SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF KERN

DUSTIN SELDEN, individually, and on behalf of other members of the general public similarly situated, and as an aggrieved employee pursuant to the Private Attorneys General Act ("PAGA"), Plaintiff, v. HAL HAYS CONSTRUCTION, INC., a California corporation; and DOES 1 through 10, inclusive, Defendants.	Case No. BCV-25-101767 **PAGA SETTLEMENT AGREEMENT**

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of Kern ("Court"), Plaintiffs Hugo Jimenez Valenzuela and Dustin Selden ("Plaintiffs") and Defendant Hal Hay Construction, Inc. ("Defendant") (collectively with Plaintiffs, the "Parties") hereby agree to the following binding settlement ("Settlement" or "Settlement Agreement") of Plaintiffs' claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA").

DEFINITIONS

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

1. "Action(s)" means *Dustin Selden v. Hal Hays Construction, Inc.*, initiatied on May 13, 2025 in Kern County Superior Court (Case No. BCV-25-101767) and *Hugo Jimenez Valenzuela v. Hal Hays Construction, Inc.*, Case No. CVRI2501262 (Riverside County Superior Court), No. BCV-25-101767 (Kern County Superior Court).

2. "Aggrieved Employees" means all current and former non-exempt employees who worked for Defendant in California at any time during the Settlement Period.

3. "Court" means the Superior Court for the State of California, County of Kern.

4. "Gross Settlement Amount" means the settlement amount of Two Hundred Fifty Thousand Dollars ($250,000) to be paid by Defendant in full satisfaction of all Settled Claims arising from the Actions and will be used to pay the PAGA Penalties Fund, Service Awards, and the Settlement Administrator Costs.

5. "LWDA" means the California Labor and Workforce Development Agency.

6. "PAGA Penalties Fund" means the Gross Settlement Amount less the Attorneys' Fees and Costs, Service Awards, and Settlement Administrator Costs.

7. "Plaintiffs' Counsel" means Capstone Law APC and Sirmabekian Law Group.

8. "Released Parties" means Defendant and each and all of its past, present, and future parents, divisions, managing members, affiliated entities, related entities, and assigns; the past, present, and future agents, officers, employees, directors, owners, shareholders, board members, trustees, attorneys or legal representatives, insurers, representatives, administrators, fiduciaries, beneficiaries,

subrogees, partners, subsidiaries, assigns, DBA's, affiliates and predecessors, successors, and parent companies, and members of the foregoing; and/or any other entity or individual which could be liable for the acts or omissions of the Defendant based on or arising out of the Settled Claims.

9. "Service Awards" means the amounts to be paid to Plaintiffs as payment for their service on behalf of the LWDA and Aggrieved Employees, and for general releases of all claims arising out of their employment with Defendant.

10. "Settled Claims" means any and all claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities for PAGA civil penalties, known or unknown, suspected or unsuspected, that each of them had, now has, or may hereafter claim to have during the PAGA Period against the Released Parties and that were asserted in the Actions, or that arise from or could have been asserted based on any of the facts alleged in Plaintiffs' Operative Complaint in the Actions and/or Notice to the California Labor Workforce Development Agency in the Actions, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law. The Settled Claims specifically include, but are not limited to California Labor Code §§ 201, 202, 203, 204, 210, 226, *et seq.*, 226.7, 510, 512, 1174, 1174.5, 1194, 1197, 1198, 2698, 2802, 2699 *et seq.*, claims based on alleged violations of these Labor Code and Wage Order provisions and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been pleaded based on the facts asserted in the Actions, including: (1) minimum and straight time wage violations; (2) failure to pay overtime wages; (3) meal periods violations; (4) rest periods violations; (5) failure to timely pay final wages upon termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) civil penalties pursuant to PAGA, as well as interest, fees, and costs.

11. "Settlement Period" means December 16, 2023 through the date of entry of the Order and Judgment, or an earlier date set by Defendant pursuant to Section 13(c) below.

TERMS

12. Gross Settlement Amount. In consideration for Plaintiffs' promises and representations described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met, Defendant will pay Two Hundred Fifty Thousand Dollars ($250,000) ("Gross Settlement Amount") to

settle the Actions. The Gross Settlement Amount includes Plaintiffs' attorneys' fees, litigation costs and expenses, consideration for Plaintiffs' service on behalf of the LWDA and Aggrieved Employees, Settlement Administration Costs, and payments to Aggrieved Employees and the LWDA for their share of the PAGA Penalties Fund. No portion of the Gross Settlement Amount will be retained by, or revert to, Defendant.

13. PAGA Penalties Fund. Subject to Court approval, the Parties agree that the PAGA Penalties Fund will be paid to Aggrieved Employees and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the Actions with respect to Aggrieved Employees. Pursuant to PAGA, Sixty-Five Percent (65%) of the PAGA Penalties Fund will be paid to the LWDA, and the remaining Thirty-Five Percent (35%) will be paid to all Aggrieved Employees according to the following formula:

13(a) Defendant will calculate: (i) the total number of pay periods worked by each Aggrieved Employee during the Settlement Period, and (ii) the total number of pay periods worked by all Aggrieved Employees during the Settlement Period.

13(b) To Settlement Administrator will calculate each Aggrieved Employee's payment from the PAGA Penalties Fund, using the following formula: Settlement Payment = 35% of PAGA Penalties Fund × [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period ÷ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

13(c) Defendant represents that as of March 2, 2026, Aggrieved Employees worked an aggregate total of approximately Nine Thousand Four Hundred (9,400) Pay Periods during the Settlement Period. If the actual aggregate total of Pay Periods worked during the Settlement Period is greater than Ten Percent (10%) of this estimate, then Defendant must either: (a) increase the Gross Settlement Amount proportionately for each additional Pay Period

above 10,340; or (b) modify the Settlement Period such that no more than Ten Thousand Three Hundred Forty (10,340) Pay Periods are included in the settlement.

14. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Plaintiffs' Counsel for Attorneys' Fees and Costs of not more than Eighty-Three Thousand Three Hundred Thirty-Three Dollars ($83,333), plus the reimbursement of all out-of-pocket costs and expenses associated with Plaintiffs' Counsel's litigation and settlement of the Actions (including expert/consultant fees, investigations costs, etc.), not to exceed Twenty Thousand Dollars ($20,000), both of which will be paid from the Gross Settlement Amount. Any portion of the Attorneys' Fees and Costs not awarded to Plaintiffs' Counsel will be added to the PAGA Penalties Fund.

15. Service Awards. Defendant agrees not to oppose or impede any application or motion by Plaintiffs for a service award of up to Ten Thousand Dollars ($10,000), each ("Service Awards"). If the Court approves Service Award payments less than the amount requested, the Settlement Administrator will allocate the remainder to the PAGA Penalties Fund. The Settlement Administrator will pay the Service Awards using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Service Awards.

16. Settled Claims. Upon entry of the Court's PAGA settlement approval order and Defendant's full funding of the Gross Settlement Amount, this settlement forever bars Plaintiffs, the Aggrieved Employees, the LWDA, the State of California, and any other representative, proxy, or agent thereof for the Settlement Period from pursuing any and all Settled Claims against Defendant and the Released Parties. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remains effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

17. Plaintiffs' General Release. For the purpose of implementing a full and complete general release and discharge of any and all individual claims Plaintiffs may have against Defendant, Plaintiffs expressly acknowledge and agree that the Release is intended to, and does include any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have

been asserted against Defendant arising out of, or relating to, Plaintiffs' employment with Defendant or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiffs will be deemed to have waived all rights and benefits afforded by California Civil Code Section 1542, which provides:

> **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.**

As a result, the Release shall be effective as a bar to each and every claim that Plaintiffs may have against Defendant and/or the Released Parties arising out of, or relating to, Plaintiffs' employment with Defendant or termination thereof, whether or not they are currently known, unknown, suspected, or unsuspected, upon any theory of law or equity now existing or coming into existence in the future and without regard to any subsequent discovery or existence of different or additional facts by the Plaintiffs. For avoidance of doubt, this Release does not apply to any workers compensation claims that Plaintiffs may have against the Released Parties.

17(a) Representations by Plaintiffs. Plaintiffs understand and agree that this Settlement Agreement shall remain in full force and effect even if the full amount of Service Awards sought by Plaintiffs is not ultimately awarded by the Court.

17(b) Plaintiffs represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity any portion of any claim, demand, action, cause of action, or right herein released and discharged.

Plaintiffs acknowledge that they have read this Settlement Agreement, that they fully understand their rights, privileges, and duties under the Settlement Agreement, and enters into this Settlement Agreement freely and voluntarily. Plaintiffs further acknowledge that they have had the opportunity to consult with their attorneys to explain the terms of this Agreement and the consequences of signing this Agreement.

18. Settlement Administration Costs. The Parties will retain ILYM Group, Inc. ("ILYM") as the third-party settlement administrator ("Settlement Administrator"), subject to approval by the Court, and verified that, as a condition of appointment, ILYM agrees to be bound by this Settlement Agreement and to perform, as a fiduciary, all duties specified in this Settlement Agreement in exchange for payment of the Settlement Administration Costs. The Settlement Administrator will be responsible for establishing a qualified settlement fund ("QSF") and issuing payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiffs, and Plaintiffs' Counsel. The Settlement Administration Costs will be paid from the Gross Settlement Amount. The Settlement Administration Costs are estimated at Five Thousand Dollars ($5,000). The Settlement Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

19. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the Court issue an order and judgment approving and incorporating by reference the terms and conditions of the Settlement Agreement (the "Order and Judgment").

20. List of Aggrieved Employees. Within thirty (30) calendar days after entry of the Order and Judgment, Defendant will provide the Settlement Administrator a complete list of all Aggrieved Employees ("Aggrieved Employee List"). The Aggrieved Employee List will be formatted in Microsoft Office Excel and will include each Aggrieved Employees full name; most recent mailing address and telephone number; Social Security number; and the respective number of pay periods during which each Aggrieved Employee worked during the Settlement Period. To protect Aggrieved Employee privacy rights, the Settlement Administrator must maintain the Aggrieved Employee Data in confidence, use the

Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to the Settlement Administrator's employees who need access to the Aggrieved Employee Data to effect and perform under this Settlement Agreement. Defendant has a continuing duty to immediately notify the Settlement Administrator if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data to the Settlement Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Settlement Administrator, the Parties and their respective counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

21. Funding of the Settlement. Within thirty (30) calendar days after entry of the Order and Judgment, Defendant will deposit the Gross Settlement Amount into the QSF to be established by the Settlement Administrator ("Funding Date"). Within fourteen (14) calendar days of the funding of the Settlement, the Settlement Administrator will issue payments to: (a) Aggrieved Employees; (b) the Labor and Workforce Development Agency; (c) Plaintiffs; (d) Plaintiffs' Counsel; and (e) itself. The Settlement Administrator, and not Defendant, will issue the appropriate tax forms for all payments issued under this Settlement.

22. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an explanatory letter, attached as Exhibit A. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will then perform a single re-mailing. Checks will remain negotiable for 180 days. Those funds represented by un-cashed checks which remain outstanding 180 days after the mailing of the Settlement checks by the Settlement Administrator will be

tendered to the LWDA. All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which a 1099 will be issued.

23. Settled Claims. Upon the Funding Date, Plaintiffs and all Aggrieved Employees will be forever barred from pursuing against Defendant any and all Settled Claims during the Settlement Period. Aggrieved Employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims by virtue of this Settlement.

24. No Right to Exclusion or Objections by Representative Action Members. Because this settlement resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as Private Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no Aggrieved Employee has the right to exclude himself or herself from the Settlement. Aggrieved Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court, regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

25. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

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

27. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

28. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court

will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

29. Confidentiality Agreement. In response to any inquiries, Plaintiffs and Plaintiffs' Counsel will state that "the case was resolved," or a statement to that effect. Plaintiffs and Plaintiffs' Counsel will not communicate with or to anyone regarding the Settlement, nor report the Settlement or its content in any medium or in any publication, will not post or report anything regarding the claims of Plaintiffs or Aggrieved Employees online or through social media, and will not contact any reporters or media regarding the settlement. Notwithstanding the foregoing, nothing in this Paragraph is intended to prohibit: (a) Plaintiffs from disclosing the settlement with immediate family members, attorneys, tax advisors, or taxing authorities; (b) Plaintiffs' Counsel from disclosing the settlement to tax advisors or taxing authorities; (c) Plaintiffs' Counsel from citing the settlement as evidence supporting their competence as counsel in wage/hour class and/or PAGA actions or for purposes of seeking approval of unrelated settlements; (d) Plaintiffs' Counsel from communicating with Plaintiffs or providing Plaintiffs with legal representation; or (e) Plaintiffs' Counsel from making a limited disclosure to the Court and the LWDA for purposes of obtaining settlement approval or enforcing Settlement.

30. Stay of Litigation. The Parties agree that Actions are stayed. Pursuant to California Code of Civil Procedure section 583.330, the Parties further agree that the date to bring a case to trial under California Code of Civil Procedure section 583.310 shall be extended for the duration of the settlement approval process.

31. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

32. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all Parties, and approved by the Court.

33. 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 affect 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.

34. 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.

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

36. 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 signatures (e.g., Docusign), facsimiles, and scanned copies of the signature pages, will be deemed to be one and the same instrument.

37. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after arm's-length negotiations by experienced counsel. 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.

38. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that Plaintiffs 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's terms.

39. 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 render all provisions of this Settlement Agreement valid and enforceable.

40. Captions. The captions and section numbers in this Settlement Agreement are inserted

for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

41. 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.

42. Enforcement Action. 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.

43. 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 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 arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

44. 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, and reviewed in full.

45. 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.

46. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, 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.

47. Denial of Liability. The Parties expressly recognize that the making of this agreement

Docusign Envelope ID: EC4740E6-8402-8F7C-8137-EB691C2BBAE6

does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the pendency of the Actions, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

THE PARTIES REPRESENT THAT THEY HAVE EACH CAREFULLY READ THIS AGREEMENT AND KNOW ITS CONTENTS AND FULLY UNDERSTAND IT; THAT THE PARTIES HAVE HAD THE OPPORTUNITY TO HAVE IT TRANSLATED INTO EACH PARTY'S DESIRED LANGUAGE; THAT THE PARTIES HAVE HAD THE OPPORTUNITY TO HAVE ALL OF THE TERMS OF THIS AGREEMENT FULLY EXPLAINED TO THEM BY AN ATTORNEY OF THEIR CHOOSING; THAT THE PARTIES FULLY UNDERSTAND THE AGREEMENT'S FINAL AND BINDING EFFECT; THAT THE ONLY PROMISES MADE TO EACH PARTY TO SIGN THIS AGREEMENT ARE THOSE STATED IN THIS AGREEMENT; AND THAT THE PARTIES ARE SIGNING THIS AGREEMENT VOLUNTARILY ON THE DATES INDICATED BELOW.

IN WITNESS WHEREOF, THE PARTIES HERETO KNOWINGLY AND VOLUNTARILY EXECUTED THIS MOU AS OF THE DATE(S) INDICATED BELOW:

PLAINTIFF

Dated: 7/24/2026

DocuSigned by:
AA3BD7C05838404...

Hugo Jimenez Valenzuela

Docusign Envelope ID: EC4740E6-8402-8F7C-8137-EB691C2BBAE6

PLAINTIFF

Dated: 7/20/2026

DocuSigned by:
9812EFB2894B4BF...
Dustin Selden

DEFENDANT

Dated: _____

Kirby S. Hayes / President & CEO
Hal Hay Construction, Inc.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 7/20/2026

Raul Perez

SIRMABEKIAN LAW GROUP

Dated: 7/20/2026

DocuSigned by:
847C4C6AA169454...
Sarkis Sirmabekian

GORDON REES SCULLY MANSUKHANI, LLP

Dated: _____

Linh T. Hua

Docusign Envelope ID: DD9F8640-31C5-8C63-82D7-FA22852CE7C4

PLAINTIFF

Dated: 7/20/2026

DocuSigned by:
9812EFB2894B4BF...
Dustin Selden

DEFENDANT

Dated: 8/18/2026

Kirby S. Hayes / President & CEO
Hal Hay Construction, Inc.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 7/20/2026

Raul Perez

SIRMABEKIAN LAW GROUP

Dated: _____

Sarkis Sirmabekian

GORDON REES SCULLY MANSUKHANI, LLP

Dated: August 18, 2026

Linh T. Hua

Exhibit A

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

Re: Hal Hays Construction PAGA Settlement

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuits entitled *Selden v. Hal Hays Construction, Inc.*, No. BCV-25-101767 (Kern County Superior Court) and *Valenzuela v. Hal Hays Construction, Inc.*, No. CVRI2501262 (Riverside County Superior Court), No. BCV-25-101767 (Kern County Superior Court) (the "Actions").

The Actions were filed against Defendant Hal Hay Construction, Inc. ("Defendant") pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (called "PAGA"). The Actions were brought by former employees of Defendant on behalf of the State of California and all allegedly "aggrieved employees" of Defendant. You have been identified as one of the employees on whose behalf the case was brought.

The Plaintiffs in the Actions claimed that Defendant owed civil penalties recoverable under PAGA for alleged violations of the California Labor Code and California Wage Orders. Defendant denies that it violated the Labor Code or California Wage Orders. Moreover, in agreeing to this settlement, Defendant does not admit that it is liable in any way for any penalties.

The Court has not ruled on the merits of the Actions, but it has approved the settlement of PAGA civil penalties, of which 65% will be paid to the California Labor and Workforce Development Agency, and the remaining 35% will be paid to aggrieved employees. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties.

Aggrieved employees, other than Plaintiffs, will not be deemed to have released any individual wage and hour claims based on alleged violations of the Labor Code or of a California Wage Order, for which they have a private right of action, by virtue of the Settlement.

You are not a party to this lawsuit, but you and the government will be bound by the settlement in this matter as to civil penalties. If you have any questions, you can contact the settlement administrator (whose contact information is at the top of this letter).

Very Truly Yours,

[Administrator]