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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

ANTONIO ANDRADE and JUAN MANUEL
CAMACHO CRUZ, individuals on behalf of
themselves, the State of California, as private
attorneys general, and on behalf of all others
similarly situated,

Plaintiffs,

v.

UNITED STATES PIPE AND FOUNDRY
COMPANY, LLC, an Alabama Limited
Liability Company; and DOES 1 TO 50,

Defendants.

Case No.: 22CV015454

**Settlement Agreement and Release of Class
Action**

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SETTLEMENT AGREEMENT AND RELEASE OF CLASS ACTION

This Settlement Agreement and Release of Class Action (“Settlement Agreement”) is made and entered into by: **(1)** Plaintiffs Antonio Andrade and Juan Manuel Camacho Cruz (collectively “Plaintiffs”), individually and in their representative capacity on behalf of the Settlement Class, as defined below, and as private attorneys general on behalf of the State of California; and **(2)** Defendant United States Pipe and Foundry Company, LLC (“Defendant”). Plaintiffs and Defendant are collectively referred to herein as the “Parties.” This Settlement Agreement is subject to the approval of the Court, pursuant to California Rules of Court, rule 3.769, subdivisions (c), (d), and (e), and is made for the sole purpose of attempting to consummate settlement of the action on a class-wide basis subject to the following terms and conditions. As detailed below, if the Court does not enter an order granting final approval of this Settlement Agreement or the conditions precedent are not met for any reason, this Settlement Agreement is void and of no force or effect whatsoever.

1. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Settlement Agreement are not specifically defined below, but are defined elsewhere in this Settlement Agreement, they are incorporated by reference into this definition section.

1.1. ACTION

“Action” shall mean the following civil action: *Antonio Andrade, et al. v. United States Pipe and Foundry Company, LLC*, case number 22CV015454, currently pending before the Superior Court of the State of California for the County of Alameda.

1.2. ADMINISTRATIVE EXPENSES

“Administrative Expenses” shall include all costs and expenses associated with and paid to the third-party settlement administrator, which are estimated not to exceed \$11,500.00.

1.3. APPLICABLE WAGE ORDERS

“Applicable Wage Orders” shall mean the California Industrial Welfare Commission (“IWC”) Wage Orders applicable to the facts of this case, including IWC Wage Orders 1-2001 and 9-2001 and others that may be applicable. (Cal. Code of Regs., tit. 8, §§ 11010, 11090.)

1 **1.4. CLAIMS**

2 “Claims” shall mean the claims asserted in the Action.

3 **1.5. CLASS ATTORNEY FEES AND EXPENSES**

4 “Class Attorney Fees and Expenses” shall mean the portion of the Gross Settlement Amount
5 attributable to attorney fees and litigation expenses. The Parties agree that the fee-portion of the Class
6 Attorney Fees and Expenses shall be up to one-third of the Gross Settlement Amount (i.e.,
7 \$616,666.67), as approved by the Court, and the award of costs and expenses shall be up to an
8 additional \$15,000.00. If the Escalator Provision described below is triggered so as to increase the
9 Gross Settlement Amount, the Parties agree that the fee portion of the Class Attorney Fees and
10 Expenses will increase proportionally such that the total amount of attorneys’ fees remains one-third
11 of the Gross Settlement Amount *after* the upward adjustment required by the Escalator Provision is
12 implemented.

13 **1.6. CLASS COUNSEL**

14 “Class Counsel” shall mean Jonathan Melmed and Meghan N. Higday of Melmed Law Group
15 P.C.

16 **1.7. CLASS MEMBER**

17 “Class Member” shall mean any person who is a prospective member of the Settlement Class,
18 or, if such person is incompetent or deceased, the person’s legal guardian, executor, heir, or successor-
19 in-interest.

20 **1.8. CLASS NOTICE**

21 “Class Notice” shall mean the *Notice of Proposed Class Action Settlement*, as set forth in the
22 form of **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be mailed to
23 Class Members along with the Share Form.

24 **1.9. CLASS PARTICIPANTS**

25 “Class Participants” shall mean all Class Members who do not timely request exclusion from
26 the Class Settlement.

1.10. CLASS PERIOD

“Class Period” shall mean the period from August 2, 2018, through the date of preliminary approval of the settlement.

1.11. CLASS REPRESENTATIVES

“Class Representatives” shall mean Plaintiffs Antonio Andrade and Juan Manuel Camacho Cruz.

1.12. CLASS SETTLEMENT

“Class Settlement” shall mean the settlement embodied in this Settlement Agreement, which is subject to Court approval.

1.13. COMPLAINT

“Complaint” shall mean the currently-operative complaint in the Action.

1.14. COURT

“Court” shall mean the Superior Court of the State of California for the County of Alameda.

1.15. DEFENDANT

“Defendant” shall mean Defendant United States Pipe and Foundry Company, LLC.

1.16. DEFENSE COUNSEL

“Defense Counsel” shall mean the attorneys representing Defendant.

1.17. EFFECTIVE DATE

“Effective Date” shall be the date when all of the following events have occurred: **(a)** this Settlement Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; **(b)** the Court has given preliminary approval to the Class Settlement; **(c)** notice has been given to the Settlement Class providing them with an opportunity to request exclusion from the Class Settlement; **(d)** the Court has held a Final Approval and Fairness Hearing and entered a final order and judgment certifying the Settlement Class and approving this Settlement Agreement; and **(e)** the later of the following events: **(i)** the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Class Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; **(ii)** the dismissal of any appeal, writ, or other appellate proceeding opposing the Class Settlement with no right to pursue further remedies or relief; or **(iii)** any appeal,

writ, or the issuance of such other final appellate order upholding the Court's final order with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Class Settlement shall not become effective until the Court's order approving the Class Settlement is completely final and there is no further recourse by an appellant or objector who seeks to contest the Class Settlement. If no objections are filed, the Effective Date shall be after steps (a) through (d) are completed (i.e., the date that the court has entered a final order and judgment certifying the Settlement Class and approving this Settlement Agreement).

1.18. EMPLOYEE'S TAXES AND REQUIRED WITHHOLDING

"Employee's Taxes and Required Withholding" shall mean the employee's share of any and all applicable federal, state, or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and/or the State Unemployment Tax Act (SUTA) on the portion of any Class Participant's Individual Settlement Amount that constitutes wages. The Employee's Taxes and Required Withholdings will be withheld from and paid out of the Individual Settlement Amounts paid from the Net Settlement Amount.

1.19. EMPLOYER'S TAXES

"Employer's Taxes" shall mean and refer to Defendant's share of payroll taxes (e.g., Unemployment Insurance, Employment Training Tax, Social Security, and Medicare taxes) that is owed on the portion of any Class Participant's Individual Settlement Amount that constitutes wages. The Employer's Taxes shall be separately paid by Defendant and shall not be paid from the Gross Settlement Amount or Net Settlement Amount.

1.20. FINAL APPROVAL AND FAIRNESS HEARING

"Final Approval and Fairness Hearing" shall mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

1.21. GROSS SETTLEMENT AMOUNT

"Gross Settlement Amount" is the agreed upon non-reversionary settlement amount totaling \$1,850,000.00 to be paid by Defendant in full settlement of the Released Claims asserted in this case, inclusive of the Administrative Expenses, the Employee's Taxes and Required Withholdings, the Class Attorney Fees and Expenses, the Incentive Awards, and PAGA Payment. Defendant shall separately

1 pay its share of the Employer's Taxes in addition to the Gross Settlement Amount on the portion of
2 each Individual Settlement Amount allocated as wages.

3 **1.22. HEARING ON PRELIMINARY APPROVAL**

4 "Hearing on Preliminary Approval" shall mean the hearing held on the motion for preliminary
5 approval of the Class Settlement.

6 **1.23. INCENTIVE AWARDS**

7 "Incentive Awards" shall mean any additional monetary payment provided to the Class
8 Representatives for their efforts and risks on behalf of the Settlement Class in this Action.

9 **1.24. INDIVIDUAL SETTLEMENT AMOUNT**

10 "Individual Settlement Amount" shall mean the amount which is ultimately distributed to each
11 Class Participant, less any Employee's Taxes and Required Withholdings. The Individual Settlement
12 Amount does not include any portion of the PAGA Payment.

13 **1.25. NET SETTLEMENT AMOUNT**

14 "Net Settlement Amount" shall mean the Gross Settlement Amount minus: Administrative
15 Expenses; Class Attorney Fees and Expenses; 75% of the share of the Gross Settlement Amount
16 allocated toward penalties pursuant to the Labor Code Private Attorney General Act of 2004
17 ("PAGA"), codified at Labor Code sections 2698 through 2699.6, which are payable to the California
18 Labor and Workforce Development Agency ("LWDA"); and Plaintiffs' Incentive Awards.

19 **1.26. OPT OUT**

20 "Opt Out" shall refer to the process of submitting a timely and valid request for exclusion from
21 the Class Settlement in accordance with the terms of the Class Notice and no later than the Response
22 Deadline.

23 **1.27. OPT-OUTS**

24 "Opt-Outs" shall mean all persons who timely and validly request exclusion from the Class
25 Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

26 **1.28. PAGA PAYMENT**

27 "PAGA Payment" means the penalties pursuant to PAGA that the Parties have agreed is a
28 reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is

\$100,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$75,000.00) to the LWDA and twenty-five percent (25%) (i.e., \$25,000.00) to the PAGA Settlement Class. Class Counsel shall give timely notice of this Settlement Agreement to the LWDA pursuant to Labor Code section 2699, subdivision (l)(2).

1.29. PAGA PERIOD

“PAGA Period” shall mean the period from August 2, 2021, through the date of court approval of the settlement.

1.30. PAGA SETTLEMENT CLASS

“PAGA Settlement Class” shall mean all individuals who are or were employed by Defendants as non-exempt employees in California during the PAGA Period. At the time of the mediation, Defendant represented that the PAGA Settlement Class consists of approximately 378 employees that worked a total of approximately 29,669 pay periods during the PAGA Period.

1.31. PARTIES

“Parties” shall mean Plaintiffs and Defendant.

1.32. PLAINTIFFS

“Plaintiffs” shall mean Plaintiffs Antonio Andrade and Juan Manuel Camacho Cruz.

1.33. PRELIMINARY APPROVAL DATE

“Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily approving this Settlement Agreement.

1.34. RELEASED CLAIMS

“Released Claims” shall mean those claims arising out of or related to the allegations set forth in the Complaint and/or PAGA notice to the LWDA, which arose during the Class Period, including claims for: **(1)** failure to pay minimum wage for all hours worked in violation of Labor Code sections 204, 218.5, 1194, 1194.2, 1197, and 1198, the Applicable Wage Orders, and Code of Civil Procedure section 1021.5; **(2)** failure to pay proper overtime wages in violation of Labor Code sections 204, 510, 1194, 1197, and 1198, and the Applicable Wage Orders; **(3)** failure to pay all accrued vacation time in violation of Labor Code section 201, 202, 218.5, and 227.3; **(4)** failure to provide compliant rest periods

1 and pay missed rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage
 2 Orders; **(5)** failure to provide compliant meal periods and pay missed meal period premiums in
 3 violation of Labor Code sections 226.7 and 512, the Applicable Wage Orders, and Civil Code sections
 4 3287 and 3289; **(6)** failure to maintain accurate employment records in violation of Labor Code section
 5 1174; **(7)** failure to pay timely wages during employment in violation of Labor Code sections 204, 210,
 6 216, and 218.5; **(8)** failure to pay all wages due and owing at separation in violation of Labor Code
 7 sections 201, 202, and 203; **(9)** failure to reimburse business expenses in violation of Labor Code
 8 sections 2802 and 2804; **(10)** failure to provide complete and accurate wage statements in violation of
 9 Labor Code sections 226 and 226.3; **(11)** deceptive, fraudulent, or otherwise unlawful business
 10 practices based on the foregoing in violation of California’s Unfair Competition Law (Bus. & Prof.
 11 Code, §§ 17200–17210); **(12)** statutory penalties for violations of Labor Code sections 201, 202, 203,
 12 204, 210, 226, 226.3, 226.7, 227.3, 256, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198,
 13 1198.5, 1199, 2802, 2804, pursuant to PAGA (Lab. Code, §§ 2698–2699.6); and **(13)** all claims for
 14 liquidated damages, penalties, interest, fees, costs based on the foregoing.

15 No other claims are released other than those claims specifically plead in the Complaint or
 16 otherwise specifically identified herein. This Settlement Agreement will not release any person, party,
 17 or entity from claims, if any, by Class Members for workers compensation, unemployment, or disability
 18 benefits of any nature. Nor does it release any claims, actions, or causes of action which may be
 19 possessed by Class Members under state or federal discrimination statutes, including, without
 20 limitation, the California Fair Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh
 21 Civil Rights Act (Civ. Code, § 51); the California Constitution; Title VII of the Civil Rights Act of
 22 1964 (42 U.S.C. § 2000, et seq.); the Americans with Disabilities Act (42 U.S.C. § 12101, et seq.); the
 23 Employee Retirement Income Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their
 24 implementing regulations and interpretive guidelines.

25 **1.35. RELEASED PARTIES**

26 “Released Parties” shall mean Defendant and all of Defendant’s subsidiaries, affiliates,
 27 shareholders, members, agents, predecessors, successors, and assigns.
 28

1.36. RELEASING PARTIES

“Releasing Parties” shall mean every Class Participant and all persons purporting to act on their behalf or purporting to assert a claim under or through them, including, but not limited to, their dependents, heirs, assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity.

1.37. RESPONSE DEADLINE

“Response Deadline” shall mean the date forty-five (45) days following the date on which the Settlement Administrator first mails Class Notice to the Class Members and the last day on which Class Members may submit a request for exclusion and/or objection to Class Settlement.

1.38. SETTLEMENT ADMINISTRATOR

“Settlement Administrator” shall mean Phoenix Settlement Administrators (or other administrator agreed on by the parties) which the Parties have agreed will be responsible for administration of the Class Settlement and related matters.

1.39. SETTLEMENT CLASS

“Settlement Class” shall mean all individuals who are or were employed by Defendants as non-exempt employees in California during the Class Period. At the time of the mediation, Defendant represented that the Settlement Class consists of approximately 655 Class Members that worked a total of approximately 64,841 workweeks during the Class Period.

1.40. SHARE FORM

“Share Form” shall mean the *Class Action Settlement Share Form*, as set forth in the form of **Exhibit 2** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along with the Class Notice.

2. FACTUAL AND PROCEDURAL BACKGROUND

2.1. PLAINTIFFS’ CLAIMS

Plaintiffs, individually and in their representative capacity on behalf of the Settlement Class, and as private attorneys general on behalf of the State of California, have alleged the following violations: **(1)** failure to pay minimum wage for all hours worked in violation of Labor Code sections

204, 218.5, 1194, 1194.2, 1197, and 1198, the Applicable Wage Orders, and Code of Civil Procedure section 1021.5; **(2)** failure to pay proper overtime wages in violation of Labor Code sections 204, 510, 1194, 1197, and 1198, and the Applicable Wage Orders; **(3)** failure to pay all accrued vacation time in violation of Labor Code section 201, 202, 218.5, and 227.3; **(4)** failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage Orders; **(5)** failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code sections 226.7 and 512, the Applicable Wage Orders, and Civil Code sections 3287 and 3289; **(6)** failure to maintain accurate employment records in violation of Labor Code section 1174; **(7)** failure to pay timely wages during employment in violation of Labor Code sections 204, 210, 216, and 218.5; **(8)** failure to pay all wages due and owing at separation in violation of Labor Code sections 201, 202, and 203; **(9)** failure to reimburse business expenses in violation of Labor Code sections 2802 and 2804; **(10)** failure to provide complete and accurate wage statements in violation of Labor Code sections 226 and 226.3; **(11)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210); and **(12)** statutory penalties for violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 227.3, 256, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804 pursuant to PAGA (Lab. Code, §§ 2698–2699.6).

2.2. DISCOVERY, INVESTIGATION, RESEARCH, AND MEDIATION

Class Counsel has conducted significant informal discovery during the prosecution of the Action. This discovery, investigation, and prosecution has included, among other things, **(a)** over a dozen telephonic conferences with Plaintiffs; **(b)** inspection and analysis of hundreds of pages of documents and other information produced by Plaintiffs and Defendant; **(c)** analysis of employment data from a sample of Class Members; **(d)** an analysis of the legal positions taken by Defendant; **(d)** investigation into the viability of class treatment of the claims asserted in the Action; **(e)** analysis of potential class-wide damages, including information sufficient to understand Defendant’s potential defenses to Plaintiffs’ claims; **(f)** research of the applicable law with respect to the claims asserted in the Complaint and the potential defenses thereto; and **(g)** assembling and analyzing of data for calculating damages.

1 Class Counsel and the Class Representatives have vigorously prosecuted this case, and
2 Defendant has vigorously contested it. The Parties have engaged in sufficient investigation and
3 discovery to assess the relative merits of the claims of the Class Representatives and of the defenses to
4 them. After such discovery, investigation, and prosecution, the Parties attended a full-day mediation
5 with an experienced employment law mediator, named Steve Pearl, Esq., which culminated in a
6 settlement in principle, the terms of which are elaborated in this Settlement Agreement.

7 **2.3. ALLEGATIONS OF THE CLASS REPRESENTATIVES AND BENEFITS OF**
8 **CLASS SETTLEMENT**

9 The document and data exchange in this matter, as well as discussions between counsel, have
10 been adequate to give the Class Representatives and Class Counsel a sound understanding of the merits
11 of their positions and to evaluate the value of the claims of the Settlement Class. The informal discovery
12 conducted in this Action and the information exchanged by the Parties through pre-mediation
13 discussions are sufficient to reliably assess the merits of the Parties' respective positions and to
14 compromise the issues on a fair and equitable basis.

15 The Class Representatives and Class Counsel believe that the claims, causes of action,
16 allegations, and contentions asserted in the Action have merit. However, the Class Representatives and
17 Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings
18 necessary to prosecute the Action against Defendant through trial and through appeals. Class Counsel
19 has taken into account the uncertain outcome of the litigation, the risk of continued litigation in complex
20 actions such as this, as well as the difficulties and delays inherent in such litigation, and the potential
21 difficulty of obtaining certification of the Settlement Class as well as trying the claims of the class.
22 Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims
23 alleged in the Action.

24 The Class Representatives and Class Counsel believe that the settlement set forth in this
25 Settlement Agreement confers substantial benefits upon Plaintiffs and the Settlement Class and that an
26 independent review of this Settlement Agreement by the Court in the approval process will confirm
27 this conclusion. Based on their own independent investigation and evaluation, Class Counsel has
28

determined that the settlement set forth in this Settlement Agreement is in the best interests of Plaintiffs and the Class Members.

2.4. DEFENDANT'S DENIALS OF WRONGDOING AND LIABILITY

Defendant has denied and continues to deny all allegations, claims, and contentions alleged by Plaintiffs in the Action. Defendant has expressly denied and continues to deny all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or omissions alleged in the Action. Defendant contends that it complied with California and federal wage and hour laws and has dealt legally and fairly with Plaintiffs and the Class Members.

Defendant further denies that, for any purpose other than settling this Action, these claims are appropriate for class or representative treatment. Nonetheless, Defendant has concluded that further proceedings in the Action would be protracted and expensive and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement Agreement to dispose of burdensome and protracted litigation, to permit the operation of Defendant's respective businesses without further expensive litigation and the distraction and diversion of their personnel with respect to matters at issue in the Action. Defendant has also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases such as the Action. Defendant has, therefore, determined that it is desirable and beneficial to it that the Action be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

2.5. INTENT OF THE CLASS SETTLEMENT

The Class Settlement set forth herein intends to achieve the following: **(1)** entry of an order approving the Class Settlement; **(2)** entry of judgment of the Action; **(3)** discharge of the Released Parties from liability for any and all of the Released Claims; and **(4)** discharge of Defendant from liability for any and all claims arising out of the Action.

3. CONDITIONAL CERTIFICATION OF THE SETTLEMENT CLASS

For the purposes of this Settlement Agreement and the Class Settlement of this Action only, the Parties agree to conditional class certification of the Settlement Class. Defense Counsel believes this conditional certification is appropriate because the Released Claims are being compromised without need to establish the elements of those claims on which liability turns. The certification of the

1 Settlement Class shall not constitute, in this or any other proceeding, an admission of any kind by
2 Defendant, including without limitation, that certification of a class for trial purposes is or would be
3 warranted, appropriate or proper; or that Plaintiffs could establish any of the requisite elements for
4 class treatment of any of the claims in the Action.

5 If the Settlement Agreement is not finally approved by the Court, the Effective Date is not
6 achieved, or the Class Settlement is rejected, terminated, or otherwise rendered null and void as set
7 forth herein, then certification of the Settlement Class shall be automatically vacated, shall be void *ab*
8 *initio*, of no force or effect, and shall not constitute evidence or a binding determination that the
9 requirements for certification of a class for trial purposes in this Action or in any other action which
10 have been, are or can be, satisfied. Further, if the Agreement does not reach the Effective Date,
11 Plaintiffs agree that Plaintiffs will not argue, claim, reference, or otherwise raise any preliminary
12 approval of the Settlement Class in connection with any later proceeding before the Court.

13 **4. APPOINTMENT OF CLASS COUNSEL**

14 For purposes of this Settlement Agreement and subject to the Court's approval, the Parties agree
15 to the appointment of Class Counsel as counsel for the Settlement Class and the effectuation of the
16 Class Settlement pursuant to this Settlement Agreement.

17 **5. CONSIDERATION**

18 **5.1. SETTLEMENT AMOUNT**

19 The Parties agree to settle this Action for the Gross Settlement Amount of \$1,850,000.00. There
20 shall be no reversion to Defendant. Defendant shall pay the Gross Settlement Amount in full. The Gross
21 Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate
22 consideration for the Class Settlement and will be made in full and final settlement of: the Released
23 Claims, the Class Attorney Fees and Expenses, Administrative Expenses, the Incentive Awards, the
24 PAGA Payment (and any payments to individual PAGA Class Members resulting from the PAGA
25 Payment), and any other obligation of Defendant under this Settlement Agreement (other than the
26 Employer's Taxes on the portion of the Net Settlement Amount allocated to the payment of wages).

27 After the Court issues an order preliminarily approving this Class Settlement, the Settlement
28 Administrator will distribute the Class Notice to the Class Members, which shall describe the terms of

1 the Class Settlement and procedures to Opt Out, object, or participate in the Class Settlement as well
2 as the Share Form, which shall identify the Class Member, the number of workweeks worked by each
3 Class Member (“Workweeks”), as well as the estimated amount of the Individual Settlement Amount
4 the Class Member can expect to receive once the Class Settlement becomes effective on the Effective
5 Date. Class Members shall be given the opportunity to challenge their Workweeks information.

6 **5.2. INCENTIVE AWARDS FOR PLAINTIFFS**

7 Plaintiffs may petition the Court to approve Incentive Awards in an amount up to \$7,500.00 for
8 Antonio Andrade and \$7,500.00 for Juan Manuel Camacho Cruz to acknowledge their efforts on behalf
9 of the Settlement Class in this Action, including assisting in the investigation and consulting with Class
10 Counsel and providing crucial documents to Class Counsel. Defendant shall not oppose any request by
11 Plaintiffs for Incentive Awards in such an amount. Any Incentive Award approved by the Court shall
12 be paid to Plaintiffs from the Gross Settlement Amount and shall be in addition to any distribution to
13 which they may otherwise be entitled as a Class Participants. Any Incentive Award approved by the
14 Court shall not be considered wages, and the Settlement Administrator shall issue to Plaintiffs an IRS
15 Form 1099 reflecting such payment. Plaintiffs shall be responsible for the payment of all taxes with
16 respect to any Incentive Award approved by the Court and shall hold Defendant harmless from all
17 liability with regard thereto.

18 **5.3. PAYMENT TO CLASS PARTICIPANTS**

19 Each Class Participant shall be eligible to receive payment of the Individual Settlement
20 Amount, which is a share of the Net Settlement Amount based on the pro rata number of weeks worked
21 by the Class Members during the Class Period as a proportion of all weeks worked by all Class
22 Members. Each Class Participant, including Plaintiffs, shall be responsible for the payment of the
23 Employee’s Taxes and Required Withholding with respect to his or her Individual Settlement Amount
24 and shall hold Defendant harmless from any and all liability with regard thereto.

25 **5.4. PAYMENT TO PAGA SETTLEMENT CLASS**

26 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
27 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
28 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which

1 is \$100,000.00. The PAGA Payment must be approved by the Court pursuant to Labor Code section
2 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$75,000.00) to the LWDA
3 and twenty-five percent (25%) (i.e., \$25,000.00) to the PAGA Settlement Class. The portion of the
4 PAGA Payment allocated to the PAGA Settlement Class shall be distributed to the PAGA Settlement
5 Class based on the pro rata number of pay periods worked by each particular PAGA Settlement Class
6 member during the PAGA Period as a proportion of all pay periods worked by all members of the
7 PAGA Settlement Class.

8 **5.5. TAX TREATMENT AND PAYMENT**

9 For the purpose of calculating Employee's Taxes and Required Withholding for the Individual
10 Settlement Amounts for Class Participants (including any payments to the Class Representatives but
11 exclusive of their Incentive Award), the Parties agree that 20% of each Individual Settlement Amount
12 shall constitute payment in the form of wages (and each Class Participant will be issued an IRS Form
13 W-2 for such payment to him or her), and 80% of each Individual Settlement Amount shall constitute
14 penalties and interest (and each Class Participant will be issued an IRS Form 1099 for such payment
15 to him or her). Prior to final distribution, the Settlement Administrator shall calculate the total
16 Employee's Taxes and Required Withholding due as a result of the wage portion of Class Participants'
17 anticipated Individual Settlement Amounts and such actual amount will be deducted from the Net
18 Settlement Amount. Additionally, prior to the funding of the Gross Settlement Amount and final
19 distribution, the Settlement Administrator shall calculate the total Employer's Taxes due on the wage
20 portion of the Class Participants' Individual Settlement Amounts and issue instructions to Defendant
21 to separately fund these tax obligations/withholdings. The Parties understand that Plaintiffs and the
22 Class Participants who receive any payment pursuant to this Settlement Agreement shall be solely
23 responsible for all other individual tax obligations.

24 With respect to the PAGA Payment and any payments made to individual members of the
25 PAGA Settlement Class, all such payments shall be treated as payments owing for penalties and interest
26 thereon and shall not be considered wages. The Settlement Administrator shall issue to members of the
27 PAGA Settlement Class an IRS Form 1099 reflecting such payment. Members of the PAGA Settlement
28

1 Class shall be solely responsible for the payment of all taxes with respect to any PAGA payments made
2 to them.

3 **5.6. NO EFFECT ON EMPLOYEE BENEFIT PLANS**

4 Neither the Class Settlement nor any amounts paid under the Class Settlement will modify any
5 previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus
6 program sponsored by Defendant. Such amounts will not form the basis for additional contributions to,
7 benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies,
8 or bonus programs. The payments made under the terms of this Settlement Agreement shall not be
9 applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other
10 form of compensation for the purposes of any of Defendant's benefit plan, policy, or bonus program.
11 Defendant retains the right to modify the language of its benefits plans, policies, and bonus programs
12 to reflect this intent and to make clear that any amounts paid pursuant to this Settlement Agreement are
13 not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as defined
14 by applicable plans, policies, and bonus programs for purpose of eligibility, vesting, benefit accrual, or
15 any other purpose, and that additional contributions or benefits are not required by this Settlement
16 Agreement. Defendant does not consider the Class Settlement payments "compensation" for purposes
17 of determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus programs,
18 or any other plan sponsored by Defendant.

19 **5.7. CLASS ATTORNEY FEES AND EXPENSES**

20 As part of the motion for final approval of the Class Settlement, Class Counsel may apply for
21 an award of Class Attorney Fees and Expenses with the fee portion not to exceed one-third of the Gross
22 Settlement Amount (i.e., \$616,666.67) and the award of costs and expenses up to an additional
23 \$15,000.00. Defendant agrees to not object to any such fee, cost, or expense application in those
24 amounts.

25 As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the
26 manner reflected by this subsection. Any Class Attorney Fees and Expenses awarded by the Court shall
27 be paid from the Gross Settlement Amount prior to arriving at the Net Settlement Amount and shall
28 not constitute payment to any Class Members. If Class Counsel voluntarily reduces the request for

1 Class Attorney Fees and Expenses or the Court's award of Class Attorney Fees and Expenses is less
2 than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class
3 Attorney Fees and Expenses awarded.

4 The Class Attorney Fees and Expenses approved by the Court shall reflect: **(a)** all work
5 performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
6 represent the Settlement Class through the date of this Settlement Agreement; **(b)** all work to be
7 performed and costs to be incurred in connection with approval by the Court of the Class Settlement;
8 **(c)** all work to be performed and costs and expenses, if any, incurred in connection with administering
9 the Class Settlement through the Effective Date and dismissal of the Action with prejudice; and **(d)** may
10 be based on the "catalyst theory" and/or the "common fund doctrine."

11 **6. SETTLEMENT ADMINISTRATION**

12 **6.1. COSTS AND EXPENSES**

13 All costs and expenses due to the Settlement Administrator in connection with its administration
14 of the Class Settlement, including, but not limited to, providing the Class Notice, locating Class
15 Members, processing Opt Out requests and objections, distributing the portion of the PAGA Payment
16 payable to the LWDA, distributing the portion of the PAGA Payment payable to the members of the
17 PAGA Settlement Class, and calculating, administering and distributing Individual Settlement
18 Amounts to the Class Participants and related tax forms, shall be paid from the Gross Settlement
19 Amount, and is not expected to exceed \$11,500.00.

20 **6.2. PAYMENT BY DEFENDANT**

21 Defendant shall deposit the Gross Settlement Amount in a lump sum payment plus the
22 employer-side payroll taxes to the Settlement Administrator within fourteen (14) calendar days of the
23 Effective Date. In no event shall Defendant be obligated to pay or deposit with the Settlement
24 Administrator more than \$1,850,000.00 plus the Employer's Taxes, except where the Escalator
25 Provision is triggered.

7. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS

7.1. THE SETTLEMENT ADMINISTRATOR

The Settlement Administrator will be responsible for: mailing the Class Notice and Share Form (**Exhibit 1** and **Exhibit 2**, respectively) to Class Members; posting notice of entry of final order and judgment certifying the Class Settlement and approving this Settlement Agreement; handling inquiries from Class Members concerning the Class Notice; determining Individual Settlement Amounts; determining individual payments to members of the PAGA Settlement Class; maintaining the settlement funds in an appropriate interest-bearing account; preparing, administering, and distributing Individual Settlement Amounts to Class Participants; preparing, administering, and distributing individual payments to members of the PAGA Settlement Class; distributing the portion of the PAGA Payment payable to the LWDA; issuing a final report and performing such other duties as the Parties may direct. Additionally, the Settlement Administrator will handle all tax document preparation and reporting, including state and federal tax forms, if any.

On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and Defense Counsel with summary information updating them as to the number of validated and timely objections and Opt Out requests. The Settlement Administrator will serve on Class Counsel and Defense Counsel via e-mail date-stamped copies of the original Opt Out requests and objections no later than seven (7) days after their receipt. The Settlement Administrator will provide Class Counsel with proof of mailing of the Class Notice, without listing individual Class Member names which the Settlement Administrator will file with the Court at the time Class Counsel files its motion in support of the Court's Final Approval and Fairness Hearing.

No later than thirty (30) days prior to the Final Approval and Fairness Hearing, the Settlement Administrator will compile and deliver to Class Counsel and Defense Counsel a report with summary information regarding: **(a)** the total amount of final Individual Settlement Amounts of each Class Participant, without any identifying personal information; **(b)** the number of Class Participants to receive such payments, and **(c)** the final number of Opt-Outs and objections.

Administrative Expenses are not anticipated to exceed \$11,500.00. Prior to the calculation and distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the

1 total Administrative Expenses through the conclusion of their services and such actual amount will be
2 deducted from the Gross Settlement Amount prior to the final calculation of the Individual Settlement
3 Amounts.

4 **7.2. NOTICE TO CLASS MEMBERS**

5 Notice shall be provided to Class Members in the following manner: Within fourteen (14) days
6 after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with an
7 updated list of Class Members and members of the PAGA Settlement Class containing names, social
8 security numbers, dates of employment, last-known addresses, and phone numbers (the "Database").
9 The Database shall be marked "Confidential – Settlement Administrator's Eyes Only." Class Counsel
10 shall not receive a copy of this list.

11 Within twenty-eight (28) days following the Preliminary Approval Date, the Settlement
12 Administrator shall determine the number of workweeks worked by each Class Member, populate the
13 data for each Class Member accordingly, and send each Class Member the Class Notice via first-class,
14 United States mail. The Class Notice shall also contain an easily-understood statement alerting the
15 Class Members that, unless they elect to Opt Out of the Class Settlement, the Class Member is releasing
16 and waiving all Released Claims against the Released Parties.

17 The Class Notice will inform Class Members of their estimated share of the settlement and the
18 number of workweeks they worked during the Class Period. Class Members may dispute their
19 workweeks if they believe they worked more weeks in the Class Period than Defendant's records show
20 by submitting information to the Settlement Administrator no later than forty-five (45) days after being
21 mailed the Class Notice and Share Form by the Settlement Administrator, which is the defined
22 Response Deadline. The Settlement Administrator will jointly work with Plaintiffs and Defendant to
23 resolve the dispute in good faith. If Plaintiffs and Defendant cannot agree over the workweeks to be
24 credited, the Settlement Administrator shall make the final decision based on the information presented
25 by the Class Member and Defendant.

26 **7.3. OPT OUT PROCEDURE**

27 Class Members who do not timely Opt Out of the Class Settlement will be deemed to participate
28 in the Class Settlement and shall become Class Participants without having to submit a claim form or

1 take any other action. To Opt Out of the Class Settlement, the Class Member must submit a letter or
2 postcard to the Settlement Administrator by the Response Deadline. The Opt Out request must state
3 the Class Member's name, address, telephone number, and signature. The Opt Out request should state
4 something to the effect of:

5 "I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE
6 *ANTONIO ANDRADE, ET AL. V. UNITED STATES PIPE AND FOUNDRY*
7 *COMPANY, LLC* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED
8 FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM
9 THE CLASS SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE
10 RELEASING ANY CLAIMS I MIGHT HAVE."
11

12 Any Opt Out request that is not postmarked by the Response Deadline will be invalid. If prior
13 to the Response Deadline any Class Notice mailed to a Class Member is returned as having been
14 undelivered by the United States Postal Service, the Settlement Administrator shall perform a skip trace
15 search and seek an address correction for such Class Members, and a second Class Notice will be sent
16 to any new or different address obtained.

17 It will be presumed that, if an envelope containing the Class Notice has not been returned within
18 thirty (30) days of the mailing, the Class Member received the Class Notice. At least twenty-one (21)
19 days prior to the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class
20 Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard
21 to the mailing of the Class Notice and its attempts to locate Class Members. The declaration shall
22 specify the number of Class Members to whom the Class Notice was sent and the number of Class
23 Members to whom the Class Notice was not delivered, as well as information relating to the number
24 of Opt-Outs and objectors. Class Counsel shall file this declaration with the Court.

25 If the Settlement Administrator determines that an Opt Out request returned by a Class Member
26 before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency
27 letter to that Class Member identifying the problem. If a Class Member submits both a dispute and an
28 Opt Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt

1 Out request were deficient. If the Class Member fails to cure the deficiency, the Opt Out request shall
2 be disregarded and the claim will be paid, and the Class Member will become bound by the judgment.

3 Class Participants will be bound by the Release of Released Claims set forth in the definition
4 of “Released Claims” provided in this Settlement Agreement.

5 A request to Opt Out of the Class Settlement shall **not** serve to exclude the Class Member from
6 participation in the PAGA Settlement Class. Opt-Outs shall still be entitled to their share of the PAGA
7 Payment. Class Members who are also members of the PAGA Settlement Class shall have no right or
8 ability to opt out of the portion of this Settlement Agreement releasing PAGA claims.

9 **7.4. OBJECTION PROCEDURE**

10 The Class Notice shall inform the Class Members of their right to object to the Class Settlement
11 if they do not Opt Out. Any Class Participants who wish to object to the Class Settlement may submit
12 a written objection to the Settlement Administrator no later than the Response Deadline. Only Class
13 Participants may object to the Settlement. The objection should include the case name and number and
14 must set forth, in clear and concise terms, a statement of the reasons why the objector believes that the
15 Court should find that the proposed Class Settlement is not in the best interest of the Settlement Class
16 and the reasons why the Class Settlement should not be approved, including the legal and factual
17 arguments supporting the objection. If an objector also wishes to appear at the Final Approval and
18 Fairness Hearing, in person or through an attorney, they may do so. The Settlement Administrator will
19 promptly serve copies of any objection or notice of intention to appear on Class Counsel and Defense
20 Counsel. Class Members wishing to make an objection may appear at the Final Approval and Fairness
21 Hearing, either in person or through a lawyer retained at their own expense.

22 **7.5. NOTICE OF FINAL JUDGMENT**

23 Within seven (7) days after the Court has held a Final and Fairness Approval Hearing and
24 entered a final order certifying the Class for settlement purposes only and approving the Class
25 Settlement, the Settlement Administrator will give notice of judgment to Class Members pursuant to
26 rule 3.771(b) of the California Rules of Court, by posting a copy of said order and final judgment on
27 its website at a web address to be included in the Class Notice.
28

1 **8. CLASS SETTLEMENT FUNDING AND DISTRIBUTION**

2 **8.1. ALLOCATION OF THE GROSS SETTLEMENT AMOUNT**

3 The claims of all Class Members are settled for the Gross Settlement Amount of \$1,850,000.00,
4 which will be allocated as follows:

- 5 1. The Administrative Expenses, estimated not to exceed \$11,500.00;
- 6 2. Class Counsel's attorney fees not to exceed \$616,666.67;
- 7 3. Class Counsel's litigation costs and expenses not to exceed \$15,000.00;
- 8 4. The Incentive Awards to Plaintiffs, not to exceed \$15,000.00; and
- 9 5. PAGA Payment to LWDA of \$75,000.00.

10 For purposes of calculating the estimated Individual Settlement Amounts, the Settlement
11 Administrator shall calculate the estimated Net Settlement Amount based on the estimated values
12 provided above prior to sending Notice to the Class Members. Prior to final distribution, the Settlement
13 Administrator shall recalculate the final Net Settlement Amount based on the actual values of the
14 amounts in each category.

15 **8.2. CALCULATION OF THE INDIVIDUAL SETTLEMENT AMOUNTS FOR**
16 **CLASS PARTICIPANTS**

17 Individual Settlement Amounts to be paid to Class Participants shall be paid from the Net
18 Settlement Amount. The portion of the Net Settlement Amount shall be distributed pro rata on a
19 "checks cashed" basis based on the proportional number of weeks worked by each Class Member
20 during the Class Period.

21 Defendant will provide the Settlement Administrator with any information reasonably
22 necessary to perform the calculation of number of workweeks for each Class Member, and any other
23 reasonably required information the Settlement Administrator requests to perform the calculations
24 required under this Settlement Agreement. Defendant shall have no responsibility for deciding the
25 validity of the Individual Settlement Amounts or any other payments made pursuant to this Settlement
26 Agreement, shall have no involvement in or responsibility for the determination or payment of
27 Employee's Taxes and Required Withholding, and shall have no liability for any errors made with
28 respect to such Employee's Taxes and Required Withholding. Although the Settlement Administrator

1 will calculate and pay the standard Employee's Taxes and Required Withholding on the portion of the
2 Individual Settlement Amounts constituting wages on their behalf, Plaintiffs and Class Participants
3 represent and understand that they shall be solely responsible for any and all tax obligation associated
4 with their respective Individual Settlement Amounts and Incentive Awards.

5 **8.3. CALCULATION OF THE PAYMENTS FOR INDIVIDUAL MEMBERS OF**
6 **THE PAGA SETTLEMENT CLASS**

7 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
8 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
9 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
10 is \$100,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section
11 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$75,000.00) to the LWDA
12 and twenty-five percent (25%) (i.e., \$25,000.00) to the PAGA Settlement Class.

13 The portion of the PAGA Payment allocated to the PAGA Settlement Class shall be distributed
14 to the PAGA Settlement Class based on the pro rata number of pay periods worked by each particular
15 PAGA Settlement Class member during the PAGA Period as a proportion of all pay periods worked
16 by all PAGA Settlement Class members during the PAGA Period. Each member of the PAGA
17 Settlement Class, including Plaintiffs, shall be responsible for the payment of the Employee's Taxes
18 and Required Withholding with respect to their share of the PAGA Payment and shall hold Defendant
19 harmless from any and all liability with regard thereto.

20 Defendant will provide the Settlement Administrator with any information reasonably
21 necessary to perform the calculation of number of pay periods worked for each PAGA Settlement Class
22 member, and any other reasonably required information the Settlement Administrator requests to
23 perform the calculations required under this Settlement Agreement. Defendant shall have no
24 responsibility for deciding the validity of the individual payment amounts allocated to each member of
25 the PAGA Settlement Class or any other payments made pursuant to this Settlement Agreement, shall
26 have no involvement in or responsibility for the determination or payment of Employee's Taxes and
27 Required Withholding, and shall have no liability for any errors made with respect to such Employee's
28 Taxes and Required Withholding.

1 The members of the PAGA Settlement Class shall be solely responsible for any and all tax
2 obligation associated with their respective shares of the PAGA Payment.

3 **8.4. TIME FOR PAYMENT OF ATTORNEY FEES AND EXPENSES**

4 The Settlement Administrator shall distribute to Class Counsel any attorney fees and expenses
5 approved by the Court no later than twenty-one calendar (21) days after the Effective Date.

6 **8.5. TIME FOR PAYMENT OF INCENTIVE AWARD**

7 The Settlement Administrator shall distribute to Plaintiffs the Incentive Award approved by the
8 Court no later than twenty-one calendar (21) days after the Effective Date.

9 **8.6. TIME FOR PAYMENT OF PAGA PAYMENT TO THE LWDA**

10 The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment
11 due to it and approved by the Court no later than twenty-one calendar (21) days after the Effective
12 Date.

13 **8.7. TIME FOR PAYMENT OF TAXES AND REQUIRED WITHHOLDING AND**
14 **INDIVIDUAL SETTLEMENT AMOUNTS**

15 The Settlement Administrator shall make every effort to pay the Employee's Taxes and
16 Required Withholding associated with each Class Participant's Individual Settlement Amount and mail
17 the Individual Settlement Amount to each Class Participant, by first-class United States mail, to the
18 last-known address no later than twenty-one calendar (21) days after the Effective Date. If the
19 Settlement Administrator is not able to do so within the time period set forth above, it shall so inform
20 Class Counsel and Defense Counsel and provide an approximate date by which the Employee's Taxes
21 and Required Withholding shall be paid and the Individual Settlement Amounts will be mailed. Under
22 no circumstances shall the Settlement Administrator distribute checks to Class Participants until all
23 Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the
24 remaining monetary obligations have been calculated and accounted for.

25 Within two hundred ten (210) days of mailing the Individual Settlement Amounts to Class
26 Participants, the Settlement Administrator shall file with the Court and provide to Class Counsel a
27 declaration of payment. If any Class Participant is deceased, payment shall be made payable to the
28 estate of that Class Member and delivered to the executor or administrator of that estate, unless the

1 Settlement Administrator has received an affidavit or declaration pursuant to California Probate Code
2 section 13101, in which case payment shall be made to the affiant(s) or declarant(s).

3 **8.8. NON-CASHED SETTLEMENT CHECKS**

4 Any funds associated with checks that have not been cashed within one hundred eighty (180)
5 days, will become void and the Individual Settlement Amount associated with the uncashed check will
6 be remitted pursuant to Code of Civil Procedure section 384 to the California State Controller for
7 deposit in the Unclaimed Property Fund in the name of the individual whose check was uncashed. The
8 Parties agree that this disposition results in no “unpaid residue” within the meaning of California Civil
9 Procedure Code section 384, as the entire Net Settlement Amount will be paid out to Class Participants,
10 whether or not they all cash their Individual Settlement Amount checks. Therefore, Defendant shall not
11 be required to pay any interest on said amount. For the purposes of determining whether Defendant has
12 met their financial obligation to pay the Individual Settlement Payment, Defendant will be deemed to
13 have fulfilled its obligation upon the mailing of the check to the Class Member, regardless of whether
14 such Class Member subsequently negotiates the check.

15 **8.9. DISPUTES REGARDING CLASS MEMBER WORKWEEKS DATA OR**
16 **PAYMENT OF INDIVIDUAL SETTLEMENT SHARES**

17 Class Member Workweeks and the corresponding Individual Settlement Amount shall be
18 calculated using the employment and payroll records of Defendant, which presumptively shall be
19 deemed to be full, complete, and accurate for purposes of this Settlement Agreement. To overcome
20 that presumption, any Class Member objecting to the accuracy of the number of Workweeks or amount
21 of the Individual Settlement Amount must submit documentary evidence, such as pay stubs or other
22 written employment records, to the Settlement Administrator. Each Class Member may dispute the
23 number of Workweeks or their estimated Individual Settlement Amount contained on their Class
24 Notice (“Workweeks Dispute”). Any such Workweeks Dispute must be mailed or faxed to the
25 Settlement Administrator by the Class Member, postmarked or fax-stamped on or before the Response
26 Deadline. The Settlement Administrator shall immediately provide copies of all disputes to counsel for
27 Defendant, shall inform Class Counsel of the dispute without disclosing the identity of the Class
28 Member making the dispute, and shall immediately attempt to resolve all such disputes directly with

relevant Class Members with the assistance of Defendant, Defense Counsel, and Class Counsel. If the dispute cannot be resolved, it shall be submitted to the Settlement Administrator for its final, non-appealable decision. The Settlement Administrator shall use its best efforts to resolve all such disputes prior to the Effective Date. If, however, a dispute arises or is not resolved until after the Settlement Amount has been distributed, the initial calculation shall stand (as Defendant shall be under no obligation to pay any amounts in excess of the Gross Settlement Amount under this Settlement Agreement).

9. NULLIFICATION OF THIS SETTLEMENT AGREEMENT

9.1. NON-APPROVAL OF THIS SETTLEMENT AGREEMENT

The Class Settlement and conditional class certification shall be considered null and void, and neither the Class Settlement, conditional class certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and all Parties to the Class Settlement shall stand in the same position, without prejudice, as if the Class Settlement had been neither entered into nor filed with the Court, if any of the following occur: **(a)** the Court should for any reason fail to approve this Settlement Agreement in the form agreed to by the Parties; **(b)** the Court should for any reason fail to enter a judgment with prejudice of the Action, or **(c)** the approval of the Class Settlement and judgment is reversed, modified, or declared or rendered void. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any perceived defects in this Settlement Agreement to facilitate approval.

9.2. THE PARTIES' RIGHTS TO VOID CLASS SETTLEMENT; ESCALATOR PROVISION

If 10% or more members of the Settlement Class timely submit Opt Out requests, Defendant shall have the right (but not the obligation) to void this Settlement Agreement. If the number of workweeks is greater than 10% above that represented by Defendant, as described above, then the portion of the GSA attributable to non-PAGA claims (i.e., the GSA less the PAGA penalties) shall be increased proportionately for each additional Workweek above the 10% buffer.

1 **9.3. INVALIDATION**

2 Invalidation of any material portion of this Settlement Agreement shall invalidate the Class
3 Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining provisions
4 of the Class Settlement are to remain in full force and effect.

5 **9.4. STAY ON APPEAL**

6 If a timely appeal from the approval of the Class Settlement and judgment, the judgment shall
7 be stayed, and Defendant shall not be obligated to fund the Gross Settlement Amount or take any other
8 actions required by this Settlement Agreement until all appeal rights have been exhausted by operation
9 of law.

10 **10. MOTIONS FOR COURT APPROVAL**

11 **10.1. PRELIMINARY APPROVAL**

12 As soon as practicable after execution of this Settlement Agreement, Class Counsel will submit
13 this Settlement Agreement to the Court along with a Motion for Preliminary Approval of the Class
14 Settlement. Each party shall cooperate to present the Class Settlement to the Court for preliminary
15 approval in a timely fashion.

16 **10.2. FINAL APPROVAL**

17 The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval
18 and Fairness Hearing, Plaintiffs shall move the Court for the entry of the final order certifying the
19 Settlement Class for settlement purposes only and approving the Class Settlement as being fair,
20 reasonable, and adequate to the Class Participants within the meaning of California Rules of Court,
21 Rule 3.769, subdivisions (c), (d) and (e), and for the entry of a final judgment of the Action consistent
22 with the terms of the Class Settlement and rule 3.769, subdivision (h), of the California Rules of Court.
23 Class Counsel and Defense Counsel shall submit to the Court such pleadings and/or evidence as may
24 be required for the Court's determination.

25 **11. RELEASES AND WAIVERS**

26 **11.1. RELEASE OF CLAIMS BY THE SETTLEMENT CLASS**

27 Upon the Effective Date, the Releasing Parties shall be deemed to each release the Released
28 Parties, and each of them, of and from any and all Released Claims arising during the Class Period. It

1 is the desire of the Parties and the Releasing Parties to fully, finally, and forever settle, compromise,
 2 and discharge the Released Claims. Each of the Releasing Parties, including each Class Participant,
 3 will be bound by the release of Released Claims as a result of the Class Settlement and to the terms of
 4 the final judgment and the satisfaction of such judgment.

5 Class Participants will be deemed to have acknowledged and agreed that their claims for wages
 6 and/or penalties in the Action are disputed, and that their Individual Settlement Amount constitutes
 7 payment of all sums allegedly due to them. Class Participants will be deemed to have acknowledged
 8 and agreed that California Labor Code section 206.5 is not applicable to the Individual Settlement
 9 Amount. That section provides in pertinent part as follows:

10 “An employer shall not require the execution of a release of a claim or right on account
 11 of wages due, or to become due, or made as an advance on wages to be earned, unless
 12 payment of those wages has been made.”
 13

14 **11.2. RELEASE OF CLAIMS BY PLAINTIFFS**

15 Plaintiffs, on behalf of themselves and their respective dependents, heirs and assigns,
 16 beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators, guardians,
 17 personal representatives, and successors-in-interest, whether individual, class, representative, legal,
 18 equitable, direct or indirect, or any other type or in any other capacity, shall and does hereby forever
 19 release, discharge and agree to hold harmless the Released Parties from any and all charges, complaints,
 20 claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action,
 21 suits, rights, demands, costs, losses, debts and expenses (including attorney fees and costs), known or
 22 unknown, at law or in equity, which they may now have or may have after the signing of this Settlement
 23 Agreement, arising out of or in any way connected with their employment with Defendant including,
 24 the Released Claims, claims that were asserted or could have been asserted in the Complaint, and any
 25 and all transactions, occurrences, or matters between the Parties occurring prior to the date this
 26 Settlement Agreement is fully executed. Without limiting the generality of the foregoing, this release
 27 shall include, but not be limited to, any and all claims under: **(a)** the Americans with Disabilities Act;
 28 **(b)** Title VII of the Civil Rights Act of 1964; **(c)** the Civil Rights Act of 1991; **(d)** 42 U.S.C. § 1981;

(e) the Age Discrimination in Employment Act; (f) the Fair Labor Standards Act; (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state, and local statutes, ordinances, regulations, rules, and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of emotional distress, negligent infliction of emotional distress, or damages under any other federal, state, or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs, and Plaintiffs hereby forever releases, discharges and agrees to hold harmless Defendant and the Released Parties from any and all claims for attorney fees and costs arising out of the matters released in this Settlement Agreement.

Plaintiffs specifically acknowledge that they are aware of and familiar with the provisions of California Civil Code section 1542, which provides 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.”

Plaintiffs, being aware of California Civil Code section 1542, hereby expressly waives and relinquishes all rights and benefits they may have under section 1542 as well as any other statutes or common law principles of a similar effect. Plaintiffs may hereafter discover facts in addition to or different from those which they now knows or believes to be true with respect to the subject matter of all the claims referenced herein, but agrees that, upon the Effective Date, Plaintiffs shall and hereby

1 does fully, finally, and forever settle and release any and all claims against the Released Parties, known
2 or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have
3 been asserted upon any theory of law or equity without regard to the subsequent discovery of existence
4 of such different or additional facts.

5 **11.3. CIRCULAR 230 DISCLAIMER**

6 Each party to this Settlement Agreement (for purposes of this section, the “Acknowledging
7 Party”; and each party to this Agreement other than the Acknowledging Party, an “Other Party”)
8 acknowledges and agrees that **(1)** no provision of this Settlement Agreement, and no written
9 communication or disclosure between or among the parties or their attorneys and other advisers, is or
10 was intended to be, nor shall any such communication or disclosure constitute or be construed or be
11 relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31
12 C.F.R. Part 10); **(2)** the Acknowledging Party **(a)** has relied exclusively upon her or its own
13 independent legal and tax advisers for advice (including tax advice) in connection with this Settlement
14 Agreement, **(b)** has not entered into this Settlement Agreement based upon the recommendation of any
15 other party or any attorney or advisor to any other party, and **(c)** is not entitled to rely upon any
16 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that
17 may be imposed on the Acknowledging Party; and **(3)** no attorney or adviser to any other party has
18 imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax strategies
19 (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party
20 of the tax treatment or tax structure of any transaction, including any transaction contemplated by this
21 Settlement Agreement.

22 **12. DUTIES OF THE PARTIES**

23 **12.1. MUTUAL FULL COOPERATION**

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

1 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable
2 after execution of this Settlement Agreement, Class Counsel, with the cooperation of Defendant and
3 Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final approval of
4 this Settlement Agreement.

5 **12.2. DUTY TO SUPPORT AND DEFEND THE CLASS SETTLEMENT**

6 The Parties agree to abide by all of the terms of this Settlement Agreement in good faith and to
7 support the Class Settlement fully and to use their best efforts to defend this Class Settlement from any
8 legal challenge, whether by appeal or collateral attack.

9 **12.3. DUTIES PRIOR TO COURT APPROVAL**

10 Class Counsel shall promptly submit this Settlement Agreement to the Court for preliminary
11 approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly
12 upon execution of this Settlement Agreement, Class Counsel shall apply to the Court for the entry of a
13 preliminary order scheduling a hearing on the question of whether the proposed Class Settlement
14 should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form
15 and content the proposed Class Notice and Share Form attached hereto as **Exhibit 1** and **Exhibit 2**,
16 respectively, and directing the mailing of the Class Notice to Class Members. While Defendant can
17 reserve its right to object to facts or assertions made in the moving papers, Defense Counsel shall file
18 a notice of non-opposition to the granting of the motion for preliminary approval or join in the motion.

19 **12.4 AMENDMENT TO COMPLAINT.**

20 The Parties agree to stipulate to allow Plaintiff Antonio Andrade to file a Second Amended
21 Complaint adding Plaintiff Juan Manuel Camacho Cruz as a named Plaintiff to this Action before
22 Plaintiffs file a motion seeking the Court's approval of the Parties' settlement.

23 **13. MISCELLANEOUS PROVISIONS**

24 **13.1. VOIDING THIS SETTLEMENT AGREEMENT**

25 Pending Court approval and other than as provided herein, if any of the conditions set forth in
26 this Settlement Agreement are not met and satisfied, this Settlement Agreement may, at the option of
27 either Plaintiffs or Defendant, be ineffective, void, and of no further force and effect, and may not be
28 used or be admissible in any subsequent proceeding, either in this Court or in any other court or forum.

1 If either Party decides to void the Settlement Agreement, then the Settlement Agreement and
2 conditional class certification shall be considered void, and neither the Settlement Agreement,
3 conditional class certification, nor any of the related negotiations or proceedings, shall be of any force
4 or effect, and the Parties shall stand in the same position, without prejudice, as if this Settlement
5 Agreement had been neither entered into nor filed with the Court. Should any Party choose to void the
6 Class Settlement under this subsection, such Party shall be responsible for all Settlement Administrator
7 fees and costs actually incurred.

8 **13.2. DIFFERENT FACTS**

9 The Parties acknowledge that, except for matters expressly represented herein, the facts in
10 relation to the dispute and all claims released by the terms of this Settlement Agreement may turn out
11 to be different from the facts now known by each party and/or its counsel, or believed by such Party or
12 counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or
13 presently unknown facts, and agrees that this Settlement Agreement shall be in all respects effective
14 and binding despite such difference.

15 **13.3. NO PRIOR ASSIGNMENTS**

16 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned,
17 transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any
18 portion of any liability, claim, demand, action, cause of action, or right herein released and discharged
19 except as set forth herein.

20 **13.4. NON-ADMISSION**

21 Nothing in this Settlement Agreement shall be construed as or deemed to be an admission by
22 any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other
23 person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing
24 toward each other or any other person. Each of the Parties has entered into this Settlement Agreement
25 with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses,
26 and contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or
27 liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any
28 admission by Defendant regarding the merits of the Claims in this Action, including but not limited to

1 claims for unpaid wages or violations under California or federal law. Nothing herein shall constitute
2 an admission by Defendant that the Action was properly brought as a class or representative action
3 other than for settlement purposes. To the contrary, Defendant has denied and continues to deny each
4 and every material factual allegation and all Claims. To this end, the Class Settlement of the Action,
5 the negotiation and execution of this Settlement Agreement, and all acts performed or documents
6 executed pursuant to or in furtherance of this Settlement Agreement or the Class Settlement are not,
7 shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or
8 liability on the part of Defendant or of the truth of any of the factual allegations in the Complaint in the
9 Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of
10 any fault or omission on the part of Defendant in any civil, criminal, or administrative proceeding in
11 any court, administrative agency, or other tribunal.

12 **13.5. NON-EVIDENTIARY USE**

13 Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation
14 or drafting of it, shall be offered or used as evidence by Plaintiffs, any Class Member (including any
15 individual who requested to be excluded from the Settlement Class), Defendant, or its, her, his, or their
16 respective counsel, in the Action, except as is reasonably necessary to effectuate the Settlement
17 Agreement's purpose and terms. This Settlement Agreement may, however, be used by Defendant and
18 the Released Parties to prove or defend against any claim released herein by any Class Member in any
19 judicial, quasi-judicial, administrative, or governmental proceeding.

20 **13.6. MEDIA OR PRESS**

21 Plaintiffs and Defendant, and their respective counsel, recognize, accept, and agree that the
22 Parties to this Settlement Agreement desire that the terms of this Settlement Agreement, the fact of the
23 Class Settlement embodied in this Settlement Agreement, the disposition of the Action, the Action, and
24 all matters relating to the litigation of the Action, including discovery proceedings therein, and evidence
25 obtained during the course of the Action, shall not be discussed with or presented to the media or press.

26 **13.7. NON-RETALIATION**

27 Defendant understands and acknowledges that it has a legal obligation to not retaliate against
28 any Class Member who elects to participate in the Class Settlement or elects to Opt Out of the Class

1 Settlement. Defendant will refer any inquiries regarding this Class Settlement to the Settlement
2 Administrator or Class Counsel and will not discourage Class Members who are employees, directly
3 or indirectly, from making claims, opting out, or objecting to the Class Settlement. None of the Parties,
4 or their respective attorneys or agents, shall solicit or encourage any Class Members, directly or
5 indirectly, to Opt Out of the Class Settlement.

6 **13.8. CONSTRUCTION**

7 The Parties agree that the terms and conditions of this Settlement Agreement are the result of
8 lengthy, intensive, arms-length, non-collusive negotiations between the Parties and that this Settlement
9 Agreement is not to be construed in favor of or against any party by reason of the extent to which any
10 party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in this
11 Settlement Agreement fall on a weekend, bank or court holiday, the time to act shall be extended to the
12 next business day.

13 **13.9. GOVERNING LAW**

14 This Settlement Agreement is intended to and shall be governed by the laws of the State of
15 California, without regard to conflict of law principles, in all respects, including execution,
16 interpretation, performance, and enforcement.

17 **13.10. NOTICES**

18 Except for Class Member notices required to be made by the Settlement Administrator, all
19 notices or other communications required or permitted under this Settlement Agreement shall be in
20 writing and shall be sufficiently given if delivered in person to the party or their counsel by U.S.
21 certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the
22 party appearing in this Settlement Agreement.

23 **13.11. CAPTIONS AND INTERPRETATIONS**

24 Section titles or captions contained herein are inserted as a matter of convenience and for
25 reference only and in no way define, limit, extend, or describe the scope of this Settlement Agreement
26 or any provision thereof.
27
28

13.12. MODIFICATION

This Settlement Agreement may not be changed, altered, or modified, except in writing signed by the Parties or the Parties' counsel on their behalf. If preliminary or final approval of this Settlement Agreement has been granted by the Court, then any such amendments or modifications to this Settlement Agreement shall be approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

13.13. INTEGRATION CLAUSE

This Settlement Agreement contains the entire agreement between the Parties relating to the Class Settlement of the Action and the transactions contemplated thereby, 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 hereby superseded. No rights under this Settlement Agreement may be waived except in writing as provided above.

13.14. SUCCESSORS AND ASSIGNS

This Settlement Agreement shall be binding on and inure to the benefit of the Parties and Class Members (excluding only persons who timely Opt Out) and their respective present and former heirs, trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension plans, welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors, successors, and assigns.

13.15. CORPORATE SIGNATORIES

Any person executing this Settlement Agreement or any such related document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all Parties hereto, that such person has been duly authorized by such corporation or partnership to execute this Settlement Agreement or any such related document.

13.16. EXECUTION IN COUNTERPARTS

This Settlement Agreement shall become effective upon its execution by all of the undersigned. The Parties may execute this Settlement Agreement in counterparts, and execution of counterparts shall have the same force and effect as if all Settling Parties had signed the same instrument.

13.17. ATTORNEY FEES, COSTS, AND EXPENSES

Except as otherwise specifically provided for herein, each party shall bear her or its own attorney fees, costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof from any other party to this Settlement Agreement.

13.18. ACTION TO ENFORCE AGREEMENT

In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover her or its attorney fees and costs.

14. EXECUTION

The Parties and their counsel have executed this Settlement Agreement on the date below their signatures or the signature of their representatives. The date of this Settlement Agreement shall be the date of the latest signature.

APPROVAL AND EXECUTION BY PARTIES**CLASS REPRESENTATIVES:**

Dated: 12/1/2023

DocuSigned by:
Antonio Andrade
DE3516329219411...

Antonio Andrade
Plaintiff and Class Representative

Dated: 12/1/2023

DocuSigned by:
Juan Manuel Camacho Cruz
4800278998A7453...

Juan Manuel Camacho Cruz
Plaintiff and Class Representative

DEFENDANT:

Dated: 12/5/2023

United States Pipe and Foundry Company, LLC

By: NICK IVEZAS

Title: GENERAL COUNSEL

APPROVED AS TO FORM BY COUNSEL**CLASS COUNSEL:**

1 Dated: 12/1/2023

Melmed Law Group P.C.

2 *Meghan Higday*

Jonathan Melmed

3 Meghan N. Higday

4 Attorneys for Plaintiffs

5 **DEFENDANT'S COUNSEL:**

6 Dated: December 5, 2023

Fisher & Phillips LLP

7 *Drew Tate*

8 Todd B. Scherwin

9 Drew M. Tate

10 Attorneys for Defendant