval Order and Judgment, this Agreement shall be enforceable by the Court and the Court shall retain exclusive and continuing jurisdiction of the Action over all parties and the Class Members to interpret and enforce the terms, conditions, and obligations of the Agreement pursuant to California Code of Civil Procedure section 664.6. In the event that one or more of the Parties to this Settlement institutes any legal action or other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees incurred in connection with any enforcement actions.

NOTICES

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

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addressed as follows:

Class Counsel:

Justin Lo, Esq.
justin@caworklawyer.com
WORK LAWYERS PC
22939 Hawthorne Blvd., Ste. 300
Torrance, CA 90505
Telephone: (424) 355-8535

Jose R. Garay, Esq.
jose@garaylaw.com
JOSE GARAY, APLC
249 E. Ocean Blvd., Ste. 814
Long Beach, CA 90802
Telephone: (949) 208-3400
Facsimile: (562) 590-8400

Counsel for Defendant:

Jason Morris, Esq.
jason.morris@ndlf.com,
Newmeyer & Dillion, LLP
895 Dove Street, Second Floor
Newport Beach, CA 92660

CONSTRUCTION

68. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and this Settlement shall not be construed in favor of or against any party by reason of the extent to which any party or his, her or its counsel participated in the drafting of this Settlement. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

CAPTIONS AND INTERPRETATIONS

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

MODIFICATION

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

71. Before declaring any provision of this Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents

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so as to define all provisions of this Settlement valid and enforceable.

INTEGRATION CLAUSE

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

WAIVER OF APPEALS

73. The Parties agree to waive appeals and to stipulate to class certification for purposes of implementing this Settlement only, with the exception that Class Counsel retains the right to appeal the amount awarded as attorney's fees, and the Final Order may be appealed if materially different from the proposed final order submitted by the Parties.

BINDING ON ASSIGNS

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

CLASS COUNSEL SIGNATORIES

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

COUNTERPARTS

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

CONFIDENTIALITY & PUBLIC COMMENT

77. The Class Representative and Class Counsel shall only disclose matters of public record other than to Class Members, who may receive information about the Settlement that is not in the public record after the Court has preliminarily approved the Settlement. Other than as to Class Members who

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are allowed to discuss the terms or the fact of the settlement with their immediate family members, their respective accountants or lawyers as necessary for tax purposes; or other Class Members, the Parties and attorneys will keep the settlement confidential until the filing of the motion for preliminary approval of the class settlement. Thereafter, the Parties agree to make no comments to the media or otherwise publicize the terms of the Settlement, other than in court filings.

ACKNOWLEDGMENT THAT SETTLEMENT IS FAIR AND REASONABLE

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

REPRESENTATION BY COUNSEL

79. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and that this Settlement has been executed with the consent and advice of counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement except as stated herein.

FINAL JUDGMENT

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

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

IT IS SO STIPULATED.

SIGNATURES ON NEXT PAGE

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Plaintiffs & Class Representatives:

Dated: 3/18/2026 By: DocuSigned by: Rey David Armendariz BD99499FD6E0498...

Rey David Armendariz

Dated: _____ By: _____

Eduar Mencias Turcio

Defendant: **Trencore Plastering, Inc.**

Dated: _____ By: _____

Print Name

_____

Signature

_____

Title

APPROVED AS TO FORM

Plaintiff's Counsel:

Dated: March 18, 2026 **WORK LAWYERS PC**

By: Justin Lo

Justin Lo
Attorneys for Rey David Armendariz

Dated: _____ **GARAY LAW APC**

By: _____

Jose Garay

Plaintiffs & Class Representatives:

Dated: _____ By: _____
Rey David Armendariz

Dated: 03 / 18 / 2026 By: _____
Eduar Mencias Turcio

Defendant: **Trencore Plastering, Inc.**

Dated: _____ By: _____
Print Name

_____
Signature

_____
Title

APPROVED AS TO FORM

Plaintiff's Counsel:

Dated: March 18, 2026 **WORK LAWYERS PC**

By: _____
Justin Lo
Attorneys for Rey David Armendariz

Dated: 03 / 18 / 2026 **GARAY LAW APC**

By: _____
Jose Garay

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Plaintiffs & Class Representatives:

Dated: _____ By: _____
Rey David Armendariz

Dated: _____ By: _____
Eduar Mencias Turcio

Defendant: **Trencore Plastering, Inc.**

Dated: 3/19/2026 By: Justin Erdtsieck
Print Name

DocuSigned by:
Justin Erdtsieck
C22DD74BE24548C...
Signature

president ceo
Title

APPROVED AS TO FORM

Plaintiff's Counsel:

Dated: March 18, 2026 **WORK LAWYERS PC**

By: Justin Lo

Justin Lo
Attorneys for Rey David Armendariz

Dated: _____ **GARAY LAW APC**

By: _____

Jose Garay

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Attorney for Eduar Mencias Turcio

Defendant's Counsel: **Newmeyer & Dillion, LLP.**

Dated: March 19, 2026

By: _____
Jason Morris
Attorney for Defendant Trencore Plastering, Inc.