

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or “Settlement Agreement”) is made and entered into by and between Plaintiff Ignacio Duenas (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly situated and on behalf of the State of California with respect to aggrieved employees, and Defendants Belcan Engineering Group, LLC and Belcan Services Group Limited Partnership (together, the “Belcan Defendants”) and Defendants PRC-DeSoto International, Inc. and Sierracin/Sylmar Corporation (together, the “PPG Defendants”) (the Belcan Defendants and PPG Defendants will be referred to herein as “Defendants” and Plaintiff and Defendants will collectively be referred to as the “Parties”).

This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as defined herein), the State of California as to the employment of Aggrieved Employees (as defined herein), and Defendants, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On October 14, 2022, Plaintiff provided written notice to the Labor and Workforce Development Agency (“LWDA”) and to Defendants, of the specific provisions of the California Labor Code alleged to have been violated by Defendants. On October 2, 2025 Plaintiff submitted an amended written notice to the LWDA by online submission, and to Defendants by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor Code alleged to have been violated by Defendants (“PAGA Letters”).

2. On October 24, 2022, Plaintiff filed a Class Action Complaint for Damages in the action entitled *Ignacio Duenas v. Belcan Engineering Group, LLC, et al.* Los Angeles County Superior Court Case No. 22STCV34198 (“*Duenas* Class Action Complaint”), thereby commencing a putative class action against Defendants (the “Action”).

3. On January 13, 2023, Plaintiff filed a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code §§ 2698 *Et. Seq.* (“First Amended Complaint”) in the Action, which added a cause of action for civil penalties pursuant to the California Private Attorneys General Act, Labor Code §§2698, et seq. (“PAGA”) based on the Labor Code violations alleged in the PAGA Letter.

1 4. On April 26, 2023, Plaintiff filed an Amendment to the First Amended Complaint to
2 add defendant PRC-Desoto International, Inc. to the Action.

3 5. On October 2, 2025 the Parties filed a Joint Stipulation to Amend Complaint, attaching
4 the Second Amended Complaint for Damages and Enforcement Under the Private Attorneys General
5 Act, California Labor Code §§ 2698 *Et. Seq.* (“Operative Complaint”) in the Action, which added a
6 cause of action for failure to timely pay wages during employment (Labor Code sections 204, 210),
7 and added Belcan Services Group, Limited Partnership and Sierracin/Sylmar Corporation as
8 defendants in the Action.

9 6. The Operative Complaint alleges ten (10) causes of action for violations of the
10 California Labor Code for failure to pay all wages (including minimum, regular, overtime, double
11 time, on-call time, reporting time and paid sick leave), failure to provide compliant meal periods and
12 premium payments in lieu thereof, failure to provide compliant rest periods and premium payments in
13 lieu thereof, failure to provide compliant wage statements, failure to timely pay wages during
14 employment, failure to timely pay wages upon termination, failure to reimburse business expenses,
15 and for violations of California Business & Professions Code Section 17200, *et seq.* based on the
16 aforementioned California Labor Code violations, and for civil penalties under PAGA based on the
17 aforementioned California Labor Code violations.

18 7. Defendants deny all material allegations set forth in the Action and have asserted
19 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
20 Defendants desire to fully and finally settle the Action, Released Class Claims (as defined herein), and
21 Released PAGA Claims (as defined herein).

22 8. Class Counsel diligently investigated the class and PAGA claims against Defendants,
23 including any and all applicable defenses and the applicable law. The investigation included, *inter*
24 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
25 The Parties have engaged in sufficient informal discovery and investigation to assess the relative
26 merits of the claims and contentions of the Parties.

27 9. On January 24, 2025, the Parties participated in mediation with Monique Ngo-Bonnici
28 (the “Mediator”), a respected mediator of complex wage and hour actions, and were not able to reach

1 a settlement.

2 10. However, on February 14, 2025, with the assistance of the Mediator's evaluations and
3 further negotiations, the Parties reached the settlement that is memorialized herein. The Parties'
4 settlement discussions were conducted at arms' length, and the Settlement is the result of an informed
5 and detailed analysis of Defendants' potential liability and exposure in relation to the costs and risks
6 associated with continued litigation. Based on Class Counsel's investigation and evaluation, Class
7 Counsel believes that the settlement with Defendants for the consideration and on the terms set forth
8 in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class
9 Members, State of California, and Aggrieved Employees in light of all known facts and circumstances,
10 including the risk of significant delay and uncertainty associated with litigation and various defenses
11 asserted by Defendants.

12 11. The Parties expressly acknowledge that this Settlement Agreement is entered into
13 solely for the purpose of compromising significantly disputed claims and that nothing herein is an
14 admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is
15 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective
16 positions.

17 **DEFINITIONS**

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

20 a. "Aggrieved Employee(s)" are all current or former non-exempt employees of
21 Belcan Engineering Group, LLC who were placed to work at PPG Defendants' facilities in the State
22 of California during the PAGA Period.

23 b. "Aggrieved Employee Amount" means the amount of Twenty-Two Thousand
24 Five Hundred Dollars and Zero Cents (\$22,500.00), i.e., 25% of the PAGA Amount, to be distributed
25 to Aggrieved Employees on a *pro rata* basis based on their Pay Periods.

26 c. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for
27 Class Counsel's litigation and resolution of the Action and all actual costs and expenses incurred and
28 to be incurred by Class Counsel in connection with the Action, as set forth in Paragraph 15.

d. “Belcan Settlement Amount” means the amount of One Million One Hundred Fifty Thousand Dollars and Zero Cents (\$1,150,000.00) to be paid by the Belcan Defendants in exchange for the settlement and release of all claims against the Belcan Defendants in this Action.

e. “Class” or “Class Member(s)” means all current or former non-exempt employees of Belcan Engineering Group, LLC who were placed to work at the PPG Defendants’ facilities in the State of California during the Class Period.

f. “Class Counsel” means Jonathan M. Genish, Barbara DuVan-Clarke, Danielle L. GruppChang, P.J. Van Ert, Melissa Rodriguez, and Annabel Blanchard of Blackstone Law, APC, who, for the sole purpose of effectuating this Settlement, will seek to be appointed counsel for the Class.

g. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) the number of Workweeks worked during the Class Period; (5) the number of Pay Periods worked during the PAGA Period; and (5) such other information as is necessary for the Settlement Administrator to administer this Settlement.

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

i. “Class Period” means the period from October 24, 2018 through February 12, 2025.

j. “Class Settlement” means the settlement and resolution of all Released Class Claims.

k. “Court” means the Superior Court of the State of California for the County of Los Angeles.

l. “Defendants’ Counsel” means Teri A. Gibbs and Gregory Blueford of Fisher & Phillips LLP; and Shiva Davoudian, Lauren Manso and Donna Leung of Littler Mendelson, P.C.

m. “Dispute” means a letter submitted by a Class Member disputing the number of

1 Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case
2 name and number of the Action; (b) contain the Class Member's full name, signature, address,
3 telephone number, and the last four (4) digits of the Class Member's Social Security number; (c)
4 clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to
5 the Class Member and what the Class Member contends is the correct number; and (d) be returned by
6 mail to the Settlement Administrator at the specified address, postmarked on or before the Response
7 Deadline.

8 n. "Effective Date" means the date by when both of the following have occurred:
9 (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the
10 Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) this
11 Agreement has been executed by Plaintiff, Defendants, Class Counsel, and Defendants' Counsel; (ii)
12 the Court entered a Preliminary Approval Order; (iii) the Class Notice has been sent to the Class
13 Members, providing them notice and opportunity to object to the Settlement, and notice and
14 opportunity to opt out of the Settlement; (iv) notice of this Settlement has been sent to the LWDA; (v)
15 the Court has held a Final Approval Hearing and entered a Final Approval Order and Final Judgment;
16 and (vi) the later of the following events: five (5) court days after the period for filing any appeal, writ,
17 or other appellate proceeding opposing the Final Approval Order or Final Judgment has elapsed
18 without any appeal, writ, or other appellate proceeding having been filed (i.e., 65 days from the date
19 the Court enters Final Approval Order and Final Judgment); or, if any appeal, writ, or other appellate
20 proceeding opposing the Final Approval Order and Judgment has been filed within that timeframe,
21 then five (5) court days after any appeal, writ, or other appellate proceedings opposing the Settlement
22 has finally and conclusively dismissed with no right to pursue further remedies or relief.

23 o. "Employer Taxes" means the employer's share of taxes and contributions in
24 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendants
25 in addition to the Gross Settlement Amount.

26 p. "Enhancement Payment" means the amount to be paid to Plaintiff, in
27 recognition of his effort and work in prosecuting the Action on behalf of Class Members and
28 Aggrieved Employees, and general release of claims, as set forth in Paragraph 16.

1 q. “Final Approval” means the determination by the Court that the Settlement is
2 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

3 r. “Final Approval Hearing” means the hearing at which the Court will consider
4 and determine whether the Settlement should be granted Final Approval.

5 s. “Final Approval Order and Judgment” means the order granting final approval
6 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
7 Parties, and subject to approval by the Court.

8 t. “Gross Settlement Amount” means the Belcan Settlement Amount and PPG
9 Settlement together, which totals the amount of One Million Seven Hundred Seventy-Five Thousand
10 Dollars and Zero Cents (\$1,775,000.00) to be paid by Defendants in full satisfaction of the Action,
11 Released Class Claims, and Released PAGA Claims, which includes all Attorneys’ Fees and Costs,
12 Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement
13 Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer Taxes
14 separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-
15 reversionary; no portion of the Gross Settlement Amount will return to Defendants. The Gross
16 Settlement Amount is subject to increase, as provided in Paragraph 17.

17 u. “Individual PAGA Payment” means the *pro rata* share of the Aggrieved
18 Employee Amount that an Aggrieved Employee may be eligible to receive under the PAGA
19 Settlement, to be calculated in accordance with Paragraph 19.

20 v. “Individual Settlement Payment” means the net payment of each Settlement
21 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
22 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
23 Paragraph 20.

24 w. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
25 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated
26 in accordance with Paragraph 18.

27 x. “LWDA Payment” means the amount of Sixty-Seven Thousand Five Hundred
28 and Zero Cents (\$67,500.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to

1 the LWDA under the PAGA Settlement, as set forth in Paragraph 15.

2 y. “Net Settlement Amount” means the portion of the Gross Settlement Amount
3 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount
4 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, and
5 Settlement Administration Costs.

6 z. “Notice of Objection” means a Settlement Class Member’s written objection to
7 the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the
8 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
9 Social Security number; (c) contain a written statement of all grounds for the objection accompanied
10 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
11 upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the
12 specified address, postmarked on or before the Response Deadline.

13 aa. “PAGA Amount” means the allocation of Ninety Thousand Dollars and Zero
14 Cents (\$90,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five
15 percent (75%) of the PAGA Amount, or \$67,500.00, will be paid to the LWDA (i.e., the LWDA
16 Payment) and the remaining twenty-five percent (25%), or \$22,500.00, will be distributed to the
17 Aggrieved Employees (i.e., the Aggrieved Employee Amount).

18 bb. “PAGA Period” means the period from October 24, 2021 through February 12,
19 2025.

20 cc. “PAGA Settlement” means the settlement and resolution of all Released PAGA
21 Claims.

22 dd. “Pay Periods” means the number of pay periods each Aggrieved Employee
23 worked at least one day for Defendants as an hourly-paid and/or non-exempt employee in California
24 during the PAGA Period.

25 ee. “Preliminary Approval” means the date on which the Court enters the
26 Preliminary Approval Order.

27 ff. “Preliminary Approval Order” means the order granting preliminary approval
28 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by

1 the Court.

2 gg. “PPG Settlement Amount” means the sum of Six Hundred Twenty-Five
3 Thousand Dollars and Zero Cents (\$625,000.00) to be paid by PPG Defendants in exchange for the
4 settlement and release of all claims against the PPG Defendants in this Action.

5 hh. “Released Class Claims” means any and all claims which were alleged or which
6 could have been reasonably alleged based on the factual allegations in the Operative Complaint and
7 Amended LWDA letter, arising during the Class Period, which shall specifically include claims for
8 Defendants’ alleged failure to pay all wages (including minimum, regular, overtime double time, on-
9 call time, reporting time, paid sick leave), provide compliant meal and rest periods and associated
10 premium payments, timely pay wages during employment and upon termination, provide accurate
11 wage statements, failure to maintain accurate payroll records, and failure to reimburse necessary
12 business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210,
13 218.5, 221, 225, 226(a), 226.3, 226.7, 246, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1,
14 1197.5, 1198, 1198.5, 1199, 2800, and 2802, the applicable Industrial Welfare Commission Wage
15 Order, and California Business and Professions Code sections 17200, *et seq.*

16 ii. “Released PAGA Claims” means any and all claims arising from any of the
17 factual allegations in the Amended PAGA Letter, and Operative Complaint, , arising during the PAGA
18 Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code
19 Sections 2698 *et seq.*, which shall specifically include claims for Defendants’ alleged failure to pay
20 all wages (including minimum, regular, overtime double time, on-call time, reporting time, paid sick
21 leave), provide compliant meal and rest periods and associated premium payments, timely pay wages
22 during employment and upon termination, provide accurate wage statements, failure to maintain
23 accurate payroll records, and failure to reimburse necessary business-related expenses in violation of
24 California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 221, 225, 226(a), 226.3, 226.7,
25 246, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1199, 2800, and
26 2802, and the applicable Industrial Welfare Commission Wage Order.

27 jj. “Released Parties” means Defendants and their current and former officers,
28 directors, members, insurers, shareholders, parent companies, subsidiaries, affiliates, predecessors,

1 successors, and assigns, including PPG Industries, Inc.

2 kk. “Request for Exclusion” means a letter submitted by a Class Member indicating
3 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
4 of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and
5 last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class
6 Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
7 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

8 ll. “Response Deadline” means the deadline by which Class Members must submit
9 a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five
10 (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to
11 Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response
12 Deadline will be extended to the next day on which the United States Postal service is open. The
13 Response Deadline may also be extended by express agreement between Class Counsel and
14 Defendants’ Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response
15 Deadline for that Class Member shall be extended fifteen (15) calendar days from the original
16 Response Deadline.

17 mm. “Settlement Administrator” means Apex Class Action, LLC, or any other third-
18 party class action settlement administrator agreed to by the Parties and approved by the Court for
19 purposes of administering the Settlement. The Parties and their counsel each represent that they do
20 not have any financial interest in the Settlement Administrator or otherwise have a relationship with
21 the Settlement Administrator that could create a conflict of interest.

22 nn. “Settlement Administration Costs” means the costs payable from the Gross
23 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
24 Paragraph 16.

25 oo. “Settlement Class” or “Settlement Class Member(s)” means all Class Members
26 who do not submit a timely and valid Request for Exclusion.

27 pp. “Workweeks” means the number of weeks each Class Member worked for
28 Defendants for at least one day, as an hourly-paid and/or non-exempt employee in California during

1 the Class Period.

2 **CLASS CERTIFICATION**

3 13. For the purposes of this Settlement only, the Parties stipulate to the certification of the
4 Class.

5 14. The Parties agree that certification for the purpose of settlement is not an admission
6 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for
7 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as
8 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not
9 be admissible in connection with, the issue of whether or not certification would be inappropriate in a
10 non-settlement context. Should, for whatever reason, the Court not grant Final Approval, Plaintiff's
11 Amended Complaint and Amended PAGA Letter will be stricken from the record and the First
12 Amended Complaint and PAGA Letter will again become the operative complaint and operative
13 LWDA letter.

14 **TERMS OF THE AGREEMENT**

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

17 15. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application
18 or motion by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the
19 Gross Settlement Amount (i.e., \$621,250.00 if the Gross Settlement Amount is \$1,775,000.00) and
20 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement
21 of the Action, in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00),
22 both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all
23 work performed and any and all costs incurred by Class Counsel in connection with the litigation of
24 the Action, including without limitation all work performed and costs incurred to date, and all work
25 to be performed and all costs to be incurred in connection with obtaining the Court's approval of this
26 Settlement Agreement, including any objections raised and any appeals necessitated by those
27 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this
28 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement

1 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any
2 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel
3 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

4 16. Enhancement Payment. Defendants agree not to oppose or impede any application or
5 motion by Plaintiff for an Enhancement Payment in the amount up to fifteen thousand dollars and zero
6 cents (\$15,000.00). The Enhancement Payment, which will be paid from the Gross Settlement
7 Amount, subject to Court approval, will be in addition to his Individual Settlement Payment as a
8 Settlement Class Member and Individual PAGA Payment as an Aggrieved Employee. Plaintiff shall
9 be solely and legally responsible for correctly characterizing this compensation for tax purposes and
10 for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form
11 1099 to Plaintiff for the Enhancement Payment. Any portion of the requested Enhancement Payment
12 that is not awarded by the Court to Plaintiff shall be reallocated to the Net Settlement Amount for the
13 benefit of the Settlement Class Members.

14 17. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
15 Ninety Thousand Dollars and Zero Cents (\$90,000.00) shall be allocated from the Gross Settlement
16 Amount toward penalties under the Private Attorneys General Act, California Labor Code Section
17 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$67,500.00, will be
18 paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$22,500.00, will be
19 distributed to Aggrieved Employees (i.e., the Aggrieved Employee Amount) on a *pro rata* basis, based
20 on the total number of Pay Periods worked by each Aggrieved Employee during the PAGA Period
21 (i.e., the Individual PAGA Payments).

22 18. Settlement Administration Costs. The Settlement Administrator will be paid for the
23 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
24 which is currently estimated not to exceed Fifteen Thousand Five Hundred Dollars (\$15,500). These
25 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,
26 *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices
27 and other documents for the Settlement, calculating and distributing payments due under the
28 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,

1 and remittances, providing necessary reports and declarations, and other duties and responsibilities set
2 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
3 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
4 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
5 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
6 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
7 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
8 Settlement Class Members.

9 19. Escalator Clause. Defendants have represented that the Class Members worked a total
10 of 49,237 Workweeks from October 24, 2018 to February 3, 2025. If it is determined by the Settlement
11 Administrator that the total number of Workweeks released by the Class Members during the Class
12 Period actually exceeds 49,237 by more than 5% (i.e., if the Workweeks exceed 51,699), then the
13 Gross Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the
14 number of Workweeks worked by the Class Members above 5%. For example, if the number of
15 Workweeks increases by 6% , then the Gross Settlement Amount will increase by 1%. If the number
16 of workweeks increases by more than five percent (5%), Defendants, at their sole discretion, may
17 adjust the end date of the Class Period and PAGA Period to the date the Workweeks do not exceed
18 49,237 Workweeks, in order to avoid triggering an increase to the Gross Settlement Amount.

19 20. Individual Settlement Share Calculations. Individual Settlement Shares will be
20 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of
21 Workweeks, as follows:

22 a. After Preliminary Approval, the Settlement Administrator will divide the Net
23 Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek
24 Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value
25 to yield each Class Member's estimated Individual Settlement Share that the Class Member may be
26 entitled to receive under the Class Settlement.

27 b. After Final Approval, the Settlement Administrator will divide the final Net
28 Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek

Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek Value to each Settlement Class Member’s final Individual Settlement Share.

21. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the Aggrieved Employee Amount based on the Aggrieved Employees’ number of Pay Periods, as follows: The Settlement Administrator will divide the Aggrieved Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all Aggrieved Employees to yield the “Pay Period Value,” and multiply each Aggrieved Employee’s individual Pay Periods by the Pay Period Value to yield each Aggrieved Employee’s Individual PAGA Payment.

22. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and forty percent (40%) interest, and forty percent (40%) penalties and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

23. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, Aggrieved Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

24. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendants’ Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or

1 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement
2 Class Members, and Aggrieved Employees are not relying on any statement, representation, or
3 calculation by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiff,
4 Settlement Class Members, and Aggrieved Employees understand and agree that Plaintiff, Settlement
5 Class Members, and Aggrieved Employees will be solely responsible for the payment of any taxes
6 and penalties assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement
7 Class Members, and Aggrieved Employees should consult with their tax advisors concerning the tax
8 consequences of any payment they receive under the Settlement.

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

BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

26. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any Aggrieved Employee to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle Plaintiff, Settlement Class Members, or any Aggrieved Employee to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

27. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement. Plaintiff will obtain a hearing date from the Court for Plaintiff's motion for preliminary approval of the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendants' Counsel a draft of the preliminary approval motion before filing it with the Court. Defendants agree not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiff will apply for the entry of the Preliminary Approval Order seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement, including preliminary approval of the scope of the Released Class Claims and Released PAGA Claims;
- c. Preliminarily appointing Plaintiff as the representative of the Class and Aggrieved Employees;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving as to form and content, the mutually-agreed upon and proposed

1 Class Notice and directing its mailing by First Class U.S. Mail;

2 f. Approving the manner and method for Class Members to request exclusion
3 from or object to the Class Settlement as contained herein and within the Class Notice; and

4 g. Scheduling a Final Approval Hearing at which the Court will determine whether
5 Final Approval of the Settlement should be granted.

6 28. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),
7 Class Counsel shall notify the LWDA of the Settlement.

8 29. Delivery of Class List. Within twenty one (21) calendar days of Preliminary Approval,
9 Defendants will provide the Class List to the Settlement Administrator.

10 30. Notice by First-Class U.S. Mail.

11 a. Within seven (7) calendar days after receiving the Class List from Defendants,
12 the Settlement Administrator will perform a search based on the National Change of Address Database
13 or any other similar services available, such as provided by Experian, for information to update and
14 correct for any known or identifiable address changes, and will mail a Class Notice in English and
15 Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via
16 First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement
17 Administrator.

18 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
19 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
20 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
21 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
22 attempt to determine the correct address using a skip-trace or other search, using the name, address,
23 and/or Social Security number of the Class Member, and perform a single re-mailing within ten (10)
24 calendar days.

25 c. Compliance with the procedures described herein above shall constitute due and
26 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
27 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendants' Counsel to
28 provide notice of the Settlement.

1 31. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an
2 opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to
3 them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the
4 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
5 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
6 has been timely submitted. Absent evidence rebutting the accuracy of Defendants' records and data
7 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
8 Member, Defendants' records will be presumed to be correct and determinative of the dispute.
9 However, if a Class Member produces information and/or documents to the contrary, the Settlement
10 Administrator will evaluate the materials submitted by the Class Member and the Settlement
11 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
12 the disputing Class Member should be credited with under the Settlement. The Settlement
13 Administrator's decision on such disputes will be final and non-appealable.

14 32. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
15 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
16 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
17 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
18 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
19 Counsel and Defendants' Counsel the number of timely and valid Requests for Exclusion that are
20 submitted, and also identify the individuals who have submitted a timely and valid Request for
21 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
22 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
23 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
24 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
25 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
26 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
27 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
28 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining

1 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants
2 Final Approval to the Settlement. Notwithstanding the above, pursuant to *Arias v. Superior Ct.*
3 (*Dairy*), 46 Cal. 4th 969 (2009), Class Members who exclude themselves from the Class Settlement,
4 shall still receive an Individual PAGA Payment and release all claims for penalties pursuant to the
5 PAGA during the PAGA Period..

6 33. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
7 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
8 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
9 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
10 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'
11 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
12 and complete and which were not), and also attach them to a declaration that is to be filed with the
13 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
14 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
15 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
16 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
17 whether they have submitted a Notice of Objection.

18 34. Reports by the Settlement Administrator. The Settlement Administrator shall provide
19 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
20 Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of
21 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class
22 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will
23 provide to counsel for the Parties any updated reports regarding the administration of the Settlement
24 Agreement as needed or requested, and immediately notify the Parties when it receives a request from
25 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a
26 Dispute.

27 35. Defendants' Right to Rescind. If Settlement Class Members representing more than
28 an aggregate total of five percent (5%) of the outstanding workweeks submit timely and valid Requests

for Exclusion, Defendants may elect to rescind the Settlement Agreement. Defendants must exercise this right of rescission in writing that is provided to Class Counsel within seven (7) calendar days of the Settlement Administrator notifying the Parties of the number of Class Members who have submitted timely and valid Requests for Exclusion following the Response Deadline. If Defendants exercise this option, Defendants shall pay any costs of settlement administration owed to the Settlement Administrator incurred up to that date.

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

37. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for: (a) Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendants' Counsel a draft of the final approval motion at least seven (7) calendar days before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the Final Approval Order and Judgment, which will provide for, in substantial part, the following:

a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;

b. Certification of the Settlement Class for purposes of settlement;

c. Approval of scope of the Released Class Claims and Released PAGA Claims as to all Released Parties;

d. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

e. Approval of the application for Enhancement Payment to Plaintiff;

f. Directing Defendants to fund all amounts due under the Settlement Agreement

1 and ordered by the Court; and

2 g. Entering judgment in the Action, while maintaining continuing jurisdiction, in
3 conformity with California Rules of Court 3.769 and the Settlement Agreement.

4 38. Funding of the Gross Settlement Amount. No later than twenty-one (21) business days
5 after the Effective Date, Defendants will deposit the Gross Settlement Amount into a Qualified
6 Settlement Fund (“QSF”) within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be
7 established by the Settlement Administrator. Defendants shall provide all information necessary for
8 the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit
9 state unemployment insurance tax ID number, and other information requested by the Settlement
10 Administrator, no later than twenty-one (21) business days after the Effective Date.

11 39. Distribution of the Gross Settlement Amount. Within ten (10) business days of the
12 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual
13 Settlement Payments to Settlement Class Members, Individual PAGA Payments to Aggrieved
14 Employees, LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys’ Fees and
15 Costs to Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator
16 shall also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and
withholding, and timely forward these to the appropriate government authorities.

17 40. Settlement Checks. The Settlement Administrator will be responsible for undertaking
18 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
19 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
20 Aggrieved Employees in accordance with this Settlement Agreement. When issuing payments, the
21 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
22 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
23 Members and Aggrieved Employees are not required to submit a claim to be issued an Individual
24 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
25 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
26 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
27 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
28 of California’s Unclaimed Property Division in the name of the Settlement Class Member and/or

1 Aggrieved Employee. The Parties agree that this disposition results in no “unpaid residue” under
2 California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to
3 Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendants
4 will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake
5 amended and/or supplemental tax filings and reporting required under applicable local, state, and
6 federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment
7 and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement
8 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and Aggrieved
9 Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the
10 PAGA Settlement.

11 41. Class Settlement Release. Upon the Effective Date and full funding of the Gross
12 Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally,
13 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
14 Released Class Claims.

15 42. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
16 Settlement Amount, Plaintiff, the State of California with respect to all Aggrieved Employees, and all
17 Aggrieved Employees will be deemed to have fully, finally, and forever released, settled,
18 compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

19 43. Plaintiff’s General Release. Upon the Effective Date and full funding of the Gross
20 Settlement Amount, Plaintiff, individually and on his own behalf, will be deemed to have fully, finally,
21 and forever released, settled, compromised, relinquished, and discharged the Released Parties from
22 any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees,
23 damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or
24 unsuspected, asserted or unasserted, arising out of, relating to, or resulting from his employment and/or
25 separation of employment with Defendants, which Plaintiff, at any time up until the execution of this
26 Settlement Agreement, had or claimed to have or may have. It is agreed that this is a general release
27 and is to be broadly construed as a release of all claims, provided that, notwithstanding the foregoing,
28 this Paragraph expressly does not include a release of any claims that cannot be released hereunder by

1 law. Any and all rights granted under any state or federal law or regulation limiting the effect of this
2 Settlement Agreement, including the provisions of Section 1542 of the California Civil Code, ARE
3 HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

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

10 44. Final Approval Order and Judgment. Class Counsel shall provide the Settlement
11 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court.
12 No individualized notice of the Final Approval Order and Judgment to the Class will be required.

13 45. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the
14 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
15 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the
16 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
17 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
18 Settlement Agreement.

19 46. Effects of Termination or Rescission of Settlement. Termination or rescission of the
20 Settlement Agreement shall have the following effects:

21 a. The Settlement Agreement shall be void and shall have no force or effect, and
22 no Party shall be bound by any of its terms;

23 b. In the event the Settlement Agreement is terminated, Defendants shall have no
24 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
25 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
26 Administrator is notified that the Settlement has been terminated;

27 c. The Preliminary Approval Order and Final Approval Order and Judgment,
28 including any order certifying the Class, shall be vacated;

1 d. The Settlement Agreement and all negotiations, statements, and proceedings
2 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
3 restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

4 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
5 statements, or filings in furtherance of the Settlement (including all matters associated with the
6 mediation) shall be admissible or offered into evidence in the Action or any other action for any
7 purpose whatsoever; and

8 f. Any documents generated to bring the Settlement into effect, including the
9 filing of the Second Amended Complaint in this Action, will be null and void, and any order or
10 judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as
11 void from the beginning.

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

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

19 49. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
20 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
21 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
22 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
23 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
24 expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure
25 Section 1856(a), which provide that a written agreement is to be construed according to its terms and
26 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic
27 oral or written representations or terms will modify, vary, or contradict the terms of this Settlement
28 Agreement.

50. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in

1 the Action (including with respect to California Code of Civil Procedure Section 583.310), except
2 such proceedings necessary to implement and complete this Settlement Agreement, pending the Final
3 Approval Hearing to be conducted by the Court.

4 51. Amendment or Modification. Prior to the filing of the motion for preliminary approval
5 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
6 except by written agreement signed by counsel for all Parties. After the filing of the motion for
7 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
8 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
9 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
10 constitute a waiver of any other provision.

11 52. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
12 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
13 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
14 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
15 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
16 full authority to enter into this Settlement Agreement, and further intend that this Settlement
17 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
18 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
19 confidentiality provisions that otherwise might apply under state or federal law.

20 53. Signatories. It is agreed that because the members of the Class are so numerous, it is
21 impossible or impractical to have each Settlement Class Member or Aggrieved Employee execute this
22 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
23 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
24 as to the Aggrieved Employees, and the releases provided for by this Settlement Agreement shall have
25 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
26 Member and Aggrieved Employee.

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

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

1 56. Execution and Counterparts. This Settlement Agreement is subject only to the
2 execution of all Parties. However, this Settlement Agreement may be executed in one or more
3 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
4 copies of the signature page, will be deemed to be one and the same instrument.

5 57. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
6 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
7 this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into
8 account all relevant factors, present and potential. The Parties further acknowledge that they are each
9 represented by competent counsel and that they have had an opportunity to consult with their counsel
10 regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to
11 obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement
12 and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
13 discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

18 59. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by
19 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
20 to implement the Settlement.

21 60. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
22 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
23 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and
24 specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines
25 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;
26 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
27 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
28 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be

1 construed as an admission or concession by Defendants of any such violations or failures to comply
2 with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
3 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received
4 as evidence in any action or proceeding to establish any liability or admission on the part of Defendants
5 or to establish the existence of any condition constituting a violation of, or a non-compliance with,
6 federal, state, local, or other applicable law.

7 61. Captions. The captions and paragraph numbers in this Settlement Agreement are
8 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or
9 intent of the provisions of this Settlement Agreement.

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

16 63. Representation By Counsel. The Parties acknowledge that they have been represented
17 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
18 that this Settlement Agreement has been executed with the consent and advice of counsel, and
19 reviewed in full.

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

22 65. Notices. All notices, demands, and other communications to be provided concerning
23 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
24 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed
25 as follows:

26 To Plaintiff and Class Counsel:

27 Jonathan M. Genish

28 jgenish@blackstonepc.com

Barbara DuVan-Clarke

bdc@blackstonepc.com

1 Danielle L. GruppChang
2 dgruppchang@blackstonepc.com
3 P.J. Van Ert
4 pjvanert@blackstonepc.com
5 Melissa Rodriguez
6 mrodriguez@blackstonepc.com
7 Annabel Blanchard
8 ablanchard@blackstonepc.com
9 **BLACKSTONE LAW, APC**
10 8383 Wilshire Boulevard, Suite 745
11 Beverly Hills, California 90211
12 Tel: (310) 622-4278 / Fax: (855) 786-6356

13 To Belcan Defendants:
14 Teri A. Gibbs
15 tgibs@fisherphillips.com
16 Gregory Blueford
17 gblueford@fisherphillips.com
18 **FISHER & PHILLIPS LLP**
19 444 South Flower Street, Suite 1500
20 Los Angeles, California 90071
21 Tel: (213) 330-4500 / Fax: (213) 330-4501

22 To PPG Defendants:
23 Shiva Shirazi Davoudian
24 sdavoudian@littler.com
25 Lauren Manso
26 lmanso@littler.com
27 **LITTLER MENDELSON, P.C.**
28 2049 Century Park East 5th Floor
Los Angeles, California 90067
Tel: (310) 553-0308 / Fax (310) 553-5583

66. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendants:

1 **IT IS SO AGREED.**

PLAINTIFF IGNACIO DUENAS

2
3 Dated: 10/02/2025



Plaintiff Ignacio Duenas

**DEFENDANT BELCAN ENGINEERING
GROUP, LLC**

4
5
6 Dated: _____

Full Name: _____

Title: _____
On behalf of Defendant Belcan Engineering
Group, LLC

**DEFENDANT BELCAN SERVICES GROUP
LIMITED PARTNERSHIP**

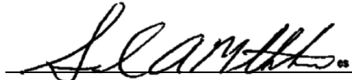
7
8
9
10
11
12 Dated: _____

Full Name: _____

Title: _____
On behalf of Defendant Belcan Services Group,
LP

**DEFENDANT PRC-DESOTO
INTERNATIONAL**

13
14
15
16
17
18 Dated: October 6, 2025

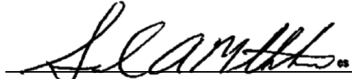


Full Name: Sam Millikin

Title: President and CEO
On behalf of Defendant Prc-Desoto International

**DEFENDANT SIERRACIN/SYLMAR
CORPORATION**

19
20
21
22
23 Dated: October 6, 2025



Full Name: Sam Millikin

Title: President and CEO
On behalf of Defendant Sierracin/Sylmar
Corporation

1 **IT IS SO AGREED.**

2
3 Dated: 10/02/2025

PLAINTIFF IGNACIO DUENAS


Plaintiff Ignacio Duenas

4
5
6 Dated: Oct 9, 2025

DEFENDANT BELCAN ENGINEERING GROUP, LLC

Paul Dorger
Paul Dorger (Oct 9, 2025 15:01:07 EDT)

Full Name: Paul Dorger

Title: EVP & General Counsel

On behalf of Defendant Belcan Engineering Group, LLC

7
8
9
10
11
12 Dated: Oct 9, 2025

DEFENDANT BELCAN SERVICES GROUP LIMITED PARTNERSHIP

Paul Dorger
Paul Dorger (Oct 9, 2025 15:01:07 EDT)

Full Name: Paul Dorger

Title: EVP & General Counsel

On behalf of Defendant Belcan Services Group, LP

13
14
15
16
17
18 Dated: _____

DEFENDANT PRC-DESOTO INTERNATIONAL

Full Name: _____

Title: _____

On behalf of Defendant Prc-Desoto International

19
20
21
22
23 Dated: _____

DEFENDANT SIERRACIN/SYLMAR CORPORATION

Full Name: _____

Title: _____

On behalf of Defendant Sierracin/Sylmar Corporation

1 **APPROVED AS TO FORM ONLY:**

2 **BLACKSTONE LAW, APC**

3 Dated: 10/02/2025

A. Blanchard

4 _____
5 Barbara DuVan-Clarke
6 Danielle L. GruppChang
7 P.J. Van Ert
8 Melissa Rodriguez
9 Annabel Blanchard
10 *Attorneys for Plaintiff Ignacio Duenas*
11 *and Proposed Class Counsel*

8 **FISHER & PHILLIPS LLP**

Teri Gibbs

9 Dated: October 9, 2025

10 _____
11 Teri A. Gibbs
12 Gregory Blueford
13 *Attorneys for Defendant Belcan Engineering*
14 *Group, LLC and Belcan Services Group, LP*

14 **LITTLER MENDELSON, P.C.**

Shiva Shirazi Davoudian

15 Dated: October 6, 2025

16 _____
17 Shiva Shirazi Davoudian
18 Lauren Manso
19 *Attorneys for Defendant PRC-Desoto*
20 *International and Sierracin/Sylmar Corporation*