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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JOSE LECHUGA, individually, and on behalf
of other members of the general public similarly
situated,

Plaintiff,

vs.

DEL WEST ENGINEERING, INC., a
California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 25STCV06900

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

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Jose Lechuga (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendant Del West Engineering, Inc. (“Defendant”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

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

1. “Action” means *Lechuga v. Del West Engineering, Inc.*, No. 25STCV06900 (Los Angeles County Superior Court).

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not to exceed of one-third (1/3) of the Gross Settlement Amount, or Eighty-Nine Thousand Six Hundred Twenty-Eight Dollars (\$89,628). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Fifteen Thousand Dollars (\$15,000), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

3. “Class Counsel” means Capstone Law APC.

4. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member’s full name; most recent mailing address and telephone number; Social Security Number; dates of employment; the respective number of

Workweeks that each Class Member worked during the Class Period and PAGA Period; and any other relevant information needed to calculate settlement payments.

5. “Class Member(s)” or “Settlement Class” means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the period from June 27, 2022 through November 8, 2025. There are approximately Two Hundred Seventy-Six (276) Class Members.

6. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

7. “Class Period” means the period from June 27, 2022 through November 8, 2025.

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

9. “Court” means the Los Angeles County Superior Court.

10. “Defendant” means Defendant Del West Engineering, Inc.

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

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

13. “Gross Settlement Amount” means the Gross Settlement Amount of Two Hundred Sixty-Eight Thousand Eight Hundred Eighty-Four Dollars (\$268,884), to be paid by Defendant in full satisfaction of all Released Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments, Attorneys’ Fees and Costs, the Class Representative Enhancement Payment, the

1 PAGA Settlement Amount, and Settlement Administration Costs. This Gross Settlement Amount has
2 been agreed to by Plaintiff and Defendant based on the aggregation of the agreed-upon settlement value
3 of individual claims. In no event will Defendant be liable for more than the Gross Settlement Amount
4 except as otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement
5 Amount to Defendant. Defendant will be separately responsible for any employer payroll taxes required
6 by law, including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the
7 Gross Settlement Amount.

8 14. "Individual Settlement Payment" means each Participating Class Member's and PAGA
9 Member's respective shares of the Net Settlement Fund and PAGA Fund.

10 15. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining
11 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the
12 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
13 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to
14 Defendant.

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

21 17. "PAGA Members" means all persons who worked for Defendant as non-exempt, hourly
22 paid employees in the State of California at any time during the period from March 12, 2024 through
23 November 8, 2025. There are approximately Two Hundred Twenty-Five (225) PAGA Members.

24 18. "PAGA Period" means the period from March 12, 2024 through November 8, 2025.

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

1 (\$20,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to
2 PAGA, Sixty-Five Percent (65%), or Thirteen Thousand Dollars (\$13,000), of the PAGA Settlement
3 Amount will be paid to the California Labor and Workforce Development Agency (“Labor and
4 Workforce Development Agency Payment”), and Thirty-Five Percent (35%), or Seven Thousand
5 Dollars (\$7,000) (“PAGA Fund”), of the PAGA Settlement will be disbursed to PAGA Members, and
6 regardless whether they request to be excluded from the Settlement Class.

7 20. “Parties” means Plaintiff and Defendant collectively.

8 21. “Participating Class Members” means all Class Members who do not submit timely and
9 valid Requests for Exclusion.

10 22. “Plaintiff” means Plaintiff Jose Lechuga.

11 23. “Preliminary Approval” means the date on which the Court enters an order granting
12 preliminary approval of the Settlement Agreement.

13 24. “Released Class Claims” means any and all claims, rights, demands, liabilities, and
14 causes of action that are alleged in the operative Complaint, or which could have been alleged by reason
15 of, or in connection with, any matter or fact set forth or referred to in the operative Complaint, including,
16 without limitation, statutory, constitutional, contractual, and/or common law claims for wage and hour
17 violations, any claims under the California Labor Code and applicable Industrial Welfare Commission
18 Orders including but not limited to claims based on alleged unpaid overtime, unpaid minimum wages,
19 alleged failure to provide meal and rest periods, non-compliant wage statements and failure to maintain
20 accurate payroll records, alleged failure to timely pay wages during or after employment, alleged failure
21 to reimburse necessary business expenses, unfair business practices, premium payments, restitution,
22 expenses, interest, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, and/or
23 statutory and civil penalties (excluding PAGA civil penalties), including but not limited to, claims arising
24 out of the California Business and Professions Code section 17200 *et seq.*, or California Labor Code
25 sections 201, 202, 204, 226(a), 226.7, 510, 511, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1,
26 1198, 2802, or the corresponding provisions of the IWC Wage Orders, during the Class Period.

27 25. “Released PAGA Claims” means all claims for civil penalties under California Labor
28 Code §§ 2698, *et seq.*, that were alleged or could reasonably have been alleged based on the same facts

alleged in Plaintiff's LWDA letter during the PAGA Period.

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

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

28. "Response Deadline" means the deadline by which Class Members must postmark or fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

29. "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary, any such costs exceeding the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement. Settlement Administration Costs are currently estimated to be Ten Thousand Dollars (\$10,000).

30. "Settlement Administrator" means Phoenix Settlement Administrators, or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any

1 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
2 Administrator that could create a conflict of interest.

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

8 **TERMS OF AGREEMENT**

9 Subject to Court approval, the Plaintiff, on behalf of himself and the Settlement Class, and
10 Defendant agree as follows:

11 32. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of
12 the Gross Settlement Amount of Two Hundred Sixty-Eight Thousand Eight Hundred Eighty-Four
13 Dollars (\$268,884) into a Qualified Settlement Account to be established by the Settlement
14 Administrator. Defendant will pay the employer's share of payroll taxes separately. After the Effective
15 Date, the Gross Settlement Amount will be used for: (a) Individual Settlement Payments; (b) the Labor
16 and Workforce Development Agency Payment; (c) the Class Representative Enhancement Payment; (d)
17 Attorneys' Fees and Costs; and (e) Settlement Administration Costs. Defendant will deposit the Gross
18 Settlement Amount and the employer's share of payroll taxes within thirty (30) calendar days of the
19 Effective Date ("Funding Date").

20 33. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
21 motion for attorneys' fees and costs by Class Counsel for Attorneys' Fees and Costs of not more than
22 Eighty-Nine Thousand Six Hundred Twenty-Eight Dollars (\$89,628), plus the reimbursement of all out-
23 of-pocket costs and expenses associated with Class Counsel's litigation and settlement of the Action
24 (including expert/consultant fees, mediation fees, investigations costs, etc.), not to exceed Fifteen
25 Thousand Dollars (\$15,000), both of which will be paid from the Gross Settlement Amount.

26 34. Class Representative Enhancement Payment. In exchange for a general release, and in
27 recognition of his effort and work in prosecuting the Action on behalf of Class Members, Defendant
28 agrees not to oppose or impede any application or motion for a Class Representative Enhancement

1 Payment of up to Ten Thousand Dollars (\$10,000). The Class Representative Enhancement Payment
2 will be paid from the Gross Settlement Amount and will be in addition to Plaintiff's Individual
3 Settlement Payment paid pursuant to the Settlement. Plaintiff will be solely and legally responsible to
4 pay any and all applicable taxes on the Class Representative Enhancement Payment. Plaintiff
5 understands and agrees that this Settlement Agreement shall remain in full force and effect even if the
6 full amount of Class Representative Enhancement Payment sought by Plaintiff is not ultimately awarded
7 by the Court.

8 35. Settlement Administration Costs. The Settlement Administrator will be paid for the
9 reasonable costs of administration of the Settlement and distribution of payments from the Gross
10 Settlement Amount, which is currently estimated to be Ten Thousand Dollars (\$10,000). These costs,
11 which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting
12 on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Class
13 Notices, calculating and distributing the Gross Settlement Amount, and providing necessary reports and
14 declarations.

15 36. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
16 of Twenty Thousand Dollars (\$20,000) from the Gross Settlement Amount will be designated for
17 satisfaction of Plaintiff's PAGA claim. Pursuant to PAGA, Sixty-Five Percent (65%), or Thirteen
18 Thousand Dollars (\$13,000), of this sum will be paid to the LWDA and Thirty-Five Percent (35%), or
19 Seven Thousand Dollars (\$7,000), will be paid to PAGA Members in proportion to the number of
20 Workweeks worked during the PAGA Period.

21 37. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement
22 resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private
23 Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
24 Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and
25 all PAGA Members will receive their share of the PAGA Fund. The Parties also agree that no PAGA
26 Member has the right to object to the PAGA Settlement Amount.

27 38. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating
28 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendant.

1 39. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
2 portion of the PAGA Fund will revert to or be retained by Defendant.

3 40. Individual Settlement Payment Calculations. Individual Settlement Payments will be
4 calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of
5 Workweeks a Class Member worked during the Class Period and PAGA Period. Specific calculations of
6 Individual Settlement Payments will be made as follows:

7 40(a) Payments from the Net Settlement Fund. Defendant will calculate the total
8 number of Workweeks worked by each Class Member during the Class
9 Period and the aggregate total number of Workweeks worked by all Class
10 Members during the Class Period. To determine each Class Member's
11 estimated "Individual Settlement Payment" from the Net Settlement Fund,
12 the Settlement Administrator will use the following formula: The Net
13 Settlement Fund will be divided by the aggregate total number of
14 Workweeks during the Class Period, resulting in the "Workweek Value."
15 Each Class Member's "Individual Settlement Payment" will be calculated
16 by multiplying each individual Class Member's total number of Workweeks
17 by the Workweek Value. The Individual Settlement Payment will be
18 reduced by any required deductions for each Participating Class Member as
19 specifically set forth herein, including employee-side tax withholdings or
20 deductions. The entire Net Settlement Fund will be disbursed to all Class
21 Members who do not submit timely and valid Requests for Exclusion. If
22 there are any valid and timely Requests for Exclusion, the Settlement
23 Administrator shall proportionately increase the Individual Settlement
24 Payment for each Participating Class Member according to the number of
25 Workweeks worked, so that the amount actually distributed to the
26 Settlement Class equals 100% of the Net Settlement Fund.

27 40(b) Payments from the PAGA Fund. Defendant will calculate the total number
28 of Workweeks worked by each PAGA Member during the PAGA Period

1 and the aggregate total number of Workweeks worked by all PAGA
2 Members during the PAGA Period. To determine each PAGA Member's
3 estimated "Individual Settlement Payment," the Settlement Administrator
4 will use the following formula: The PAGA Fund will be divided by the
5 aggregate total number of Workweeks during the PAGA Period, resulting in
6 the "PAGA Workweek Value." Each PAGA Member's "Individual
7 Settlement Payment" will be calculated by multiplying each individual
8 PAGA Member's total number of Workweeks by the PAGA Workweek
9 Value. The entire PAGA Fund will be disbursed to all PAGA Members.

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

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

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

22 44. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class
23 List from Defendant, the Settlement Administrator will mail a Class Notice to all Class Members via
24 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class
25 List.

26 45. Confirmation of Updated Contact Information in the Class Lists. Prior to mailing, the
27 Settlement Administrator will perform a search based on the National Change of Address Database for
28 information to update and correct for any known or identifiable address changes. Any Class Notices

1 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will,
2 within five (5) business days of receipt, be sent promptly via regular First-Class U.S. Mail to the
3 forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-
4 mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will
5 promptly attempt to determine the correct address using a skip-trace, or other search using the name,
6 address and/or Social Security Number of the Class Member involved, and will then perform a single re-
7 mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or by
8 request, will have either (a) an additional fifteen (15) calendar days or (b) until the Response Deadline,
9 whichever is later, to submit a Request for Exclusion or an objection to the Settlement.

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

19 47. Disputed Information on Class Notices. Class Members will have an opportunity to
20 dispute the information provided in their Class Notices. To the extent Class Members dispute their
21 employment dates or the number of Workweeks on record, Class Members may produce evidence to the
22 Settlement Administrator showing that such information is inaccurate. Defendant's records will be
23 presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the
24 Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline,
25 and will be decided within ten (10) business days after the Response Deadline.

26 48. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
27 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
28 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of

1 receiving the defective submission to advise the Class Member that his/her/their submission is defective
2 and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have
3 until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter,
4 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
5 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

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

11 50. Escalator. Defendant represents that as of November 8, 2025, Class Members worked an
12 aggregate total of approximately Twenty-Six Thousand Eight Hundred Eighty-Four (26,884)
13 Workweeks during the Class Period. If the actual aggregate total of Workweeks worked during the Class
14 Period is greater than Ten Percent (10%) of this estimate, then Defendant, at its sole election, must either:
15 (a) increase the Gross Settlement Amount proportionately for each Workweek above the Ten Percent
16 (10%) allowance (e.g., if the total number of Workweeks increases by 11%, the Gross Settlement
17 Amount will increase by 1%); or (b) advance the end date of the Class Period and PAGA Period to the
18 last date on which the total number of Workweeks worked by Class Members in aggregate during the
19 Class Period is no greater than Twenty-Nine Thousand Five Hundred Seventy-Three (29,573).
20 Additionally, no less than thirty (30) days prior to the date set for Preliminary Approval, Defendant may
21 elect to extend the Class Period and PAGA Period, and if Defendant elects to do so, the Gross Settlement
22 Amount will increase by \$10.00 for every additional work week included in the extended Class Period
23 and PAGA Period.

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

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

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

11 54. Objection Procedures. To object to the Settlement Agreement, a Class Member may
12 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
13 Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by
14 submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be
15 deemed to have waived all objections to the Settlement and will be foreclosed from making any
16 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the
17 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
18 objections to the Settlement Agreement or appeal from the final approval order and judgment. Class
19 Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a
20 Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for
21 Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the
22 Class Member shall not participate in or be bound by the Settlement. Pursuant to Section 37, there is no
23 right to object to the PAGA Settlement.

24 55. Certification Reports Regarding Individual Settlement Payment Calculations. The
25 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
26 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
27 the Settlement, and promptly report whether any Class Member has submitted a challenge to any
28 information contained in their Class Notice, including those received after the Response Deadline.

1 Additionally, the Settlement Administrator will promptly provide to counsel for both Parties any updated
2 reports regarding the administration of the Settlement Agreement as needed or requested.

3 56. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
4 of the Funding Date, the Settlement Administrator will issue payments to: (a) Participating Class
5 Members and PAGA Members; (b) the Labor and Workforce Development Agency; (c) Plaintiff; and
6 (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved
7 services performed in connection with the Settlement.

8 57. Un-cashed Settlement Checks. Proceeds represented by Individual Settlement Payment
9 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
10 more than one hundred and eighty (180) calendar days after issuance will be tendered pursuant to Code
11 of Civil Procedure section 384 to The Justice Gap Fund (“JGF”) maintained by The State Bar of
12 California. The Parties do not have a connection to or a relationship with JGF that could reasonably
13 create the appearance of impropriety as between the selection of JGF as the recipient of the unclaimed
14 residuals and the interests of the class.

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

18 59. Treatment of Individual Settlement Payments. All payments to Participating Class
19 Members from the Net Settlement Fund will be allocated as follows: (a) Twenty Percent (20%) of each
20 payment will be allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent
21 (80%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued
22 to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-
23 MISC will be issued.

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

1 61. Tax Liability. The Parties make no representation as to the tax treatment or legal effect
2 of the payments called for hereunder, and Plaintiff, Participating Class Members, and PAGA Members
3 are not relying on any statement, representation, or calculation by Plaintiff, Class Counsel, Defendant or
4 by the Settlement Administrator in this regard.

5 62. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
6 OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
7 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
8 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
9 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
10 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
11 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
12 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
13 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
14 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
15 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
16 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
17 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
18 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
19 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
20 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
21 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
22 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
23 ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER
24 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
25 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
26 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
27 AGREEMENT.

28 63. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant

1 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
2 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
3 action or right herein released and discharged.

4 64. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally
5 approve the Settlement as provided herein; or (b) the Settlement does not become final for any other
6 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
7 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
8 likewise be treated as void from the beginning.

9 65. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request
10 the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order
11 for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) preliminary
12 approval of the proposed Settlement Agreement, (c) setting a date for a final fairness hearing. The
13 Preliminary Approval Order will provide for the Class Notice to be sent to all Class Members as
14 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit to the Court
15 this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed
16 Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting
17 all documents necessary to obtain preliminary approval.

18 66. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
19 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
20 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
21 Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b)
22 the Class Representative Enhancement Payment; (c) Individual Settlement Payments; (d) the Labor and
23 Workforce Development Agency Payment; (e) all Settlement Administration Costs. Class Counsel will
24 be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be
25 responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing.

26 67. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
27 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
28 approval. After entry of the Judgment, the Court will have continuing jurisdiction under California Code

of Civil Procedure section 664.6 solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement Administrator's website.

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

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

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

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

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

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

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

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

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

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

77. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent

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

78. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court, and either party may appeal any court order that materially alters the Settlement Agreement's terms.

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

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

81. No Public Comment: Prior to Preliminary Approval, the Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press

inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.

82. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

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

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

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

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

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

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

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 5/26/2026

Signed by:



Jose Lechuga

DEFENDANT

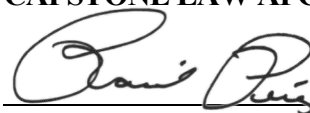
Dated: _____

Mark Sommer, CEO
Del West Engineering, Inc.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 5/29/26

By: 

Raul Perez
Attorneys for Plaintiff Jose Lechuga

PAUL HASTINGS LLP

Dated: _____

By: _____

Chris A. Jalian
Attorneys for Defendant Del West Engineering, Inc.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Jose Lechuga

DEFENDANT

Dated: 5/26/2026

DocuSigned by:
Mark Sommer

19FAE6042AC647E...
Mark Sommer, CEO
Del West Engineering, Inc.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

By: _____
Raul Perez
Attorneys for Plaintiff Jose Lechuga

PAUL HASTINGS LLP

Dated: 6/01/2026

By: *Chris A. Jalian*

Chris A. Jalian
Attorneys for Defendant Del West Engineering, Inc.

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

LOS ANGELES COUNTY SUPERIOR COURT
JOSE LECHUGA V. DEL WEST ENGINEERING, INC., ET AL, CASE NO. 25STCV06900

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

ATTENTION: IF YOU WORKED FOR DEL WEST ENGINEERING, INC., AS A NON-EXEMPT, HOURLY PAID EMPLOYEE IN THE STATE OF CALIFORNIA BETWEEN JUNE 27, 2022 AND NOVEMBER 8, 2025 YOU ARE ENTITLED TO A SHARE OF A PROPOSED CLASS ACTION SETTLEMENT.

TO UNDERSTAND YOUR RIGHTS, READ THIS NOTICE CAREFULLY.

- A proposed class action settlement (“the Settlement”) has been reached between plaintiff Jose Lechuga (“Plaintiff”), on behalf of himself and the below-defined Class (see the response to Question 4 below), and Defendant Del West Engineering, Inc. (“Defendant”).
- The Settlement resolves a class action lawsuit that included claims that Defendant allegedly violated various wage and hour laws and engaged in unlawful business practices. Defendant denies all liability to Class Members, and asserts that it complied with California and Federal law at all times and has entered into the Settlement solely for purposes of resolving this dispute.
- The Settlement provides for settlement payments based in-part on a calculation that takes into account the number of workweeks each Class Member worked for Defendant between June 27, 2022, and November 8, 2025.

YOUR SHARE OF THE SETTLEMENT PROCEEDS IS ESTIMATED TO BE \$<<EST_PAYMENT>>.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
DO NOTHING	Subject to the Court’s final approval of the terms of the Settlement, you will receive a settlement payment at the address where this notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator), in exchange for which you will give up your claims in this case within the scope of the release set forth below.
EXCLUDE YOURSELF	If you submit a Request for Exclusion, which must be postmarked by 45-calendar days after settlement administrator mails class notice , you will <u>not</u> receive a settlement payment but you will keep your claims against Defendant, except that you cannot opt out of the portion of the settlement releasing claims under California’s Private Attorneys General Act.
OBJECT	If you wish to object to the Settlement, you must submit a written objection, and supporting papers, to the Settlement Administrator that is postmarked no later than 45-calendar days after settlement administrator mails class notice .

- These rights and options, and how to exercise them, are explained in more detail in this notice.
- The Court handling this case still has to decide whether to grant final approval of the Settlement. Settlement payments will only be issued if the Court grants final approval of the Settlement.

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

BASIC INFORMATION

1. Why did I get this notice?

Defendant's records show that you are, or were, employed by Defendant, in California, as a non-exempt, hourly paid employee, between June 27, 2022, and November 8, 2025 (the "Class Period"). This notice explains the Lawsuit, the Settlement, and your legal rights.

The lawsuit is known as *Lechuga v. Del West Engineering, Inc.*, and is pending in the Los Angeles County Superior Court, Case No. 25STCV06900 (the "Lawsuit"). Jose Lechuga ("Lechuga") is referred to as the Plaintiff and Del West Engineering, Inc., is called Defendant.

2. What is the Lawsuit about?

On March 11, 2025, Plaintiff filed a class action complaint alleging that Defendant violated the California Labor Code by allegedly failing to: pay covered employees all overtime and minimum wages owed; provide lawful meal and rest periods; provide compliant wage statements or maintain payroll records as required; timely pay wages during employment and at separation; reimburse all reasonably necessary business expenses; and also that Defendant engaged in unfair business practices and purportedly owes civil penalties pursuant to the Private Attorneys General Act ("PAGA"). As a result of the Complaint, Plaintiff alleges he and the members of the Class (defined in response to Question 4 below) are entitled to recover compensatory and other fiscal damages, restitution, equitable relief, attorneys' fees, litigation costs, penalties, liquidated damages, and interest.

Defendant denies that it engaged in any wrongful conduct or that it violated the law in any way.

3. Why is this lawsuit a class action?

In a class action, one or more people called the "Plaintiff" sues on behalf of people who have similar alleged claims. All of these people are a "class" or "class members." The Court resolves the issues for all class members, except for those who exclude themselves from the class. On [DATE OF PRELIMINARY APPROVAL], the Honorable Elihu Berle issued an order conditionally certifying the Class for purposes of settlement only.

4. Who is in the Class?

"Class" or "Class Members" means all persons who are or were employed by Defendant, in California, as a non-exempt, hourly paid employee, between June 27, 2022, and November 8, 2025.

Because Plaintiff is also alleging that Defendant owes civil penalties pursuant to PAGA, there is also a group of covered "PAGA Members" including all persons who are or were employed by Defendant, in California, as a non-exempt, hourly paid employee, between March 12, 2024, and November 8, 2025 (the "PAGA Period").

5. Why is there a Settlement?

After conducting substantial investigation, including review of policies and procedures, reviews of records, 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 Lawsuit and denies that it has violated any laws. Plaintiffs and their lawyers maintain that the Settlement is in the best interests of all Class Members.

THE SETTLEMENT BENEFITS—WHAT YOU GET

6. What does the Settlement provide?

Under the terms of the Settlement, Defendant agrees to pay a Maximum Settlement Amount of \$268,884.00. Deducted from this Maximum Settlement Amount will be sums approved by the Court for attorneys' fees (not to exceed \$89,628) and costs (not to exceed \$15,000) enhancement award payments to Plaintiff Lechuga, (not to exceed \$10,000.00 total), an LWDA payment to California's Labor Workforce Development Agency (not to exceed \$13,000 total), of the Settlement Administrator, Phoenix Settlement Administrators (not to exceed \$10,000.00 total), which will result in a maximum amount payable by Defendant for distribution to Class Members who do not opt out (the "Net Settlement Fund").

Individual Settlement Payment Calculation

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

Additionally, Defendant will calculate the total number of Workweeks worked by each PAGA Member during the PAGA Period and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated "Individual PAGA Payment," the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's "Individual PAGA Payment" will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. The entire \$7,000.00 PAGA Fund will be disbursed to all PAGA Members.

To the extent Class Members dispute their employment dates or the number of Workweeks on record, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Defendant's records will be presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline, which is 45-calendar days after the Settlement Administrator mails class notice. Any such dispute must: (1) contain the name, address, telephone number, last four digits of the Social Security Number or Tax Identification Number, and signature of the Class Member; (2) contain the case name and number of the Lawsuit; (3) clearly indicate that the Class Member seeks to dispute his/her Workweeks; (4) provide documentation and/or an explanation to show contrary Workweeks; and (5) is postmarked or fax-stamped by 45 calendar days after settlement administrator mails class notice and returned to the Settlement Administrator at the specified address or fax telephone number. Defendant's records will be presumed determinative.

Once the settlement becomes Final as defined below, the settlement payments to Settlement Class Members, the enhancement award to the Class Representatives, and the payment to Class Counsel for their awarded attorneys' fees and expenses will be made within 10 calendar days following the date that the Settlement becomes fully funded. "Final" shall mean the latest of the following dates, as applicable: (a) if no timely objections are filed, or

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

Following distribution of the Individual Settlement Payment and Individual PAGA Payment, any uncollected funds remaining will be distributed to The Justice Gap Fund (“JGF”) maintained by the state Bar of California.

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

In exchange for the consideration provided, each member of the Class who does not submit a valid Request for Exclusion (defined in response to Question 10 below) will release Del West Engineering, Inc. and all of its respective current, former, and future parents, subsidiaries, predecessors and successors, and affiliated entities, and each of their respective officers, directors, employees, partners, shareholders, and agents, and any other successors, assigns, or legal representatives (collectively, “Released Parties”) from any and all claims rights, demands, liabilities, and causes of action that are alleged in the operative Complaint, or which could have been alleged by reason of, or in connection with, any matter or fact set forth or referred to in the operative Complaint, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wage and hour violations, any claims under the California Labor Code and applicable Industrial Welfare Commission Orders including but not limited to claims based on alleged unpaid overtime, unpaid minimum wages, alleged failure to provide meal and rest periods, non-compliant wage statements and failure to maintain accurate payroll records, alleged failure to timely pay wages during or after employment, alleged failure to reimburse necessary business expenses, unfair business practices, premium payments, restitution, expenses, interest, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, and/or statutory and civil penalties (excluding PAGA civil penalties), including but not limited to, claims arising out of the California Business and Professions Code section 17200 et seq., or California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 511, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, or the corresponding provisions of the IWC Wage Orders, during the Class Period. Further, any member of the Class who is covered by Plaintiff's representative action allegations under California's Private Attorneys' General Act, releases all claims for civil penalties under California Labor Code §§ 2698, et seq., that were alleged or could reasonably have been alleged based on the same facts alleged in Plaintiff's LWDA letter during the PAGA Period.

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

Subject to the Court's final approval of the terms of the Settlement, you will automatically be sent a settlement payment at the address where this Notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator) in exchange for which you will give up your claims in this case.

9. When will I get my check?

Checks will be mailed to Settlement Class Members eligible to receive a payment under the Settlement after the Court grants “final approval” of the Settlement. If the Court approves the Settlement after a hearing on [date of final approval hearing] (see “The Court's Final Approval Hearing”) below, there may be appeals. If there are any appeals, resolving them could take some time, so please be patient. Please also be advised that you will only have 180 days from the date that the checks are issued to cash them. If you do not cash your check within 180 days of the date of its issuance, your Individual Settlement Payment and Individual PAGA Payment shall be voided, but you will still have released your claims.

EXCLUDING YOURSELF FROM THE SETTLEMENT

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

If you do not wish to participate in the Settlement (“opt out”), you must complete and send a timely written request

for exclusion (“Request for Exclusion”) no later than 45 calendar days after settlement administrator mails class notice. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator; (d) clearly state that the Class Member does not wish to be included in the Settlement; and (e) be faxed or postmarked on or before 45 calendar days after settlement administrator mails class notice, and returned to:

Lechuga v Del West Corporation Settlement
C/O Phoenix Settlement Administrators
[address]

Requests for Exclusion that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. Class Members who fail to submit a valid and timely Request for Exclusion on or before the above-specified deadline shall be bound by all terms of the Settlement and any judgment entered in the Lawsuit if the Settlement is approved by the Court. However, no PAGA Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and all PAGA Members will receive their share of the PAGA Fund.

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

No. If you exclude yourself now you will not get anything from the settlement. If you ask to be excluded, you will not get a settlement payment and you will not be bound by the settlement, except that you cannot opt out of the portion of the settlement relating to claims under California’s Private Attorneys General Act. However, no PAGA Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and all PAGA Members will receive their share of the PAGA Fund.

12. If I don’t exclude myself, can I sue later for the Released Claims that arose during the Class Period?

No. Unless you exclude yourself or the Court otherwise excludes you, you give up the right to sue Defendant or any other Released Party for the claims asserted in this lawsuit (as explained in Question 7 above). You must exclude yourself from the Class to start or continue your own lawsuit. However, no PAGA Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and all PAGA Members will receive their share of the PAGA Fund.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

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

Orlando Villalba, Esq.
Helga Hakimi, Esq.
Capstone Law APC
1875 Century Park East, Suite 1860
Los Angeles, California 90067
Telephone: [case-specific phone number]
Email: [case-specific email]

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

Subject to court approval, Defendant agrees to pay up to \$89,628.00 in attorneys’ fees and up to \$15,000.00 costs to Class Counsel. The Court may award less than these amounts. If the Court awards less than the amounts requested, the difference will remain in the Net Settlement Fund for distribution.

In addition, and subject to Court approval, Defendant also agrees to pay Plaintiff Lechuga up to \$10,000.00 total as a Class Representative Enhancement Award for his participation in this lawsuit and for taking on the risk of

litigation. Defendant also agrees to pay the Settlement Administrator's costs and fees associated with administering the Settlement, estimated not to exceed \$10,000.00. Such payments will be made from the maximum settlement fund. The Court may award less than these amounts. If lesser amounts are awarded, those amounts will be included in the Net Settlement Fund payable by Defendant and will be available for distribution to Settlement Class Members.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

Any Class Member may object to the proposed Settlement, or any portion thereof, by mailing a written objection, and supporting papers, to the Settlement Administrator at the following addresses by regular U.S. Mail postmarked no later than 45 calendar days after settlement administrator mails class notice, or as modified subject to re-mailing:

Lechuga v Del West Corporation Settlement
C/O Phoenix Settlement Administrators
[address]

A written objection must include (a) the objector's full name, signature, address, and telephone number, (b) a written statement of all grounds for the objection accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other documents upon which the objection is based; and (d) a statement whether the objector intends to appear at the final fairness hearing, and (e) be postmarked or fax-stamped on or before 45 calendar days after settlement administrator mails class notice and returned to the Settlement Administrator at the specified address or fax telephone number. **Notwithstanding, in the discretion of the Court, 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 Class Member who files an objection remains eligible to receive monetary compensation from the Settlement unless he/she submits a timely and valid Request for Exclusion. If the Court overrules any objections and grants final approval of the Settlement, any Class Member who submitted an objection but did not submit a timely and valid Request for Exclusion will be bound by the Release set forth in Section 7 above.

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. If you object, you are still a part of the Class. Excluding yourself is telling the Court that you do not want to be part of the Class.

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 attend 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 **[TBD]** at the Los Angeles County Superior Court, located at The **Spring Street Courthouse, Department 006, 312 North Spring Street, Los Angeles, CA 90012**. 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 also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

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

19. May I speak at the hearing?

If a Class Member wishes to appear at the Final Approval Hearing and orally present his or her objection to the Court, the objector's written statement should include the objector's statement of intent to appear at the Final Approval Hearing. Notwithstanding, in the discretion of the Court, 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 automatically receive a payment from this Settlement as described above and you will be bound by the release of claims, subject to the Court's final approval of the terms of the Settlement.

GETTING MORE INFORMATION

21. How do I get more information?

This notice summarizes the Settlement. You may contact Class Counsel or the Settlement Administrator for more information. The Settlement Administrator may be contacted at the previously-mentioned mailing address and fax telephone number, as well as at the following toll-free telephone number:

_____.

Do not contact the Court regarding this Notice or the Settlement.