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19 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
20 **COUNTY OF SAN BERNARDINO**
21 **SAN BERNARDINO JUSTICE CENTER**

22 **CESAR ACOSTA ESTRADA,**
23 **OSVALDO MUNOZ, Individually And On**
24 **Behalf Of All Others Similarly Situated,**

25 **Plaintiff,**

26 **vs.**

27 **RCA CONSTRUCTION CLEAN UP,**
28 **INC. A CALIFORNIA CORPORATION;**
29 **BULWARK CONSTRUCTION, INC. A**
30 **CALIFORNIA CORPORATION;**
31 **RAMIRO ALVAREZ, AN INDIVIDUAL;**
32 **PATRICIA ALVAREZ, AN**
33 **INDIVIDUAL; RICARDO ALVAREZ,**
34 **AN INDIVIDUAL; AND DOES 1-10,**
35 **INCLUSIVE**

36 **Defendants.**

37 **CASE NO.: CIVSB2218589 (Consolidated**
38 **with CIVSB2317103)**

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

40 **CLASS ACTION AND PAGA**
41 **SETTLEMENT AGREEMENT AND**
42 **RELEASE**

43 **Amended Class Complaint Filed: November**
44 **16, 2022**

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9 *Clean Up, Inc. and the individual Defendants*

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

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

12 DEFINITIONS

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

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

19 3. “Class Counsel” means The Wheeler Law Firm, APC and Pacific Premier Law Group.

20 4. “Class Counsel Award” means attorneys’ fees for Class Counsel’s litigation and
21 resolution of this Action and Class Counsel’s expenses and costs incurred in connection with this
22 Action.

23 5. “Class Information” means information regarding Class Members that Defendants will
24 in good faith compile from its records and provide to the Settlement Administrator. It shall be
25 formatted as a Microsoft Excel spreadsheet or Microsoft Word Document and shall include: each
26 Class Member’s full name; social security number; last known address; last known telephone number;
27 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.

1 12. “Defendants” means RCA Construction, Clean Up, Inc., Bulwark Construction, Inc.,
2 Ramiro Alvarez, Ricardo Alvarez, Ricardo Campos, Patricia Alvarez.

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

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

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

25 16. “Individual Settlement Payment” means the amount payable from the Net Settlement
26 Amount to each Settlement Class Member.

27 17. “LWDA” means the California Labor and Workforce Development Agency.

28 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;

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

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

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

20 34. "Settled PAGA Claims", means penalties only under the Private Attorneys General
21 Act ("PAGA"), based upon the Released Claims by PAGA Members that serves the basis for
22 penalties only pursuant to Labor Code § 2699 *et seq.*, for: (a) misclassification of non-exempt,
23 hourly employees as independent contractors, in violation of Labor §§226.8 and 2750; (b) failure to
24 provide required meal periods and pay premium payments, California Labor Code §§ 226.7, 510
25 and 512; (c) failure to provide required rest periods and pay premium payments, California Labor
26 Code §§ 226.7 and 512; (d) failure to pay overtime wages, California Labor Code §§ 510, 1194 and
27 1198; (e) failure to pay minimum wages, California Labor Code §§ 1194 and 1197; (f) failure to
28 timely pay all wages during employment and to discharged and quitting employees, California

1 Labor Code §§ 201-204, 210; (g) failure to timely pay wages §§ 204 and 210; (h) failure to maintain
2 required records; (i) failure to furnish accurate, itemized wage statements, California Labor Code §§
3 226 and 226.3; (j) failure to indemnify for reasonable and necessary business expenses; (k) improper
4 deductions and withholdings from wages, California Labor Code §§ 221 and 222; and (l) failure to
5 reimburse for necessary business expenses, California Labor Code § 2802; and primary rights
6 alleged in Plaintiffs' Operative Complaint and in Plaintiffs' PAGA Notices dated September 21,
7 2021 and May 12, 2023.

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

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

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

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

25 RECITALS

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

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

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

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

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

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

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

6 **STIPULATION AND AGREEMENT**

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

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

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

27 47. Released Claims by Plaintiffs. As of the date Defendants fully fund the Settlement,
28 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15 e. If greater than ten (10) percent of the Class Members opt out or object to this
16 Settlement Agreement or a number of Class Members whose share of the Net Settlement Amount is
17 10% or more, or the filing of five lawsuits in the Superior Court of the State of California by the last
18 installment payment by December 15, 2026, Defendants will have the right to rescind and terminate
19 the Settlement without prejudice to its pre-settlement positions and defenses in the litigation. In such
20 a case, the Parties and any funds to be awarded shall be returned to their respective statuses as of the
21 date and time immediately prior to the execution of this Agreement.

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

1 54. Funding Gross Settlement Amount. After Final Approval by the Court,
2 Defendants agree to pay a sum equal to \$325,000 ("the "Gross Settlement Amount") to fund the
3 settlement of this action. The Gross Settlement Amount shall accrue interest at the legal rate as of the
4 date of the filing of the Acosta case. (Interest) The Settlement is "all-in", non-reversionary and no
5 funds will return to Defendants. Payments of any appropriate and lawfully-required employer share
6 of the payroll taxes on the taxable portion of the settlement payments shall be paid by Defendants
7 separately from and in addition to the Gross Settlement Amount. Defendants shall be jointly and
8 severally liable for paying the entire Gross Settlement Amount.

9 a. Defendants shall pay the Gross Settlement Amount in six (6) equal installment
10 payments, as follows: 1) first payment in the amount of \$45,833.33 by on or about May 15, 2025; 2)
11 second payment in the amount of \$45,833.33 by September 15, 2025; 3) third payment in the amount
12 of \$43,833.33 by on or about January 15, 2026; the fourth payment in the amount of \$45,834.33 by
13 on or about May 15, 2026, the fifth payment in the amount of \$43,833.33, by on or about September
14 15, 2025, and the sixth payment in the amount of \$45,833.34, by on or about December 15, 2026
15 (Termed Payments). If all of the Termed Payments are timely made to the class administrator, then
16 Plaintiff shall waive the payment of \$75,000.00, plus any accrued Interest. The final installment
17 payment shall also include the employer's share of payroll taxes. Each payment shall be paid to an
18 account held in trust by the agreed-upon Settlement Administrator. The Settlement Administrator will
19 hold all payments in an interest-bearing account until the full Gross Settlement Amount is received.
20 ~~Any interest earned will go to the Net Settlement Amount. All payments to the Class Administrator~~
21 ~~shall be made via wire transfer, with the Class Administrator to provide wire instructions to~~
22 ~~Defendants for such payments. A timely Termed Payment or Termed Payments means an installment~~
23 ~~payment that is paid made within five (5) calendar days of the due date as set forth 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 5-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

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

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

14 e. Settlement Awards Do Not Trigger Additional Benefits. All monies received
15 by Settlement Class Members shall be deemed to be income to such Settlement Class Members solely
16 in the year in which such awards actually are received by the Settlement Class Members. It is expressly
17 understood and agreed that the receipt of such Individual Settlement Payments will not entitle any
18 Settlement Class Member to additional compensation or benefits under any company compensation
19 or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle
20 any Settlement Class Member to any increased pension and/or retirement, or other deferred
21 compensation benefits. It is the intent of this Settlement that any Individual Settlement Payments
22 provided for in this Agreement are the sole payments to be made by Defendants to the Settlement
23 Class Members in connection with this Settlement, and that the Settlement Class Members are not
24 entitled to any new or additional compensation or benefits as a result of having received the Individual
25 Settlement Payments (notwithstanding any contrary language or agreement in any benefit or
26 compensation plan document that might have been in effect during the period covered by this
27 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

28 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.

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

5 To the Settlement Class:

6 **THE WHEELER LAW FIRM, APC**

7 Scott Ernest Wheeler

8 Justin A. Wheeler

9 250 West First Street, Suite 216

10 Claremont, California 91711

11 Telephone: (909) 621-4988

12 Facsimile: (909) 621-4622

13 Email: sew@scottwheelerlawoffice.com

14 jaw@scottwheelerlawoffice.com

15 **PACIFIC PREMIER LAW GROUP**

16 Arash Shirdel

17 2603 Main Street

18 Irvine, California 92614

19 Telephone: (949) 629-3690

20 Facsimile: (949) 313-0995

21 Email: ashirdel@pacificpremierlaw.com

22 To Defendants:

23 **PEIRANO & ASSOCIATES, INC.**

24 Cristian L. Peirano

25 2700 N. Main Street, Suite 750

26 Santa Ana, California 92705

27 Telephone: (714) 881-5985

28 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.

1 71. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate this
3 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
4 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
5 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
6 and use their best efforts to affect the implementation of the Settlement. In the event the Parties are
7 unable to reach agreement on the form or content of any document needed to implement the
8 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of
9 this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such
10 disagreement. The persons signing this Agreement on behalf of Defendants represent and warrant that
11 they are authorized to sign this Agreement on behalf of Defendants. Plaintiffs represent and warrant
12 that they are authorized to sign this Agreement and that they have not assigned any claim, or part of
13 a claim, covered by this Settlement to a third-party.

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

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

20 74. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
21 Order and Judgment, nothing contained herein, nor the consummation of this Settlement Agreement,
22 is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
23 part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into
24 this Settlement Agreement with the intention of avoiding further disputes and litigation with the
25 attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it,
26 along with all related documents such as the notices, and motions for preliminary and final approval,
27 shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be
28 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

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

Dated: 5/8/2025

DocuSigned by:

963CA0369EB848A...
By: Cesar Acosta Estrada

Dated:

By: Osvaldo Munoz

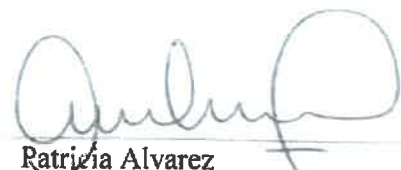
Dated: 4-22-25

By: 
Ramiro Alvarez

Dated: 4-22-25

By: 
Ricardo Alvarez

Dated: 4-22-25

By: 
Patricia Alvarez

Dated: 4-22-25

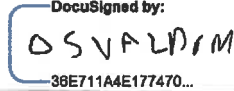
By: 
Ramiro Alvarez, Title: President/CEO
RCA Construction Clean Up, Inc.

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

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4 Dated: _____

By: _____
Cesar Acosta Estrada

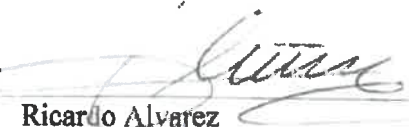
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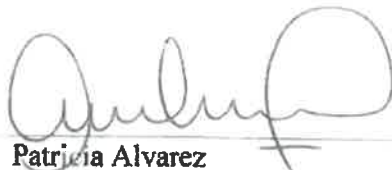
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By: 
Ramiro Alvarez

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Ricardo Alvarez

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Patricia Alvarez

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

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3 **APPROVED AS TO FORM:**

4 DATED: March ____, 2025

THE WHEELER LAW FIRM, APC

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6 By: _____
Scott Ernest Wheeler
Justin A. Wheeler

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

PACIFIC PREMIER LAW GROUP

9
10 By: _____
Arash Shridel
11 *Attorneys for Plaintiff and the Putative Class*

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13 DATED: March ____, 2025

PEIRANO & ASSOCIATES, INC.

14
15 By: _____
Cristian L. Peirano
16 *Attorneys for Defendants*
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3 **APPROVED AS TO FORM:**

4 DATED: March 13, 2025

THE WHEELER LAW FIRM, APC

5
6 
7 By: _____
8 Scott Ernest Wheeler
9 Justin A. Wheeler

10 DATED: March _____, 2025

PACIFIC PREMIER LAW GROUP

11 By: _____
12 Arash Shridel

Attorneys for Plaintiff and the Putative Class

13 DATED: March _____, 2025

PEIRANO & ASSOCIATES, INC.

14
15 By: _____
16 Cristian L. Peirano

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