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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO JUSTICE CENTER

CESAR ACOSTA ESTRADA,
OSVALDO MUNOZ, Individually And On
Behalf Of All Others Similarly Situated,

Plaintiff,

vs.

RCA CONSTRUCTION CLEAN UP,
INC. A CALIFORNIA CORPORATION;
BULWARK CONSTRUCTION, INC. A
CALIFORNIA CORPORATION;
RAMIRO ALVAREZ, AN INDIVIDUAL;
PATRICIA ALVAREZ, AN
INDIVIDUAL; RICARDO ALVAREZ,
AN INDIVIDUAL; AND DOES 1-10,
INCLUSIVE

Defendants.

CASE NO.: CIVSB2218589 (Consolidated
with CIVSB2317103)

[Hon. Christian J. Towns, Dept. S-26]

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
RELEASE**

Amended Class Complaint Filed: November
16, 2022

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Clean Up, Inc., Ramiro Alvarez, Ricardo Alvarez & Patricia Alvarez

This Class Action and PAGA Settlement and Release ("Settlement Agreement") is entered into by and between Plaintiffs Cesar Acosta Estrada ("Acosta") and Osvaldo Munoz ("Munoz") (collectively referred to herein as "Plaintiffs"), on behalf of themselves and the Class, on the one hand, and Defendants RCA Construction, Clean Up, Inc., , Ramiro Alvarez, Ricardo Alvarez, , Patricia Alvarez and the Released Parties (collectively referred to herein as "Defendants"), on the other hand. Plaintiffs and Defendants are collectively referred to herein as "Parties" and individually referred to herein as "Party."

In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree that, pursuant to the terms and conditions set forth herein, which are subject to approval of the Court, this Action and the Released Claims shall be settled and compromised as between Plaintiffs and the Class on the one hand and Defendants on the other hand.

DEFINITIONS

1. "Actions" mean *Cesar Acosta Estrada v. RCA Construction Clean Up, Inc., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2218589, consolidated with *Osvaldo Munoz v. RCA Construction Clean Up, Inc.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2317103.

2. "Class" means: All non-exempt employees who were employed by Defendants, in the State of California, at any time from November 16, 2018 through August 31, 2024.

3. "Class Counsel" means The Wheeler Law Firm, APC and Pacific Premier Law Group.

4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and resolution of this Action and Class Counsel's expenses and costs incurred in connection with this Action.

5. "Class Information" means information regarding Class Members that Defendants will in good faith compile from its records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet or Microsoft Word Document and shall include: each Class Member's full name; social security number; last known address; last known telephone number; and number of Compensable Work Weeks and Compensable PAGA Work Weeks.

1 6. “Class Member” means each person who is a member of the Class defined above and
2 who is eligible to participate in this Settlement.

3 7. “Class Period” means the time period from November 16, 2018 through August 31,
4 2024.

5 8. “Class Representative Service Awards” means the amount that the Court authorizes to
6 be paid individually to each Plaintiff in recognition of, *inter alia*, each Plaintiffs’ efforts and risks in
7 assisting with the prosecution of the Action and in return for executing a general release with
8 Defendants.

9 9. “Compensable Work Week” or “Compensable Work Weeks” means a reasonable
10 estimate of weeks worked by each Class Member as a non-exempt employee in California for
11 Defendants individually and collectively by all Class Members during the Class Period based on
12 Defendants’ records and used as a value to calculate Individual Settlement Payments. The number
13 of Compensable Work Weeks for each Class Member will be determined by adding all the calendar
14 days within the inclusive dates of employment for the employee and dividing that number by seven.
15 Any partial workweek will be expressed as a percentage of a full workweek. If it can be readily
16 determined, workweeks where someone was employed but did not record any hours can be excluded
17 from this calculation.

18 10. “Compensable PAGA Work Week” or “Compensable PAGA Work Weeks” means a
19 reasonable estimate of weeks worked by each PAGA Member, as a nonexempt employee in
20 California for Defendants, individually and collectively by all PAGA Members, during the period
21 from June 19, 2021, through August 31, 2024, based on Defendants’ records and used as a value to
22 calculate PAGA Payments. The number of Compensable PAGA Work Weeks for each PAGA
23 Member, will be determined by adding all the calendar days within the inclusive dates of
24 employment for the employee and dividing that number by seven. Any partial workweek will be
25 expressed as a percentage of a full workweek. If it can be readily determined, workweeks where
26 someone was employed but did not record any hours can be excluded from this calculation.

27 11. “Court” means the Superior Court for the County of San Bernardino, State of
28 California.

12. "Defendants" means RCA Construction, Clean Up, Inc., Bulwark Construction, Inc., Ramiro Alvarez, Ricardo Alvarez, Ricardo Campos, Patricia Alvarez.

13. "Effective Date" means the date on which the Superior Court's Final Approval Order and Judgment becomes final when the court enters Judgment. The Superior Court's Final Approval Order and Judgment "becomes final" upon the latter of: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is filed by the Court; (b) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court; or (c) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the Court, then, when any such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief.

14. "Final Approval Order and Judgment" means an order and judgment that the Court will file which finally approves this Settlement and enters a judgment in favor of Plaintiffs.

15. "Gross Settlement Amount" means the maximum amount which Defendants are obligated to pay under this Settlement Agreement, which is Two Hundred and Seventy-Fifty Thousand Dollars (\$275,000.00), subject to increase under the circumstances as set forth in paragraph 54. This is an "all in" non-reversionary Settlement in which Defendants are required to pay the entire Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendants under any circumstances. Payments of any appropriate and lawfully-required employer's share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the Gross Settlement Amount by Defendants at the time the Gross Settlement Amount is funded.

16. "Individual Settlement Payment" means the amount payable from the Net Settlement Amount to each Settlement Class Member.

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

18. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel

1 Award, Class Representative Service Awards, payment to the LWDA and PAGA Members for PAGA
2 penalties, and Settlement Administration Costs.

3 19. "Notice of Class and PAGA Settlement" means the notice, substantially in the form
4 attached hereto as **Exhibit 1**, which the Settlement Administrator will mail to each Class and PAGA
5 Member, and which explains, *inter alia*, the terms of this Settlement Agreement, the settlement
6 process, and each Class Member's estimated Individual Settlement Payment. Notice of Class
7 Settlement will be provided to the Class in English and Spanish.

8 20. "Operative Complaint" means the consolidated Class Action Complaint, in the
9 substantially same form as attached hereto as **Exhibit 2**. On or before the filing of Plaintiffs' Motion
10 for Preliminary Approval, the Parties agree to file a Stipulation for Leave to Amend for Plaintiffs' to
11 file a First Amended Consolidated Class Action and Representative Action pursuant to the Private
12 Attorneys General Act, California Labor Code § 2698 ("PAGA") Complaint, to add the plaintiffs and
13 claims in the *Chavez* Action and *Munoz* Action, in order to effectuate the terms of the Settlement.

14 21. "Objection" means a letter or other written communication submitted by a Class
15 Member to the Settlement Administrator that contains a clear statement by the Class Member that he
16 or she is objecting to any of the terms of the Settlement.

17 22. "PAGA Member" or "PAGA Members" means any Class Member who was
18 employed or has been employed by Defendants at any time during the time period from June 19,
19 2021, through August 31, 2024.

20 23. "Parties" means Plaintiffs and Defendants, collectively, and "Party" means either
21 Plaintiffs or Defendants, individually.

22 24. "Payment Ratio" means the respective Compensable Work Weeks for each Settlement
23 Class Member divided by the total Compensable Work Weeks for all Settlement Class Members.

24 25. "PAGA Payment Ratio" means the respective Compensable PAGA Work Weeks for
25 each PAGA Member divided by the total Compensable PAGA Work Weeks for all PAGA Members.

26 26. "PAGA Period" means the time period from June 19, 2021, through August 31,
27 2024.

28 27. "Plaintiffs" refer to Cesar Acosta Estrada and Osvaldo Munoz.

1 28. “Preliminary Approval Date” means the date upon which the Court files an order
2 substantially in the form attached hereto as **Exhibit 3**, and which grants preliminary approval of the
3 Settlement.

4 29. “Request for Exclusion” means a letter or other written communication submitted by
5 a Class Member to the Settlement Administrator that contains a clear statement by the Class Member
6 that he or she is electing to be excluded from the Settlement.

7 30. “Released Claims by Plaintiffs” is set forth in paragraph 48 below. Plaintiffs release
8 the “Released Claims by Plaintiffs” as of the date Defendants fully fund this Settlement.

9 31. “Released Claims by Settlement Class Members” means: As of the date Defendants
10 fully funds this Settlement, Settlement Class Members shall fully and finally release and discharge
11 Released Parties, from November 16, 2018 through August 31, 2024, from any and all claims, debts,
12 liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of
13 action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts
14 and claims alleged in the Operative Complaint, including any claims for: (a) misclassification of non-
15 exempt, hourly employees as independent contractors, in violation of Labor §§226.8 and 2750; (b)
16 failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7,
17 510 and 512; (c) failure to provide required rest periods and pay premium payments, California Labor
18 Code §§ 226.7 and 512; (d) failure to pay overtime wages, California Labor Code §§ 510, 1194 and
19 1198; (e) failure to pay minimum wages, California Labor Code §§ 1194 and 1197; (f) failure to timely
20 pay all wages during employment and to discharged and quitting employees, California Labor Code
21 §§ 201-204, 210; (g) failure to timely pay wages §§ 204 and 210; (h) failure to maintain required
22 records; (i) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226 and
23 226.3; (j) failure to indemnify for reasonable and necessary business expenses; (k) improper
24 deductions and withholdings from wages, California Labor Code §§ 221 and 222; (l) failure to provide
25 supplemental COVID-19 sick leave, California Labor Code §§ 248.2 and 248.6; and (m) unlawful
26 business practices under California, Business and Professions Code §17200, et seq.; predicated on any
27 of the violations of the California Labor Code and the applicable IWC Wage Order as alleged in the
28 Operative Complaint including but not limited to, claims for restitution and other equitable relief,

liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and Plaintiffs' LWDA Notices dated September 21, 2021 and May 12, 2023. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiffs and Defendants intend that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

32. "Released Parties" collectively mean: (i) Defendants; (ii) Defendants' respective past, present and future heirs, executors, administrators, parents, subsidiaries and affiliates, successors and assigns; and (iii) the past, present and future shareholders, managers, officers, partners, members, agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the foregoing.

33. "Response Deadline" means forty-five (45) days after the postmark date of the Notice of Class Settlement that the Settlement Administrator shall mail to Class Members, and the last date on which Class Members may: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) workweek dispute.

34. "Settled PAGA Claims", means penalties only under the Private Attorneys General Act ("PAGA"), based upon the Released Claims by PAGA Members that serves the basis for penalties only pursuant to Labor Code § 2699 *et seq.*, for: (a) misclassification of non-exempt, hourly employees as independent contractors, in violation of Labor §§226.8 and 2750; (b) failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510 and 512; (c) failure to provide required rest periods and pay premium payments, California Labor Code §§ 226.7 and 512; (d) failure to pay overtime wages, California Labor Code §§ 510, 1194 and 1198; (e) failure to pay minimum wages, California Labor Code §§ 1194 and 1197; (f) failure to timely pay all wages during employment and to discharged and quitting employees, California

Labor Code §§ 201-204, 210; (g) failure to timely pay wages §§ 204 and 210; (h) failure to maintain required records; (i) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226 and 226.3; (j) failure to indemnify for reasonable and necessary business expenses; (k) improper deductions and withholdings from wages, California Labor Code §§ 221 and 222; and (l) failure to reimburse for necessary business expenses, California Labor Code § 2802; and primary rights alleged in Plaintiffs' Operative Complaint and in Plaintiffs' PAGA Notices dated September 21, 2021 and May 12, 2023.

35. "Settlement" means the disposition of the Action pursuant to this Agreement.

36. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

37. "Settlement Administrator" means Phoenix Settlement Administrators ("Phoenix"), the Settlement Administrator shall be responsible for, *inter alia*: (a) performing Spanish translations of the Notice of Class Settlement; printing and mailing the Notice of Class Settlement to the Class in English and Spanish; (b) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members; (c) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (d) processing and mailing payments to Plaintiffs, Class Counsel, the LWDA, and Settlement Class Members; and (e) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree that they have no financial interest or other relationship with Phoenix that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a suitable replacement.

38. "Settlement Class" or "Settlement Class Members" means all Class Members who have not opted out of the Class by submitting a valid and timely Request for Exclusion.

RECITALS

39. Procedural History. On November 16, 2022, Cesar Acosta Estrada, filed an amended Class Action and PAGA Representative Action against Defendants, RCA Construction, Clean Up, Inc., Bulwark Construction, Inc., Ramiro Alvarez, Ricardo Alvarez, , Patricia Alvarez, in San

Bernardino Superior Court, Case Number: CIVSB2218589. On July 19, 2023, Osvaldo Munoz filed a complaint against Defendant RCA Construction Clean Up, Inc. in San Bernardino Superior Court, Case No. CIVSB2317103, Defendants filed answers to Plaintiffs' separate complaints.

40. Investigation and Discovery. The Parties have conducted significant investigation of the facts and law during the prosecution of this Action and before this Settlement was reached. Such discovery and investigation included, *inter alia*, the exchange of information and extensive documents pertaining to Plaintiffs and the Class, and numerous meetings and informal conferences wherein the Parties exchanged information, class data, and theories of the case. Plaintiffs have also investigated the law as applied to the facts of Plaintiffs' claims and Defendants' potential defenses thereto.

41. Mediation. The Parties initially participated in a mediation session with the highly experienced mediator, Hon. Amy D. Hogue (Ret.), on August 26, 2024, and a subsequent mediation on March 18, 2025. After the second mediation, the Parties were able to reach a proposed settlement regarding the material terms for a proposed class action and PAGA settlement that would fully resolve this matter.

42. Benefits of Settlement to Class Members. Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiffs' claims through trial and any possible appeals. Plaintiffs have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendants' defenses thereto, and the difficulties in establishing damages for the Class. Plaintiffs and Class Counsel have also taken into account Defendants' agreement to enter into a settlement that confers substantial relief upon the members of the Class. Based on the foregoing, Plaintiffs and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the best interests of the Class.

43. Defendants' Reasons for Settlement. Defendants have concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendants' time, energy, and resources have been and, unless this Settlement is completed, will

continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendants have also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendants continue to contend that they are not liable for any of the claims alleged by Plaintiffs in this Action, Defendants have agreed, nonetheless, to settle in the manner and upon the terms set forth in this Settlement Agreement to put to rest the claims in this Action.

STIPULATION AND AGREEMENT

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

45. It is agreed by and among Plaintiffs and Defendants that this Settlement shall bind the Plaintiffs, Settlement Class Members, and Defendants, subject to the terms and conditions hereof.

46. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's 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 Agreement.

47. Released Claims by Plaintiffs. As of the date Defendants fully fund the Settlement, Plaintiffs agree to the Release of Claims by Settlement Class Members, which is set forth in paragraph

31 above. In addition to Release of Claims by Settlement Class Members and as a material inducement to Defendants to enter into this Settlement Agreement, Plaintiffs do hereby, for themselves and for their spouses, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assign, forever and completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether known or unknown, suspected or unsuspected, including but not limited to all claims arising out of, based upon, or relating to Plaintiffs' employment with or work for Defendants or the remuneration for or termination of such employment.

Without limiting the generality of the foregoing, Plaintiffs expressly release all claims arising under the California Labor Code (including, but not limited to, sections 201, 201.3, 202, 203, 204, 210, 216, 218.6, 221, 224, 225, 225.5, 226.7, 226.8, 227.3, 248.2, 248.6, 510, 511, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1197.2, 1198, 2750, 2750.3, and 2698 et seq.); the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); California Business and Professions Code section 17200 et seq.; the California Civil Code, to include, but not limited to, section 3336 and 3294; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiffs' Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination such as by way of example only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing Act; and the law of contract and tort. This release excludes the release of claims not permitted by law. As to the Plaintiffs' Released Claims only,

1 Plaintiffs expressly waive all rights and benefits under the terms of section 1542 of the California
2 Civil Code. Section 1542 reads as follows:

3 **A general release does not extend to claims that the creditor or releasing party does**
4 **not know or suspect to exist in his or her favor at the time of executing the release**
5 **and that, if known by him or her, would have materially affected his or her**
6 **settlement with the debtor or releasing party.**

6 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and
7 complete release and discharge of all parties, Plaintiffs and Class Counsel expressly acknowledge that
8 this Settlement Agreement is intended to include in its effect, without limitation, all claims that
9 Plaintiffs knew of, as well as all claims that they do not know or suspect to exist in their favor against
10 the Released Parties, or any of them, for the time period from the beginning of time to the execution
11 of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment
12 of any such claims. Plaintiffs and Plaintiffs' Counsel do not currently intend to pursue any claims
13 against Defendants, including, but not limited to, any and all claims relating to or arising from
14 Plaintiffs' employment with Defendants, and that Plaintiffs' Counsel is not currently aware of any
15 facts or legal theories upon which any claims or causes of action could be brought against
16 Defendants, excepting those facts or legal theories alleged in the Operative Complaint in this
17 Action. This release does not include claims which cannot be released such as unemployment or
18 Worker's Compensation benefits.

19 48. Class Certification. For settlement purposes only, Defendants will stipulate that the
20 Settlement Class Members described herein who do not request exclusion from the Settlement Class
21 may be conditionally certified as a settlement class. This stipulation to certification is in no way an
22 admission that class action certification is proper and shall not be admissible in this or in any other
23 action except for the sole purposes of enforcing this Agreement. Should the Court fail to issue Final
24 Approval for any reason, the Parties' stipulation to class certification as part of the Settlement
25 Agreement shall become null and void *ab initio* and shall have no bearing on but remains protected
26 by California Evidence Code Section 1152 and shall not be admissible in connection with, the issue
27 of whether or not certification would be appropriate in a non-settlement context. Defendants expressly
28 reserve their rights and declare that Defendants will continue to oppose class certification and contest

the substantive merits of the case should the Court fail to issue Final Approval. Plaintiffs expressly reserve their rights and declare that they will continue to pursue class certification and a trial should the Court fail to grant Final Approval.

49. Approval of Settlement. Plaintiffs will move the Court to grant preliminary and final approval of this class action Settlement. The Parties agree to work diligently and cooperatively to have this matter presented to the Court for preliminary and final approval.

50. Release of Claims by Settlement Class Members. Settlement Class Members release the "Released Claims by Settlement Class Members," as defined, as of the date Defendants fully funds the Settlement.

51. Release of Settled PAGA Claims. PAGA Members release the "Settled PAGA Claims," as defined, as of the date Defendants fully funds the Settlement.

52. Settlement Administration. Within ten (10) calendar days after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the Class Information.

53. Notice to the Class. Upon receipt of the Class Information, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. Within ten (10) calendar days after receiving the Class Information, the Settlement Administrator shall mail copies of the Notice of Class Settlement to all Class Members via regular First Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

a. Undeliverable Notices. Any Notice of Class Settlement returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto within ten (10) calendar days. For any undeliverable Notice of Class Settlement returned for which no forwarding address is affixed, the Settlement Administrator will conduct its investigation for an updated address of the Class Member and re-mail the Notice of Class Action Settlement. If an updated address is found, the Settlement Administrator shall have seven (7) days to re-mail the Notice of Class Action Settlement from receipt of the undelivered

envelope. The Settlement Administrator will provide a cover letter notifying the Class Member of the extended Response Deadline. Any Class Member who receives a re-mailed Notice of Class Settlement shall have forty-five (45) days after the postmark date of the re-mailed Notice of Class Settlement to:

(a) submit a Request for Exclusion; or (b) submit an Objection to the Settlement.

(1) Verification of Class Member Employment Status. If Notice of Class Action Settlement sent to a Class Member is determined to be undeliverable, the Settlement Administrator shall verify the employment status of the Class Member with Defendants within five (5) days of receipt of the undeliverable Notice of Class Action Settlement. If the Class Member is a current employee of Defendants, Defendants shall take all reasonable efforts to obtain the current address from the Class Member and shall provide the same with seven (7) days of notice from the Settlement Administrator.

b. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendants' records regarding the dates of employment stated in the Notice of Class Settlement, to provide documentation and/or an explanation to show contrary information by the Response Deadline. The dispute form must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number or full employee ID number; (b) contain the case name and case number; (c) a clear statement by the Class Member that he or she is disputing the number of Compensable Workweeks and the basis for the dispute; (d) any documentation demonstrating that the number of Compensable Workweeks listed in the Notice of Class Settlement is incorrect; (e) be signed by the Class Member; and (f) be postmarked by the Response Deadline. The date of the postmark on the return mailing envelope on the dispute form shall be the exclusive means used to determine whether it has been timely submitted. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. In addition to U.S. Mail, a Class Member may also submit a dispute form by facsimile or email to the Settlement Administrator within the Response Deadline. The Settlement Administrator shall then determine the eligibility for, and the

amounts of, any Individual Settlement Payments under the terms of this Agreement. In the absence of circumstances indicating fraud, manipulation or destruction, Defendants' records shall be given a rebuttable presumption of accuracy.

c. Request for Exclusion. Class Members who wish to exclude themselves from the Settlement must submit to the Settlement Administrator a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number or full employee ID number; (b) contain the case name and case number; (c) a clear statement by the Class Member that he or she is electing to be excluded from the Settlement; (d) be signed by the Class Member; and (e) be postmarked by the Response Deadline if submitted by U.S. Mail. The date of the postmark on the return mailing envelope on the Request for Exclusion submitted by U.S. Mail shall be the exclusive means used to determine whether it has been timely submitted. In addition to U.S. Mail, a Class Member may also submit a Request for Exclusion by facsimile or email to the Settlement Administrator within the Response Deadline. A Request for Exclusion shall not be presumptively invalid if it does not contain the requirements of (a) through (d) if the Settlement Administrator can ascertain the identity of the Class Member who wants to exclude themselves from the Settlement. Any Class Member who requests to be excluded from the Settlement Class shall not be entitled to any recovery under the Settlement and shall not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon except as to any distribution based upon PAGA penalties. PAGA Members will receive their share of the PAGA Payment and the Settled PAGA Claims will be released even if the Class Member submits a timely Request for Exclusion. Class Members who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Approval Order and Judgment entered in this Action.

d. Objections. Class Members who wish to object to the Settlement can either mail or send by facsimile or email to the Settlement Administrator a written Objection by the Response Deadline. The Objection should: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number; (b) contain the case name and case number; (c) the dates of employment of the Class Member; (d) be

signed by the Class Member; (e) state the basis for the Objection, including any legal briefs, papers or memoranda in support of the Objection; and (f) be postmarked by the Response Deadline. The date of the postmark on the return mailing envelope on the Objection shall be the exclusive means used to determine whether the Objection has been timely submitted. Class Members who submit a timely Objection will have a right to appear at the final approval hearing in order to have their Objection heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit Objections to the Settlement or appeal from the Final Approval Order and Judgment. Class Counsel shall not represent any Class Members with respect to any such Objections. The Settlement Administrator will provide the Parties with any Objection within five (5) calendar days of receipt of the Objection. Plaintiffs will file any and all Objections with the Court in advance of the Final Approval Hearing. Oral or written Objections may also be made at the Final Approval hearing without a written objection being submitted, but only with the Court's express permission. If the Court rejects the objection, the individual will be bound by the terms of the Settlement.

e. If greater than ten (10) percent of the Class Members opt out or object to this Settlement Agreement or a number of Class Members whose share of the Net Settlement Amount is 10% or more, or the filing of five lawsuits in the Superior Court of the State of California by the last installment payment by December 15, 2026, Defendants will have the right to rescind and terminate the Settlement without prejudice to its pre-settlement positions and defenses in the litigation. In such a case, the Parties and any funds to be awarded shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement.

f. Except for those Settlement Class Members who exclude themselves in compliance with the Request for Exclusion procedures set forth above, all Settlement Class Members will: (i) be deemed to be Participating Class Members for all purposes under this Settlement Agreement; (ii) will be bound by the terms and conditions of this Settlement Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.

1 54. Funding Gross Settlement Amount. After Final Approval by the Court, Defendants
2 agree to pay a sum equal to \$325,000 ("the "Gross Settlement Amount") to fund the settlement of this
3 action. The Gross Settlement Amount shall accrue interest at the legal rate as of the date of the filing
4 of the Acosta case. (Interest) The Settlement is "all-in", non-reversionary and no funds will return to
5 Defendants. Payments of any appropriate and lawfully-required employer share of the payroll taxes
6 on the taxable portion of the settlement payments shall be paid by Defendants separately from and in
7 addition to the Gross Settlement Amount. Defendants shall be jointly and severally liable for paying
8 the entire Gross Settlement Amount. Defendants shall pay the Gross Settlement Amount in six (6)
9 equal installment payments, as follows: 1) first payment in the amount of \$45,833.33 by on or about
10 May 15, 2025; 2) second payment in the amount of \$45,833.33 by September 15, 2025; 3) third
11 payment in the amount of \$43,833.33 by on or about January 15, 2026; the fourth payment in the
12 amount of \$45,834.33 by on or about May 15, 2026, the fifth payment in the amount of \$43,833.33,
13 by on or about September 15, 2026, and the sixth payment in the amount of \$45,833.34, by on or
14 about December 15, 2026 (Termed Payments). If all of the Termed Payments are timely made to the
15 class administrator, then Plaintiffs shall waive the payment of \$75,000.00, plus any accrued Interest.
16 The final installment payment shall also include the employer's share of payroll taxes. Each payment
17 shall be paid to an account held in trust by the agreed-upon Settlement Administrator. The Settlement
18 Administrator will hold all payments in an interest-bearing account until the full Gross Settlement
19 Amount is received. Any interest earned will go to the Net Settlement Amount. All payments to the
20 Class Administrator shall be made via wire transfer, with the Class Administrator to provide wire
21 instructions to Defendants for such payments. A timely Termed Payment or Termed Payments means
22 an installment payment that is paid made within seven (7) calendar days of the due date as set forth
23 above.

24 55. Stipulated Judgment. The parties specifically agree to execute the stipulated judgment
25 attached herein as **Exhibit 4** (Stipulated Judgment). The parties specifically that the Stipulated
26 Judgment shall be signed and returned to Plaintiffs' counsel, to be held in trust in the event
27 Defendants' default on their obligations to fund the settlement. The Stipulated Judgment shall be joint
28

1 and several among all of the Defendants: RCA Construction, Clean Up, Inc., Ramiro Alvarez, Ricardo
2 Alvarez, and, Patricia Alvarez.

3 a. The amount of the stipulated judgment shall be for the Gross Settlement
4 Amount, plus all accrued Interest, minus any payments made by Defendants.

5 b. Event of Default. If Defendants, fail to timely make a payment to the Class
6 Administrator by the dates identified in paragraph 54, above, or within 7-days thereof,
7 Plaintiffs, at their sole discretion may declare an Event of Default, and seek the entry of
8 judgment pursuant to the Stipulated Judgment. Plaintiffs may move *ex parte* for the entry of
9 judgment thereupon. Defendants shall have no defense to the entry of judgment pursuant to
10 the Stipulated Judgment, other than to dispute the dates of the payment and/or the amounts
11 paid.

12 c. Within 1-day of the receipt of any payments by the Class Administrator, the
13 Class Administrator shall notify Plaintiffs through their respective counsel, that the payment
14 has been received, and the amount of the payment received.

15 56. Allocation of Settlement. Individual Settlement Payments will be paid from the Net
16 Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual
17 Settlement Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members'
18 last known mailing address.

19 a. The Settlement Administrator shall calculate the total Compensable Work
20 Weeks and Compensable PAGA Work Weeks for all Settlement Class Members based on the Class
21 Information provided by Defendants. The respective Compensable Work Weeks for each Settlement
22 Class Member will be divided by the total Compensable Work Weeks for all Settlement Class
23 Members, resulting in the Payment Ratio for each Settlement Class Member; a similar calculation will
24 apply to determining the Payment Ratio for Compensable PAGA Work Weeks. Each Settlement Class
25 Member's Payment Ratio will then be multiplied by the Net Settlement Amount to determine his or
26 her Individual Settlement Payment.

27 b. Individual Settlement Payments due to each Settlement Class Member shall be
28 designated as follows:

1 1. Twenty-Five percent (25%) of the Individual Settlement Payment
2 shall represent payment for alleged unpaid wages. This payment shall be subject to the withholding
3 of all applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be
4 deducted from the amount paid to Settlement Class Members. The Settlement Administrator will
5 issue a W-2 Form to each Settlement Class Member in relation to this payment.

6 2. Fifty percent (50%) of the Individual Settlement Payment shall
7 represent payment of all penalties. These payments will not be subject to withholding of local, state,
8 and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement
9 Class Member in relation to these payments.

10 3. Twenty-Five percent (25%) of the Individual Settlement Payment shall
11 represent payment of all interest. These payments will not be subject to withholding of local, state,
12 and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement
13 Class Member in relation to these payments.

14 (a). Class Members With Missing/Unverifiable Social Security
15 Numbers and Withholdings of Taxes and Applicable Penalties. In the event that an Individual
16 Settlement Payment exceeds the threshold amount that must be reported to the Internal Revenue
17 Service by means of a Form 1099, Class Counsel, and the Settlement Administrator, will take all
18 necessary and reasonable steps to obtain W-9's from Class Members and to comply with applicable
19 IRS regulations on issuing 1099's without a social security number or tax entity identification number,
20 and shall take all reasonable and necessary steps to avoid imposition of IRS penalties against the Gross
21 Settlement Amount, including, but not limited to limiting payments below the reportable threshold
22 and/or withholding of taxes and any applicable penalties. The Settlement Administrator will contact
23 Class Members who are entitled to payments that exceed the taxable income threshold twice, with at
24 least 30 days between the two contacts.

25 c. Uncashed Settlement Checks. Individual Settlement Payment checks shall
26 remain negotiable for one hundred and eighty (180) days from the postmark date of issuance. If the
27 Settlement Check is not cashed, deposited, or otherwise negotiated within the 180-day deadline, the
28 check will be voided, and the funds associated with any such voided checks shall be distributed to the

State of California Controller's Office, Unclaimed Property Division, in the name of the affected Class Member. The Release will be binding upon all Participating Class Members, including those who do not cash their checks within the 180-day period. The Parties agree that this disposition results in no "unpaid cash residue," or "unclaimed or abandoned funds" as the entire Net Settlement Amount will be paid out to the Participating Class Members, whether or not they all cash their payment checks.

d. Certification By Settlement Administrator. The Parties have the right to monitor and review administration of the Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court, under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to counsel for the Parties, and which shall be filed with the Court as necessary.

e. Settlement Awards Do Not Trigger Additional Benefits. All monies received by Settlement Class Members shall be deemed to be income to such Settlement Class Members solely in the year in which such awards actually are received by the Settlement Class Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Settlement Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Settlement Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of this Settlement that any Individual Settlement Payments provided for in this Agreement are the sole payments to be made by Defendants to the Settlement Class Members in connection with this Settlement, and that the Settlement Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

1 f. Class Representative Service Awards. Defendants agree not to oppose or
2 object to Class Representative Service Awards to Plaintiffs of up to Twenty Thousand Dollars
3 (\$20,000) combined between both Class Representatives, or Ten Thousand Dollars (\$10,000) to each
4 Plaintiff, individually, subject to Court approval. The Settlement Administrator shall issue an IRS
5 Form 1099 – MISC to Plaintiffs in connection with the Class Representative Service Awards payment.
6 Plaintiffs shall be solely and legally responsible to pay any and all applicable taxes on their Class
7 Representative Service Awards and shall hold harmless Defendants and Class Counsel from any claim
8 or liability for taxes, penalties, or interest arising as a result of the Class Representative Service
9 Awards payment. The Class Representative Service Awards shall be in addition to Plaintiffs'
10 Individual Settlement Payments. This Settlement is not contingent upon the Court awarding Plaintiffs
11 a Class Representative Service Awards in any amount, and any amount requested by Plaintiffs for the
12 Class Representative Service Awards that is not granted by the Court shall return to the Net Settlement
13 Amount and be distributed to Settlement Class Members as provided in this Amended Agreement.

14 g. Class Counsel Award. Defendants agree not to oppose or object to any
15 application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross
16 Settlement Amount or One-hundred sixteen thousand, six-hundred sixty-six dollars and 66 cents
17 (\$116,666.66). In the event Defendants make all timely payments pursuant to the terms of this
18 Agreement, then Class Counsel's recovery of attorney's fees shall be reduced pro-rata. Defendants
19 further agree not to oppose any application or motion by Class Counsel for the reimbursement of any
20 costs or expenses associated with Class Counsel's prosecution of this matter from the Gross
21 Settlement Amount not to exceed Nineteen Thousand Dollars (\$19,000). Class Counsel shall be solely
22 and legally responsible to pay all applicable taxes on the payment made pursuant to this paragraph.
23 The Settlement Administrator shall issue an IRS Form 1099 – MISC to Class Counsel for the
24 payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding
25 Class Counsel any particular amount in attorneys' fees and costs. Any amount requested by Class
26 Counsel for the Class Counsel Award and costs that are not granted by the Court shall return to the
27 Net Settlement Amount and be distributed to Settlement Class Members as provided in this
28 Agreement.

h. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of notice and administration for the disbursement of the Gross Settlement Amount shall not exceed Nine Thousand Dollars (\$9,000.00). Prior to the filing of a motion for final approval of this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the costs of administration. Any amount requested by the Settlement Administrator for administration costs that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class members as provided in this Settlement Agreement. Defendants will pay any fees incurred by the Settlement Administrator if the settlement is not approved.

i. PAGA Payment. Ten Thousand dollars (\$10,000) from the Gross Settlement Amount will be allocated to penalties under the Private Attorneys General Act of 2004. Seventy-five percent (75%) of that amount, or \$7,500, will be paid to the LWDA and twenty-five (25%) of that amount, or \$2,500, will be paid to the PAGA Members based upon Compensable PAGA Work Weeks as determined by the PAGA Payment Ratio as set forth in Paragraph 25. This PAGA Payment is made pursuant to California Labor Code § 2699(i).

56. Tax Liability: Class Counsel and Defendants make no representation as to the tax treatment or legal effect of payments called for hereunder, and Plaintiffs and the Settlement Class Members are not relying on any statement or representation by Class Counsel or Defendants in this regard. Plaintiffs and Participating Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Settlement Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, is changed after the date of this Settlement Agreement, the processes set forth in this Section may be modified in a manner to bring Defendants into compliance with any such changes.

57. Distribution of Settlement Payments. The Parties agree there shall be two distributions. The first distribution shall take place after one-half of the Gross Settlement Amount is paid by Defendants and the second distribution shall take place with the balance of the Gross Settlement is paid in full by Defendants, in addition to the Employer's share of payroll taxes. Each distribution shall pay fifty percent (50%) of the Individual Settlement Payments to Settlement Class Members, the Class Representative Service Awards, the Class Counsel Award, Settlement Administration Costs, Defendants' share of employer payroll taxes and PAGA Payment, shall all be distributed by the Settlement Administrator within thirty (30) calendar days of receipt of fifty percent (50%) of the Gross Settlement Amount from Defendants. Prior to distribution of Individual Settlement Payments to the Settlement Class Members and PAGA Members, the Settlement Administrator shall update the Class and PAGA Members addresses using the National Change of Address Database.

58. Additional Workweeks. Defendants represent that Class Members worked an estimated 14,000 workweeks. Defendants shall provide Plaintiff with a current list of the number of Class Members at the time that Plaintiff will file a Motion for Preliminary Approval. If Class Members worked more than 14,000 (10%) up to the date that Plaintiff files a Motion for Preliminary Approval, the Gross Settlement Amount will be increased on a pro rata basis according to the number of additional compensable workweeks worked by all Class Members in excess of 14,000 (10%) with respect to the total number of workweeks worked by the entire Class.

59. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final approval of the Settlement and amounts properly payable for: (a) Individual Settlement Payments; (b) the Class Counsel Awards; (c) the Class Representative Service Awards; (d) PAGA Payment; and (e) the Settlement Administration Costs.

60. Nullification of Settlement Agreement. In the event: (a) the Court does not enter the Order for preliminary approval of the Settlement; (b) the Court does not finally approve the Settlement; (c) the Court does not enter a Final Approval Order and Judgment as provided herein; (d) the Settlement does not become final for any other reason; or (e) the Court fails or refuses to approve any material condition of this Settlement Agreement which effects a fundamental change of

the Settlement Agreement, this entire Settlement Agreement shall be null and void and unenforceable as to all Parties herein at the option of any Party but remains protected by California Evidence Code Section 1152, and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such cases, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any fees already incurred by the Settlement Administrator shall be paid by Defendants. Further, if the Settlement Agreement is voided or fails for any reason, Plaintiffs and Defendants will have no further obligations under the Settlement Agreement, including any obligation by Defendants to pay the Settlement Amount, or any amounts that otherwise would have been owed under this Settlement Agreement. In the event an appeal is filed from the Court's Final Approval Order and Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Approval Order and Judgment, or any other appellate review, shall be paid to the Settlement Administrator by the party or person that filed the appeal, within thirty (30) calendar days of said notification.

61. No Effect on Employee Benefits. Amounts paid to Plaintiffs or other Settlement Class Members pursuant to this Agreement shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiffs or Settlement Class Members.

62. No Admission by Defendants. Defendants deny any and all claims alleged in this Action and deny all wrongdoing whatsoever. This Settlement Agreement is not a concession or admission and shall not be used against Defendants as an admission or indication with respect to any claim of any fault, concession, or omission by Defendants. Nonetheless, Defendants desire to settle and compromise the matters at issue in the Action to avoid further substantial expense and the inconvenience and distraction of protracted and burdensome litigation. Defendants also have taken into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in

the defenses that they have asserted or could assert against Plaintiffs and/or any Settlement Class Member, have determined that it is desirable and beneficial that the claims of Plaintiffs and the Settlement Class be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

63. Mutual Non-Disparagement. The Parties mutually agree that they shall not publicly assert, declare, avow, lay claim to, or in any other manner represent that any of them engaged in actions or conduct with the purpose of attempting to harass, embarrass, ridicule, demean, demote, defame, or otherwise denigrate each other, and any of them, their good name(s), personal and/or professional reputations, and/or community standing. In the event of an employment inquiry regarding the Plaintiffs, Defendants shall only provide dates of employment and last position held. The Parties and their counsel agree not to issue any press releases, initiate contact with press, or respond to press inquiry regarding the Settlement.

64. No Publicity. Plaintiffs and Plaintiffs' Counsel agree not to disclose or publicize the settlement, including the Memorandum of Understanding, the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except potential class members and as shall be contractually required to effectuate the terms of the Settlement as set forth herein. For the avoidance of doubt, this section means Plaintiffs and Class Counsel will not to issue press releases, communicate with, or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any medium or otherwise communicate, whether by print, video, recording or any other medium, with any person or entity concerning the Settlement, including the fact of the Settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the Parties in this action and the venue/case number of this action (but not any other settlement details) for such purposes.

65. Exhibits and Headings. The terms of this Settlement Agreement include the terms set

1 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
2 Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any
3 paragraphs or sections of this Agreement are inserted for convenience of reference only and do not
4 constitute a part of this Agreement.

5 66. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
6 except such proceedings necessary to implement and complete the Settlement, holding the Action in
7 abeyance pending the final approval hearing to be conducted by the Court.

8 67. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the
9 interpretation, calculation or payment of Settlement claims, or other disputes regarding compliance
10 with this Agreement shall be resolved as follows:

11 a. If Plaintiffs or Class Counsel, on behalf of Plaintiffs or any Settlement Class
12 Member, or Defendants' Counsel, on behalf of Defendants, at any time believe that the other Party
13 has breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of
14 the alleged violation.

15 b. Upon receiving notice of the alleged violation or dispute, the responding Party
16 shall have ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party
17 with the reasons why the Party disputes all or part of the allegation.

18 c. If the response does not address the alleged violation to the initiating Party's
19 satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their
20 differences.

21 d. If Class Counsel and Defendants' Counsel are unable to resolve their
22 differences after twenty (20) calendar days, either Party shall first contact the mediator (Hon. Amy D.
23 Hogue, Judge Ret.) to try to resolve the dispute. If that proves unsuccessful, the party may file an
24 appropriate motion for enforcement with the Court. The briefing of such motion should be in letter
25 brief form and shall not exceed five (5) single-spaced pages (excluding exhibits).

26 e. Reasonable attorneys' fees and costs for work done in resolving a dispute under
27 this Section may be recovered by any Party that prevails under the standards set forth within the
28 meaning of applicable law.

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

To the Settlement Class:

THE WHEELER LAW FIRM, APC

Scott Ernest Wheeler

Justin A. Wheeler

250 West First Street, Suite 216

Claremont, California 91711

Telephone: (909) 621-4988

Facsimile: (909) 621-4622

Email: sew@scottwheelerlawoffice.com

jaw@scottwheelerlawoffice.com

PACIFIC PREMIER LAW GROUP

Arash Shirdel

2603 Main Street

Irvine, California 92614

Telephone: (949) 629-3690

Facsimile: (949) 313-0995

Email: ashirdel@pacificpremierlaw.com

To Defendants:

PEIRANO & ASSOCIATES, INC.

Cristian L. Peirano

2700 N. Main Street, Suite 750

Santa Ana, California 92705

Telephone: (714) 881-5985

Facsimile: (714) 558-4854

Email: ecf@peiranolaw.com

69. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties and approved by the Court.

70. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entire Agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants contained and memorialized in the Agreement and its Exhibits.

71. 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 Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event 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 or the mediator to resolve such disagreement. The persons signing this Agreement on behalf of Defendants represent and warrant that they are authorized to sign this Agreement on behalf of Defendants. Plaintiffs represent and warrant that they are authorized to sign this Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

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

73. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights released and discharged by this Settlement Agreement.

74. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval Order and Judgment, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible as evidence in any proceeding, except an action or proceeding to approve the Settlement,

1 and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part
2 of this Settlement Agreement is for settlement purposes only and if for any reason the Settlement is
3 not approved, the stipulation will be of no force or effect.

4 75. California Law Governs. All terms of this Settlement Agreement and the Exhibits
5 hereto shall be governed by and interpreted according to the laws of the State of California.

6 76. Counterparts. This Settlement Agreement may be executed in one or more
7 counterparts. All executed counterparts and each of them shall be deemed to be one and the same
8 instrument.

9 77. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement
10 is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after
11 extensive arms-length negotiations, taking into account all relevant factors, present and potential.

12 78. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section 664.6,
13 the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement
14 of the terms of this Settlement Agreement and all orders and judgments entered in connection
15 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes
16 of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders
17 and judgments entered in connection therewith. All terms of this Settlement Agreement are subject to
18 approval by the Court.

19 79. Construction. The Parties hereto agree that the terms and conditions of this Settlement
20 Agreement are the result of lengthy, intensive arms'-length negotiations among the Parties and that
21 this Settlement Agreement shall not be construed in favor of or against any Party based on the extent
22 to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiffs
23 and Defendants expressly waive the common-law and statutory rule of construction that ambiguities
24 should be construed against the drafter of an agreement and further agree, covenant, and represent that
25 the language in all parts of this Settlement Agreement shall be in all cases construed as a whole,
26 according to its fair meaning.

27 80. Captions and Interpretations. Paragraph titles or captions contained herein are inserted
28 as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope

1 of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is
2 contractual and not merely a recital.

3 81. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to
4 the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators,
5 successors and assigns.

6 82. Signatures of All Class Members Unnecessary to be Binding. It is agreed that,
7 because the members of the Settlement Class are numerous, it is impossible or impractical to have
8 each Settlement Class Member execute this Settlement Agreement. The Notice will advise all
9 Settlement Class Members of the binding nature of the release provided herein and such Release
10 shall have the same force and effect as if this Settlement Agreement were executed by each
11 Settlement Class Member.

12 83. Voluntary Agreement. The Parties acknowledge that they have entered into this
13 Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress,
14 or undue influence of any Party, and not in reliance on any promises, representations, or statements
15 made by the other Parties other than those contained in this Settlement Agreement. Each of the
16 Parties hereto expressly waives any right they might ever have to claim that this Settlement
17 Agreement was in any way induced by fraud.

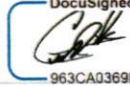
18 84. Opportunity to Consult with Counsel. Prior to execution of this Settlement
19 Agreement, each Party has read this entire Settlement Agreement and has been given the
20 opportunity to consult with independent counsel of their choosing and to have such independent
21 counsel advise as to the meaning of this Settlement Agreement and its legal effect.

22 85. Counterparts. This Settlement Agreement may be executed in counterparts, and when
23 each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed
24 an original, and, when taken together with other signed counterparts, shall constitute one fully-signed
25 Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic
26 signatures shall have the same force and effect as an original.

27 86. Invalidity of Any Provision. Before declaring any provision of this Settlement
28 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent

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

3 Dated: 5/8/2025

By: 
DocuSigned by:
963CA0369EB848A
Cesar Acosta Estrada

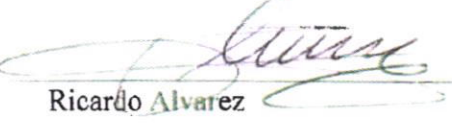
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7 Dated:

By: Osvaldo Munoz

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9 Dated: 4-22-25

By: 
Ramiro Alvarez

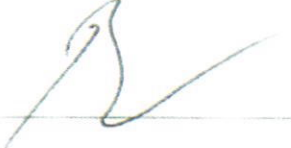
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12 Dated: 4-22-25

By: 
Ricardo Alvarez

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By: 
Patricia Alvarez

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19 Dated: 4-22-25

By: 
Ramiro Alvarez, Title: President/CEO
RCA Construction Clean Up, Inc.

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

Dated: _____

By: _____
Cesar Acosta Estrada

Dated: 5/8/2025

By: _____
DocuSigned by:
OSVALDO M
36E711A4E177470...

Dated: 4-22-25

By: _____
Osvaldo Munoz

Dated: 4-22-25

By: _____
Ricardo Alvarez

Dated: 4-22-25

By: _____
Patricia Alvarez

Dated: 4-22-25

By: _____
Ramiro Alvarez, Title: President/CEO
RCA Construction Clean Up, Inc.

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APPROVED AS TO FORM:

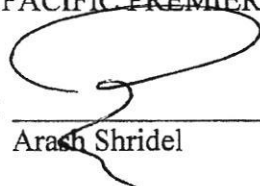
DATED: March ____, 2025

THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

DATED: ^{May 8} ~~March~~ ____, 2025

PACIFIC PREMIER LAW GROUP

By: _____

Arash Shridel
Attorneys for Plaintiff and the Putative Class

DATED: March ____, 2025

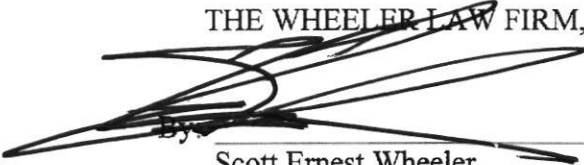
PEIRANO & ASSOCIATES, INC.

By: _____
Cristian L. Peirano
Attorneys for Defendants

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3 **APPROVED AS TO FORM:**

4 DATED: March 13, 2025

THE WHEELER LAW FIRM, APC

5
6 
By: _____
Scott Ernest Wheeler
Justin A. Wheeler

7
8 DATED: March _____, 2025

PACIFIC PREMIER LAW GROUP

9
10 By: _____
Arash Shridel

11 *Attorneys for Plaintiff and the Putative Class*

12
13 DATED: March _____, 2025

PEIRANO & ASSOCIATES, INC.

14
15 By: _____
Cristian L. Peirano

16 *Attorneys for Defendants*

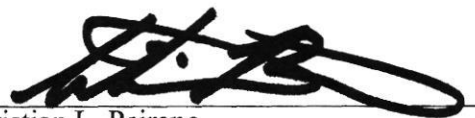
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By: _____
Arash Shridel

Attorneys for Plaintiff and the Putative Class

DATED: March 14, 2025

PEIRANO & ASSOCIATES, INC.

By:  _____
Cristian L. Peirano

Attorneys for Defendants

EXHIBIT 1

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Cesar Acosta Estrada et al. v. RCA Construction, Inc. et al.

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF SAN BERNARDINO CASE NO. CIVSB2218589

PLEASE READ THIS NOTICE

A class and representative action under the Private Attorneys General Act, California Labor Code sections 2699-2699.5. (“PAGA”) against Defendants, RCA Construction Clean Up, Inc. (“RCA Construction”), Bulwark Construction, Inc. (“Bulwark Construction”), Ramiro Alvarez, Ricardo Alvarez, and Patricia Alvarez (herein collectively referred to as “Defendants”) has been preliminarily approved for settlement. In the lawsuit, Plaintiffs, *Cesar Acosta Estrada* and *Osvaldo Munoz*. (“Plaintiff”) alleged that Defendants willfully misclassified Class Members, failed to properly compensate Class Members for all hours worked, failed to provide Class Members with compliant meal and/or rest periods or compensation in lieu thereof, failed to pay overtime wages, failed to pay minimum wages, failed to timely pay all wages, failed to pay all wages due to quitting and discharged employees at the time of separation, failed to maintain accurate payroll records, failed to provide accurate wage statements, failure to indemnify employees for necessary expenditures incurred in discharge of duties; improper deductions and withholdings from wages, failure to pay and include COVID-19 Supplemental Sick Pay on wage statements, and penalties predicated on the Labor Code violations pursuant to Labor Code sections 2699-2699.5 (“PAGA”). Defendants deny Plaintiffs’ allegations and contend that they complied with applicable law.

Class Member(s) are defined as: all non-exempt, hourly employees who worked for Defendants at any time in the state of California from November 16, 2018, through August 31, 2024. (“Class Period” and collectively, the Class Members are referred to as the “Class”).

“Class Period” means the time period from November 16, 2018, through August 31, 2024.

“PAGA Member(s) are defined as: all non-exempt, hourly employees who worked for Defendants at any time in the state of California from March 17, 2022, through February 25, 2025.

The PAGA period is time period from June 19, 2021, through August 31, 2024.

You have been identified by Defendants’ records as a Class Member in the above-entitled action, and as such, you are subject to the terms of the Class Action and PAGA Settlement Agreement And Release (“Settlement”), preliminarily approved by the Court. Please read this notice carefully. It may affect your legal rights. Defendants will not retaliate against you for any actions you take with respect to the settlement.

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO THE SETTLEMENT	
Participate in the Settlement	If you want to remain in the Class, be bound by the Settlement and receive your Individual Settlement Payment, and if eligible, PAGA Payment , then you need not do anything.
Exclude Yourself From the Settlement	If you do not want to be bound by the Settlement, you must follow the instructions in Section 6 to exclude yourself. If you exclude yourself, you will not receive your Individual Settlement Payment, and you will not release the Settled Claims against Released Parties defined in Section 4 below . If this Settlement is approved by the Court, and you are a PAGA Member, you will receive your PAGA payment and the Settled PAGA Claims will be released even if you exclude yourself from the Settlement.
Object to the Settlement	If you want to object to the Settlement, you must follow the instructions in Section 7. If you object, you will still be bound by the terms of the Settlement, if approved by the Court.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendants’ records reflect that you are a Class Member as defined above. This Notice provides you with information about (1) the terms of the Settlement, including the claims that are being released, (2) the total monetary amount

of the Settlement, (3) your estimated Individual Settlement Payment provided you remain a Settlement Class Member, and (4) where to find additional information regarding the case and the Settlement.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you do nothing, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

2. WHAT IS THIS CASE ABOUT?

A Class Action Complaint for Damages was filed by Plaintiff *Estrada* on August 23, 2022, in the Superior Court of California, County of San Bernardino, commencing the lawsuit entitled *Cesar Acosta Estrada v. RCA Construction, Inc. et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2218589. Plaintiff *Estrada* alleged on behalf of himself and the Class the following claims against Defendants: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide required meal periods; (4) failure to provide required rest periods; (5) improper deductions; (6) failure to reimburse business expenses; (7) failure to pay all wages due to discharged and quitting employees; (8) failure to furnish accurate itemized statements; (9) unfair and unlawful business practices; and (10) violation of PAGA, predicated on the violations of the California Labor Code and applicable IWC Wage Order.

A Class Action Complaint for Damages was filed by Plaintiff *Munoz* on July 19, 2023, in the Superior Court of California, County of San Bernardino, commencing the lawsuit entitled *Osvaldo Munoz v. RCA Construction, Inc.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2317103. Plaintiff *Munoz* alleged on behalf of himself and the Class the following claims against Defendant RCA Construction, Inc.: (1) willful misclassification of employees; (2) failure to provide required meal periods; (3) failure to provide required rest breaks; (4) failure to pay overtime wages; (5) failure to pay minimum wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure to pay timely wages; (8) failure to maintain required records; (9) failure to furnish accurate itemized statements; (10) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (11) unfair and unlawful business practices; and (12) and violation of PAGA, predicated on the violations of the California Labor Code and applicable IWC Wage Order.

On or about January 29, 2024, the *Estrada* Action and *Munoz* Action were ordered consolidated. On [REDACTED], 2025, a consolidated Class Action Complaint for Damages was filed by Plaintiffs, in the Superior Court of California, County of San Bernardino, entitled *Cesar Acosta Estrada, Osvaldo Munoz v. RCA Construction, Inc., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2218589. Plaintiffs alleged on behalf of themselves and the Class the following claims against Defendants: (1) willful misclassification; (2) failure to provide meal periods; (3) failure to provide rest periods; (4) failure to pay overtime wages; (5) failure to pay minimum wages; (6) failure to pay timely wages; (7) failure to pay all wages due to discharged and quitting employees; (8) failure to maintain records; (9) failure to furnish accurate, itemized wage statements; (10) failure to reimburse for necessary business expenses; (11) improper deductions and withholdings from wages; (12) failure to pay and include COVID-19 Supplemental Sick Pay on wage statements; (13) unfair business competition; and (14) violation of PAGA, predicated on the violations of the California Labor Code and applicable IWC Wage Order as alleged in the Operative Complaint.

The resolution of the PAGA claim (“PAGA Settlement”) includes any all non-exempt, hourly employees who worked for Defendants at any time in the state of California from June 19, 2021, through August 31, 2024 (“PAGA Members”).

The Court has not ruled on the merits of Plaintiff’s claims. By preliminarily approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case on the merits. Rather, the Court has determined only that there is sufficient evidence to determine on a preliminary basis that the proposed Settlement is fair, adequate, and reasonable and any final determination of those issues will be made at the final approval hearing.

3. THE SETTLEMENT TERMS AND CALCULATION OF INDIVIDUAL SETTLEMENT PAYMENTS AND PAGA PAYMENTS.

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendants have agreed to pay a Gross Settlement Amount of Two Hundred, Seventy-five Thousand Dollars and Zero Cents (\$275,000.00), to settle the Action if approved by the Court.

The following amounts will be paid from the Gross Settlement Amount:

- Service Payment to each named Plaintiff for their service as Class Representative in the amount of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) each, for a total of Twenty Thousand Dollars and Zero Cents (\$20,000.00);
- Attorneys’ Fees not to exceed One Hundred, Sixteen Thousand, Six Hundred and Sixty-six Dollars and Sixty-Six Cents (\$116,666.66) (i.e., 1/3 of the Gross Settlement Amount) to Class Counsel and up to Nineteen Thousand Dollars and Zero Cents (\$19,000.00) for reimbursement of litigation costs and expenses (“Attorneys’ Costs”);

- The amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) allocated to the payment of civil penalties under PAGA (the “PAGA Allocation”);
- The costs associated with administration of the Settlement, estimated to be Nine Thousand Dollars and Zero Cents (\$9,000.00) (“Settlement Administration Costs”).

Individual Settlement Payment: The amount remaining from the Gross Settlement Amount after the above deductions is called the “Net Settlement Amount”. The Net Settlement Amount will be allocated to all Class Members who do not request to be excluded from the Settlement (“Settlement Class Members”) on a *pro rata* basis, based on their number of Compensable Work Weeks. Each payment is called an “Individual Settlement Payment” and will be calculated as follows:

1. The Settlement Administrator will determine the number of work weeks worked by Class Members in California as a non-exempt employee during the Class Period (“Compensable Work Weeks”);
2. The Settlement Administrator will determine the value of a single Compensable Work Week by dividing the Net Settlement Amount by the total number of Compensable Work Weeks for each Settlement Class Member resulting in a payment ratio; and
3. Each Settlement Class Member shall receive a gross Individual Settlement Payment equal to his or her Compensable Work Week payment ratio multiplied by the Net Settlement Amount.

Based on your Compensable Work Weeks, your individual settlement payment as a Settlement Class Member is estimated to be \$ [REDACTED].

PAGA Payment: A total of Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Amount has been allocated to PAGA Settlement. Of this amount, 75% or Seven Thousand, Five Hundred Dollars and Zero Cents (i.e., \$7,500.00) will be paid to California’s Labor & Workforce Development Agency, and 25% or Two Thousand, Five Hundred Dollars and Zero Cents (i.e., \$2,500.00) (the “Net PAGA Distribution Amount”) will be paid on a *pro-rata* basis to PAGA Members.

1. The Settlement Administrator will determine the number of weeks worked by PAGA Members as non-exempt employees in California during the period from June 19, 2021, through August 31, 2024 (“Compensable PAGA Work Weeks”);
2. The Settlement Administrator will determine the value of a single Compensable PAGA Work Week by dividing the Net PAGA Distribution Fund by the total number Compensable PAGA Work Weeks by all PAGA Members.
3. Each PAGA Member shall receive a PAGA Payment equal to his or her Compensable PAGA Work Weeks multiplied by the value of a single Compensable PAGA Work Week.

Based on these PAGA Compensable Work Weeks, your PAGA Payment is estimated to be \$ [REDACTED].

If you dispute the above information, you may submit a written dispute to the number of Compensable Work Weeks and/or Compensable PAGA Work Weeks allocated to you (“Dispute”) to the Settlement Administrator. Your Dispute must: (1) contain your name, address, and telephone number and the case name and number of this action, *Cesar Acosta Estrada, Osvaldo Munoz v. RCA Construction, Inc., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2218589; (2) be signed by you; (3) be postmarked, emailed or fax stamped on or before (INSERT DATE) and returned to the Settlement Administrator at the address, email or fax number listed below; (4) clearly state the number of Compensable Work Weeks and/or Compensable PAGA Work Weeks you believe are correct; and (5) attach any documentary evidence you have to prove the number of contented Compensable Work Weeks and/or Compensable PAGA Work Weeks.

Phoenix Settlement Administrators
 Re: *Cesar Acosta Estrada, Osvaldo Munoz v. RCA Construction, Inc., et al.*
 INSERT ADDRESS
 Phone: (800) [REDACTED]
 Facsimile: (714) [REDACTED]
 Email: INSERT EMAIL ADDRESS

Twenty-five percent (25%) of each Individual Settlement Payment will be allocated to wages and subject to all applicable employee state and federal tax withholdings; fifty percent (50%) of each Individual Settlement Payment will be considered penalties and any other non-wage related amount; and twenty-five percent (25%) of each Individual Settlement Payment will be considered interest. The amount allocated as wages will be reported on an IRS form W-2, and the remaining amount allocated as penalties, liquidated damages, interest and other non-wage payments will be reported on an IRS form 1099. One hundred percent (100%) of each PAGA Payment will be allocated as penalties and be reported on an IRS form 1099.

In addition to the Gross Settlement Amount, Defendants will pay all employer-payroll taxes and contributions in connection with the portion of the Settlement allocated towards wages at the time the Gross Settlement Amount is funded.

Class Members are responsible for paying taxes on any amounts received. This Notice is not tax advice and you should consult your tax advisor. Checks will be valid and negotiable for one-hundred and eighty (180) days; after that checks will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one-hundred and eighty (180) days of mailing, or are returned to the Settlement Administrator, will be cancelled and the Settlement Administrator shall send the funds associated with uncashed checks to the State of California Controller's Office, Unclaimed Property Division, in the name of the affected Class Member. **Class Members will be bound by the Settlement even if they do not cash their settlement checks.**

4. WHAT AM I RELEASING AS A CLASS MEMBER UNDER THE SETTLEMENT?

If you do nothing, you will receive your Individual Settlement Payment.

If and when the Court grants final approval of the Settlement, as of the Effective Date, all Class Members who do not opt out of the Settlement ("Settlement Class Members") hereby do and shall fully and finally release and discharge Released Parties, from November 16, 2018 through August 31, 2024, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, including any claims for: (a) misclassification of non-exempt, hourly employees as independent contractors, in violation of Labor §§226.8 and 2750; (b) failure to provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510 and 512; (c) failure to provide required rest periods and pay premium payments, California Labor Code §§ 226.7 and 512; (d) failure to pay overtime wages, California Labor Code §§ 510, 1194 and 1198; (e) failure to pay minimum wages, California Labor Code §§ 1194 and 1197; (f) failure to timely pay all wages during employment and to discharged and quitting employees, California Labor Code §§ 201-204, 210; (g) failure to timely pay wages §§ 204 and 210; (h) failure to maintain required records; (i) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226 and 226.3; (j) failure to indemnify for reasonable and necessary business expenses; (k) improper deductions and withholdings from wages, California Labor Code §§ 221 and 222; (l) failure to provide supplemental COVID-19 sick leave, California Labor Code §§ 248.2 and 248.6; and (m) unlawful business practices under California, Business and Professions Code §17200, et seq.; predicated on any of the violations of the California Labor Code and the applicable IWC Wage Order as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and Plaintiffs' LWDA Notices dated September 21, 2021 and May 12, 2023. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiffs and Defendants intend that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

"Released Parties" collectively mean: (i) Defendants; (ii) Defendants' respective past, present and future heirs, executors, administrators, parents, subsidiaries and affiliates, successors and assigns; and (iii) the past, present and future shareholders, managers, officers, partners, members, agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the foregoing.

5. WHAT AM I RELEASING AS A PAGA MEMBER UNDER THE SETTLEMENT?

As of the Effective Date, all PAGA Members, hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of and from any and all Settled PAGA Claims.

"Settled PAGA Claims" means penalties under PAGA only, and not for underlying wage and hour claims which the claims for penalties are based upon, as alleged in the Operative Complaint and the PAGA Notice filed by Plaintiffs, and as described in section 4, above.

Released Parties is defined in section 4 of this Notice above.

PAGA MEMBERS CANNOT OPT-OUT OR EXCLUDE THEMSELVES FROM THE PAGA SETTLEMENT OR RELEASE OF SETTLED PAGA CLAIMS AND WILL RECEIVE A PAGA PAYMENT EVEN IF THEY OPT-OUT OR EXCLUDE THEMSELVES FROM THE CLASS SETTLEMENT.

6. WHAT IF I DON'T WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

You have the right to request exclusion from the Settlement as a Class Member and with regards to the settlement of Settled Claims, but you are not able to exclude yourself as a PAGA Member. To exclude yourself as a Settlement Class Member, you must submit a written

Request for Exclusion to the Settlement Administrator (“Opt-Out Request”) at the address, email or fax number listed in section 3 of this Notice above.

A valid and complete Opt-Out Request must (1) contain the name, address, and telephone number of the Class Member requesting exclusion and the case name and number of the Action (i.e., *Cesar Acosta Estrada, Osvaldo Munoz v. RCA Construction, Inc., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2218589); (2) be signed by the Class Member; (3) be postmarked, emailed or fax stamped on or before [INSERT DATE] and returned to the Settlement Administrator at the specified address, email address or fax number listed in section 3 of this Notice above; and (4) contain a statement something substantially similar to:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE CESAR ACOSTA ESTRADA, OSVALDO MUNOZ V. RCA CONSTRUCTION, INC., ET AL. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT FROM THE SETTLEMENT OF THE LAWSUIT. I UNDERSTAND THAT THE PAGA CLAIM WILL STILL BE RELEASED AND SETTLED.”

It is your responsibility to ensure that the Settlement Administrator timely receives your request to be excluded from the Settlement. Unless you timely request to be excluded from the Settlement, you will be bound by the judgment upon final approval of the Settlement.

Class Members who request to be excluded from the Settlement will NOT receive their Individual Settlement Payment and will not release any of the Settled Claims. However, Class Members who are also PAGA Members will receive their PAGA Payment and release the Settled PAGA Claims regardless of whether they submit an Opt-Out Request.

7. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Settlement Class Member may object to the Settlement or to any settlement term. If the Court denies approval, no payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

If you wish to object, you must submit the written objection to the Settlement Administrator (“Objection”) to the following address or fax number listed in section 3 of this Notice above. A valid and timely Objection must: (1) contain the name, address, and telephone number of the Settlement Class Member objecting and the case name and number of the Action (i.e. *Cesar Acosta Estrada, Osvaldo Munoz v. RCA Construction, Inc., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2218589); (2) be signed by the Settlement Class Member; (3) give the legal and factual basis for their objection; and (4) be postmarked, emailed or fax stamped on or before [INSERT DATE] and returned to the Settlement Administrator at the specified address, email address or fax number in section 3 of the Notice above. Any written objection will not be presumptively invalidated if the objections do not comply with requirements (1), (2) and (3) as long as the written objection is timely received pursuant to requirement (4).

The submission of an objection will **not** exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still receive an Individual Settlement Payment and will be barred from pursuing the Settled Claims. **Do not file both an Objection and Opt-Out Request.** If you file both an Objection and an Opt-Out Request, you will be excluded from the Settlement and the Objection will not be considered.

8. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Final Approval Hearing is scheduled to take place on [INSERT DATE AND TIME] in Department S-26 of the Superior Court of the State of California, San Bernardino Superior Court – Civil Justice Center, located at 247 West 3rd Street, San Bernardino, California 92415. The final approval hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiffs and the Class are:

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622

Attorneys for Defendants are:

PEIRANO & ASSOCIATES, INC.
Cristian L. Peirano
2700 N. Main Street, Suite 750
Santa Ana, California 92705
Telephone: (714) 881-5985
Facsimile: (714) 558-4854

PACIFIC PREMIER LAW GROUP
Arash Shridel
2603 Main Street
Irvine, California 92614
Telephone: (949) 629-3690
Facsimile: (949) 313-0995

The Court has decided that the Attorneys for Plaintiffs and the Class are qualified to represent the Settlement Class Members. Other than the Attorneys' Fees and Attorneys' Costs approved by the Court, which will be paid out of the Gross Settlement Amount, you will not be charged for their services.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one, but you will have to pay for that lawyer yourself.

11. FURTHER INFORMATION.

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Superior Court of the State of California, San Bernardino Superior Court – Civil Justice Center, located at 247 West 3rd Street, San Bernardino, California 92415 or at the Court's website at: <https://www.SB-court.org>. Documents regarding this Settlement may also be found on the Internet at: [https:// www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales](https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales).

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.

EXHIBIT 2

EXHIBIT 3

1 **THE WHEELER LAW FIRM, APC**

2 Scott Ernest Wheeler (SBN 187998)
3 Justin A. Wheeler (SBN 342226)
4 250 West First Street, Suite 216
5 Claremont, California 91711
6 Telephone: (909) 621-4988
7 Facsimile: (909) 621-4622
8 Email: sew@scottwheelerlawoffice.com
9 jaw@scottwheelerlawoffice.com

10 **PACIFIC PREMIER LAW GROUP**

11 Arash Shridel (SBN 247754)
12 2603 Main Street
13 Irvine, California 92614
14 Telephone: (949) 629-3690
15 Facsimile: (949) 313-0995
16 Email: ashirdel@pacificpremierlaw.com

17 *Attorneys for Plaintiffs and all others similarly situated*

18 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

19 **COUNTY OF SAN BERNARDINO**

20 **SAN BERNARDINO JUSTICE CENTER**

21 CESAR ACOSTA ESTRADA,
22 individually, OSVALDO MUNOZ,
23 individually, and on behalf of all others
24 similarly situated,

25 Plaintiffs.

26 vs.

27 RCA CONSTRUCTION CLEAN UP,
28 INC., a California Corporation;
BULWARK CONSTRUCTION, INC., a
California Corporation; RAMIRO
ALVAREZ, an individual; PATRICIA
ALVAREZ, an individual; RICARDO
ALVAREZ, an individual; and DOES 1-
10, Inclusive.

Defendants.

CASE NO.: CIVSB2218589 (Consolidated
with CIVSB2317103)

[Hon. Christian Towns, Dept. S-26]

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT
AGREEMENT AND RELEASE**

1 **[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL**

2 The Court now has before it, Plaintiff's unopposed Motion for Preliminary Approval of Class
3 Action Settlement ("Motion"). After reviewing the Motion, the Class Action and PAGA Settlement
4 Agreement and Release ("Settlement Agreement") and exhibits attached thereto, and good cause
5 appearing therefore, the Court hereby finds and orders as follows:

6 1. The Court finds on a preliminary basis that the settlement memorialized in the
7 Settlement Agreement appears to be fair and adequate, and falls within the range of reasonableness,
8 and therefore meets the requirement for preliminary approval.

9 2. The Court conditionally certifies for settlement purposes only the following class (the
10 "Class" or "Settlement Class"):

11 3. "Class" means: all non-exempt, hourly employees who worked for Defendants at any time in
12 the state of California from November 16, 2018, through August 31, 2024.

13 "Class Period" means the time period from November 16, 2018, through
14 August 31, 2024.

15 4. The Court conditionally approves for settlement purposes only the PAGA allocation
16 of this settlement to the California Labor and Workforce Development Agency ("LWDA") and PAGA
17 Members.

18 The PAGA Period is from June 19, 2021, through August 31, 2024.

19 5. The Court finds, for settlement purposes only, that the Class meets the requirements
20 for certification under California Code of Civil Procedure § 382 in that: (1) the Class is so numerous
21 that joinder is impractical; (2) there are questions of law and fact that are common, or of general
22 interest, to the Class, which predominate over any individual issues; (3) Plaintiffs' claims are typical
23 of the claims of the Class; (4) Plaintiffs and Plaintiffs' counsel will fairly and adequately protect the
24 interests of the Class; and (5) a class action is superior to other available methods for the fair and
25 efficient adjudication of the controversy.

26 6. The Court appoints, for settlement purposes only, Plaintiffs Cesar Acosta Estrada and
27 Osvaldo Munoz as Representatives for the Class.

28 7. The Court appoints, for settlement purposes only, The Wheeler Law Firm, APC and

Pacific Premier Law Firm, as Counsel for the Class.

8. The Parties are ordered to carry out the Settlement according to the terms of the Settlement Agreement.

9. The Court appoints Phoenix Settlement Administrators (“Phoenix”) as the Settlement Administrator and is ordered to carry out the administration of the settlement according to the terms of the Settlement Agreement.

10. The Court approves as to form and content of the Class Action and PAGA Settlement Notice. The Court finds that the dates selected for the mailing and distribution of the Notice Packet meet the requirements of due process, provide the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto.

11. If any Class Member objects to the Settlement Agreement, the objecting party is not required, either personally or through counsel: 1) to appear at the hearing on the motion for final approval for that party’s objection to be considered; or 2) to file or serve, or to state in the objection, a notice of intention to appear at the hearing on the motion for Final Approval of the Class Settlement.

12. Phoenix, the Settlement Administrator, shall provide notice to any objecting party of any continuance of the hearing of Plaintiffs’ Motion for Final Approval.

13. The Parties are ordered to carry out the Settlement according to the following implementation schedule:

Event	Date
Last day for Defendants to provide the Settlement Administrator with the Class Information	September 14, 2025
Last day for Settlement Administrator, Phoenix to mail Class Notice	September 24, 2025
Last day for Class Members to submit a dispute regarding Workweeks, Request for Exclusion, or written Objection	November 8, 2025
Last Day for Plaintiffs to file Motion for Final Approval of the Class Settlement, Attorneys’ Fees and Costs and Class Representative Service Award	Per Code
Final Approval Hearing	December 22, 2025

1 14. The Court finds that the method of giving notice to the Class constitutes the best means
2 practicable of providing notice under the circumstances. The Court further finds that the Notice Packet
3 and the method of giving notice to the Class meet the requirements of California Code of Civil
4 Procedure § 382, California Rules of Court, Rules 3.766 and 3.769, and due process under the
5 California and United States Constitutions, and other applicable law.

6 15. At the Final Approval Hearing, the Court will consider whether the Settlement should
7 be finally approved as fair, reasonable and adequate, whether a final judgment should be entered, and
8 whether the payments provided for under the Settlement, including attorneys' fees and costs and class
9 representative service awards, should be finally approved and granted.

10 16. Pending the Final Approval Hearing, all proceedings in this Action, other than
11 proceedings necessary to implement the Settlement and this Order, are stayed.

12 **IT IS SO ORDERED.**

13
14 DATED: _____

HONORABLE CHRISTIAN TOWNS
JUDGE OF THE SUPERIOR COURT