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Attorneys for FRANCISCO ARROYO MORA, on behalf of himself,
all others similarly situated, and on behalf of the general public

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF ORANGE

FRANCISCO ARROYO MORA on behalf
of himself, all others similarly situated, and
on behalf of the general public,

Plaintiffs,

v.

STERLING PLUMBING, INC.; and DOES
1-100,

Defendants.

Case No. 30-2024-01371468-CU-OE-CXC

**SUPPLEMENTAL DECLARATION OF
DAVID MARA, ESQ., IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT,
CONDITIONAL CERTIFICATION,
APPROVAL OF CLASS NOTICE, SETTING
OF FINAL APPROVAL HEARING DATE**

Date: September 4, 2025

Time: 2:00 p.m.

Department: CX-102

Reservation No.: 74513908

1 I, DAVID MARA, declare as follows:

2 1. I am President of Mara Law Firm, PC, and counsel of record for Plaintiff and the Class in
3 this matter. I am duly admitted to practice before all the courts of the state of California.
4 The following facts are within my personal knowledge and, if called to testify, I could and
5 would competently testify thereto.

6 2. As addressed in Plaintiff's motion for preliminary approval, the maximum potential
7 damages under Plaintiff's PAGA claim are:

8 Unpaid Wages – 4,685 pay periods x 1 violation x \$100 = \$468,500

9 Rest Periods – 4,685 pay periods x 1 violation x \$100 = \$468,500

10 Wage Statements – 4,685 pay periods x 1 violation x \$100 = \$468,500

11 Reimbursement – 4,685 pay periods x 1 violation x \$100 = \$468,500

12 Meal Periods – 3,410 pay periods x 1 violation x \$100 = \$341,000

13 Waiting Time Penalties – 84 pay periods x 1 violation x \$100 = \$8,400

14 Total maximum PAGA penalties: \$2,223,400

15 3. As discussed above and in Plaintiff's motion for preliminary approval, these PAGA
16 penalties are all subject to the same risks as Plaintiff's class claims. These "maximum"
17 amounts must therefore be adjusted based on these risks to begin the process of estimating
18 their realistic value, just as was done to the class claims in Plaintiff's motion for preliminary
19 approval:

20 Unpaid Wages – \$468,500 x 25% chance of prevailing on this claim = \$117,125

21 Rest Periods – \$468,500 x 15% chance of prevailing on this claim = \$70,275

22 Wage Statements – \$468,500 x 15% chance of prevailing on this claim = \$70,275

23 Reimbursement – \$468,500 x 70% chance of prevailing on this claim = \$327,950

24 Meal Periods – \$341,000 x 20% chance of prevailing on this claim = \$68,200

25 Waiting Time Penalties – \$8,400 x 15% chance of prevailing on this claim = \$1,260

26 Risk adjusted PAGA penalties: \$655,085

27 4. A true and correct copy of the Revised Settlement Agreement, with revisions to the prior
28 terms in redline, is attached as **Exhibit 1**. A true and correct copy of the Revised Class

- 1 Notice, with revisions in redline, is attached to **Exhibit 1** as **Exhibit 1A**.
- 2 5. A true and correct copy of the Revised Settlement Agreement, with all revisions accepted,
- 3 and fully executed by the Parties, is attached as **Exhibit 2**. A true and correct copy of the
- 4 Revised Class Notice, with all revisions accepted, is attached to **Exhibit 2** as **Exhibit A**.
- 5 6. A true and correct copy of the proposed Request for Exclusion Form is attached as **Exhibit**
- 6 **B**.
- 7 7. A true and correct copy of the proposed Formal Objection Form is attached as **Exhibit C**.
- 8 8. A true and correct copy of the proposed Workweek Dispute Form is attached as **Exhibit**
- 9 **D**.
- 10 9. A true and correct copy of the Revised Proposed Order Granting Plaintiff's Motion for
- 11 Preliminary Approval, with revisions in redline, is attached as **Exhibit 3**.
- 12 10. A true and correct copy of the Revised Proposed Order Granting Plaintiff's Motion for
- 13 Preliminary Approval, with all revisions accepted, is attached as **Exhibit 4**.
- 14 11. A true and correct copy of the filing receipt from Plaintiff's upload of their supplemental
- 15 brief in support of preliminary approval, and all supporting documents, to the LWDA's
- 16 website is attached as **Exhibit 5**.
- 17 12. A true and correct copy of the confirmation that the upload of Plaintiff's supplemental brief
- 18 in support of preliminary approval was received by the LWDA is attached as **Exhibit 6**.
- 19 I declare under penalty of perjury under the laws of the State of California that all the
- 20 foregoing is true and correct.

21 Dated: August 12, 2025

MARA LAW FIRM, PC

22 

23 _____

24 David Mara, Esq.

Exhibit 1

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this settlement agreement is made between Plaintiff Francisco Arroyo Mora (hereinafter “Plaintiff”) on behalf of himself and the Class and Defendant Sterling Plumbing, Inc. (hereinafter “Defendant”) (collectively Plaintiff and Defendant are referred to in this Agreement as the “Parties”). This agreement is intended to settle the case entitled *Francisco Arroyo Mora v. Sterling Plumbing, Inc.*, Orange County Superior Court Case No. 30-2024-01371468-CU-OE-CXC.

I. DEFINITIONS

In addition to the other terms defined in this agreement, the terms below have the following meaning:

1. **Administration Costs**: The costs incurred by the Settlement Administrator, Apex Class Action Administration, to administer this Settlement, which shall not exceed \$7,500. All Administration Costs shall be paid from the Gross Settlement Amount. If the actual administration costs are less than the amount allocated in this agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.
2. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
3. **Attorneys Fee Award**: The amount of attorneys’ fees approved of by the Court and awarded to Class Counsel. This amount shall not exceed one-third of the Gross Settlement Amount. One-third of the Gross Settlement Amount is currently \$79,766.66. The Attorneys Fee Award shall be paid from the Gross Settlement Amount. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
4. **Class**: All hourly, non-exempt employees of Defendant who worked in California at any time from November 4, 2022, to October 28, 2024.
5. **Class Counsel**: David Mara and Matthew Crawford of Mara Law Firm, PC, and [Peter Horton](#), [Sabrina Sanders](#) and [Colette Mahon](#) of Lawyers for Employee and Consumer Rights.
6. **Class Data**: The electronic database Defendant shall deliver to the Settlement Administrator which will list the following information for each Class Member: (1) first and last name; (2) last known mailing address; (3) last known telephone number; (4) social security number; and (5) hire and termination dates.. The

Class Data shall be based on Defendant's payroll, personnel, and other business records.

7. **Class Member**: Each person eligible to participate in this Settlement who is a member of the Class as defined above.
8. **Class Notices**: The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
9. **Class Period**: November 4, 2022, to October 28, 2024.
10. **Class Representative or Plaintiff**: Francisco Arroyo Mora
11. **Class Representative Enhancement Payment**: The amount the Court awards to Plaintiff, which will not exceed \$5,000. This payment shall be paid from the Gross Settlement Amount. This payment is being offered in consideration for Plaintiff executing a general release of claims against Defendant, a release that is broader than any Participating Class Member will provide in consideration for a settlement share. This payment is also offered in consideration for the Plaintiff's actions in conferring a benefit upon the State of California and the Class, and the time and effort Plaintiff put into pursuing the litigation. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
12. **Cost Award**: The amount that the Court orders Defendant to pay Class Counsel for payment of actual litigation costs, which shall not exceed \$22,500. The Cost Award will be paid from the Gross Settlement Amount and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the actual costs incurred are less than the amount allocated in this Agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this Agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.
13. **Counsel for Defendant**: Marie D. DiSante, Leigh A. White, and Osaama Saifi of CDF Labor Law LLP.
14. **Court**: Superior Court of California for the County of Orange.
15. **Defendant**: Sterling Plumbing, Inc.
16. **Disbursement of the Settlement**: The date on which the Settlement Administrator shall disburse the Gross Settlement Amount as indicated herein. Under the terms of this Settlement Agreement, within seven (7) calendar days after the Defendant wires the Gross Settlement Amount and employer's share of taxes to the Settlement Administrator, the Settlement Administrator shall

disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment, as approved by the Court.

17. **Effective Final Settlement Date:** The effective date of this Settlement will be the date by when both of the following have occurred: (a) the Court enters the Final Approval order; and (b) the Final Approval order is final. The Final Approval order is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Final Approval order; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Final Approval order if no appeal is filed; or (c) if a timely appeal from the Final Approval order filed, the day after the appellate court affirms the Final Approval order and issues a remittitur.
18. **Employer Taxes:** Defendant's portion of payroll taxes as the Class Members' current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) owed to the appropriate local, state, and federal taxing authorities. Defendant will pay its portion of payroll taxes separate and apart from the Gross Settlement Amount.
19. **Final Judgment or Final Approval:** The final order entered by the Court approving this Agreement.
20. **Funding of Settlement:** Defendants shall wire to the Settlement Administrator the Gross Settlement Amount no later than fourteen (14) calendar days after the Effective Final Settlement Date.
21. **Gross Settlement Amount or GSA:** The total value of the Settlement is a non-reversionary \$239,300. This is the gross amount Defendant can be required to pay under this Settlement Agreement, with the exception of its obligation to pay Employer Taxes. The Gross Settlement Amount includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment, as approved by the Court. Defendant's portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant for any reason.
22. **Individual Settlement Share(s):** The amount payable to each Participating

Class Member and PAGA Aggrieved Employees under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Settlement Share automatically, without the return of a claim form.

23. **LWDA**: California Labor and Workforce Development Agency.
24. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members and PAGA Aggrieved Employees, which is the GSA less the Attorneys Fee Award, Cost Award, Class Representative Enhancement Payment, the PAGA Payment, and Administration Costs. In other words, the NSA is the portion of the GSA that will be distributed to Participating Class Members and PAGA Aggrieved Employees. The remitting of employee-side taxes on the portion of the settlement shares earmarked as wages shall be deducted out of the Net Settlement Amount. Thus, the Individual Settlement Shares that are paid out of the Net Settlement Amount shall be reduced by the employee's tax liability for the share for the portion of the settlement shares allocated as wages.
25. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
26. **PAGA Aggrieved Employees**: Class Members who worked during the PAGA Period.
27. **PAGA Fund**: Twenty-five percent (25%) of the PAGA Payment that is available for distribution to PAGA Aggrieved Employees.
28. **PAGA Notice**: The letter submitted on behalf of Plaintiff to the Labor Workforce Development Agency on October 31, 2023, alleging violations against Defendant.
29. **PAGA Payment**: The Parties agree to settle the PAGA claims for \$50,000. 75% of this amount, or \$37,500, shall be paid to the LWDA and is referred to as the PAGA Payment. The remaining 25% of the \$50,000, or \$12,500, shall be added to the PAGA Fund for distribution to PAGA Aggrieved Employees.
30. **PAGA Period**: November 4, 2022, to October 28, 2024.
31. **Opt-Out or Request for Exclusion**: Means a Class Member who requests to be excluded from, or opt-out of, the Settlement within sixty (60) days of the Notices being mailed out by the Settlement Administrator. Class Members who request to be excluded from, or opt-out of, the Settlement shall not receive a Settlement Share and will not release any of the Released Class Claims against the Released Parties herein. PAGA Aggrieved Employees shall have no right

or ability to opt out of the PAGA portion of this Settlement and will have released the Released PAGA Claims.

32. **Participating Class Members:** All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
33. **Parties:** Plaintiff Arroyo Mora, as an individual and as Class Representative, and Defendant Sterling Plumbing, Inc.
34. **Preliminary Approval or Preliminary Approval Order:** The Court's order preliminarily approving the Class Settlement.
35. **Released Class Claims:** Participating Class Members will release Defendant and the Released Parties from all claims asserted at any time in the operative complaint and from all other claims that could have been asserted based on the facts alleged in the operative complaint and/or the PAGA Letter. This release will be for the Class Period.
36. **Released PAGA Claims:** Aggrieved Employees shall release Defendant and the Released Parties from all claims for civil penalties under the California Labor Code and the Private Attorneys General Act predicated upon the claims asserted in the PAGA Letter and the operative complaint and from all other claims that could have been asserted based on the facts alleged in the PAGA Letter and the operative complaint. This release will be for the PAGA Period.
37. **Released Parties:** Defendant and its past and present officers, directors, owners, parents, subsidiaries, divisions, related companies, Employee Stock Ownership Plans, employees, representatives, affiliates, administrators, attorneys, agents, consultants, shareholders, joint ventures, predecessors, successors, fiduciaries, beneficiaries, subrogees, executors, insurers, employee benefit plans, and/or assigns of said entities and individuals.
38. **Response Deadline:** ~~Forty-five~~Sixty (4560) calendar days from the initial mailing of the Class Notices.
39. **Settlement Administration:** The Settlement Administrator will conduct a skip trace for the address of all former employee Class Members. The Settlement Administrator will mail the Class Notices by first class U.S. mail to all Class Members at the address Defendant has on file for those Class Members to all former employee Class Members at the address resulting from the skip trace. The Class Notices will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out of the Settlement. Any Class Member who does not receive notice after the steps outlined above have been taken will still be bound by the Settlement and/or judgment. Any Class Member who is also a PAGA Aggrieved Employee will have released the Released PAGA Claims even if they opt out of the Class.

40. **Settlement Administrator:** The third party administrator agreed upon by Parties to administer this Settlement is Apex Class Action Administration.

II. **RECITALS**

41. Plaintiff sent his Notice of Labor Code Violations Pursuant to Labor Code § 2699.3 on October 31, 2023. In the letter, Plaintiff apprised the LWDA of his wage and hour claims against Defendant. Plaintiff's notice alleged that Defendant violated the California Labor Code by failing to pay all straight time wages, failing to pay minimum wages, failing to pay all overtime wages, failing to provide lawful meal and rest periods, failing to provide accurate itemized wage statements, failing to pay all wages owed at termination, failing to pay wages twice per month, and failure to reimburse business expenses.
42. On January 8, 2024, Plaintiff filed his wage and hour PAGA representative action against Defendant. The complaint alleged causes of action on behalf of Plaintiff and those similarly situated aggrieved employees under the PAGA for failure to pay straight time and minimum wages, failure to pay overtime, failure to provide meal periods, failure to provide rest periods, failure to provide compliant wage statements, failure to keep accurate records of time worked, failure to pay all wages due at termination, failing to pay wages twice per month, and failure to reimburse business expenses.
43. The Parties met and conferred regarding the case and then agreed to attend a mediation. Prior to the mediation, Defendant provided class-wide data, documents, and information permitting Plaintiff and his lawyers to fully evaluate class-wide exposure.
44. On August 28, 2024, the Parties participated in a full-day mediation with respected wage and hour mediator, Jeff Ross, wherein the Parties were able to reach an agreement on settlement that is reflected in this Agreement.
45. As part of the Parties' settlement, a First Amended Complaint will be filed to add class-wide claims for hourly, non-exempt employees during the same statutory time period of the PAGA claims, November 4, 2022, to October 28, 2024, alleging class and PAGA claims for failing to pay all straight time wages, failing to pay minimum wages, failing to pay all overtime wages, failing to provide lawful meal and rest periods, failing to provide accurate itemized wage statements, failing to pay all wages owed at termination, failing to pay wages twice per month, failure to reimburse business expenses, and unfair competition. The Parties will cooperate and agree on the causes of action asserted in the First Amended Complaint before it is filed.
46. **Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible

appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.

47. **Defendant's Reasons for Settlement.** Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.
48. **Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Action is not appropriate for class treatment. Defendant asserts a number of defenses to the claims, and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.
49. **Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiffs, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, the Plaintiffs, Class Members, and Class Counsel will not oppose Defendant's efforts to use this Agreement to prove that Plaintiffs and Class Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

50. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount, that Defendant is obligated to pay under this Settlement Agreement is \$239,300. The Gross

Settlement Amount includes, but is not limited to: (1) the Net Settlement Amount to be paid to Participating Class Members, including their portion of payroll taxes; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and PAGA Aggrieved Employees, as approved by the Court. Defendant's portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant for any reason.

A. Escalator Provision: At the time of mediation, Defendant represented that there were an estimated 4,786,572 pay periods/weeks worked by the Class Members during the Class Period. If the number of actual total pay periods/weeks worked by Class Members during the Class Period, as reported to the Settlement Administrator following preliminary approval, exceeds this amount by more than 10% (i.e., if the workweeks increase by 957, such that the total workweeks exceed 10,529~~if there are 478 or more total pay periods~~), Defendant will ~~either: (1) pay an additional sum necessary to increase the Gross Settlement Payment on a proportional basis (i.e., if there was a 15% increase in pay periods/workweeks, Defendant would increase the Gross Settlement payment by 5%); or (2) elect to shorten the Class Period and PAGA Period (along with their associated releases) to a date that the total number of pay periods worked is at or under the 5,264 pay period threshold.~~ As of the date of the execution of this Agreement, Defendant represents that there are an estimated 9,370,685 pay periods/weeks worked by the Class Members during the Class Period.

51. **Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Agreement.
52. **Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with, the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. If the Settlement does not become effective, Defendant reserves the right to contest any issues relating to class certification and liability. The Parties agree that if this settlement is not finally approved for any reason, Defendant shall not have waived its right to move to compel arbitration of the Plaintiff's individual

claims and dismiss the class claims pursuant to its Arbitration Agreement with Plaintiff through this agreement to amend the Complaint for settlement purposes or as a result of the settlement process.

53. **Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff Francisco Arroyo Mora shall be appointed as representative for the Class.
54. **Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
55. **Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member and PAGA Aggrieved Employee.

A. Calculation.

- i. **Individual Class Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked for Defendant in California, as a Class Member, based on the Class Data provided by Defendant, divided by (ii) the total number of weeks worked by all Participating Class Members based on the same Class Data, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a work week for purposes of this calculation. Therefore, the value of each Class Member's Individual Settlement Share ties directly to the amount of weeks that he or she worked.
- ii. **Individual PAGA Settlement Share Calculation.** Each PAGA Aggrieved Employee will receive a proportionate share of the PAGA Fund that is allocated for distribution to PAGA Aggrieved Employees (i.e., 25% of the PAGA Payment), equal to (i) the estimated number of pay periods he or she worked at least one (1) day of the week for Defendant in California during the PAGA Period based on the Class data provided by Defendant, divided by (ii) the total estimated number of pay periods worked by all PAGA Aggrieved Employees during the PAGA Period based on the same Class data, which is then multiplied by the PAGA Payment allocated for distribution to PAGA Aggrieved Employees.

B. Tax Withholdings. Each Class Member's Individual Class Settlement Share will be apportioned as follows: 20% wages and 80% interest and penalties. Each PAGA Aggrieved Employee's Individual PAGA Settlement Share will be apportioned as 100% penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-9 form is received from the payee(s). The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Only the employee share of payroll tax withholdings shall be from each Class Member's Individual Settlement Share. The employer share of payroll tax withholdings shall be paid separate from and in addition to the Gross Settlement Amount.

C. Tax Treatment and Payment. The Parties agree that Plaintiff, Class Counsel, and the Participating Class Members who receive any payment pursuant to this Settlement shall be solely responsible for any and all individual tax obligations associated with this Settlement.

56. Constituents of Gross Settlement Amount Disbursement. Subject to the terms and conditions of this Agreement, the Settlement Administrator shall disburse the Gross Settlement Amount as directed later on herein to the following:

A. To the Named Plaintiff: In addition to his Individual Settlement Share, and subject to the Court's approval, the named Plaintiff, Francisco Arroyo Mora, will receive up to \$5,000 in consideration for providing Defendant a General Release, a release that is broader than the claims released by Participating Class Members. Defendant shall not oppose this request. The Settlement Administrator will pay the Class Representative Enhancement Payment out of the Gross Settlement Amount. Payroll tax withholdings and deductions will not be taken from the Class Representative Enhancement Payment. An IRS Form 1099 will be issued to Plaintiff with respect to his Class Representative Enhancement Payment.

B. To Class Counsel. At the Final Approval Hearing, Class Counsel will apply to the Court for an Attorneys Fee Award not to exceed one-third of the GSA (which currently equates to \$79,766.66) and a Cost Award not to exceed \$22,500. Defendant shall not oppose this request. The Settlement Administrator will pay the Court approved amounts for the Attorneys Fee Award and Cost Award out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Attorneys Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to the Attorneys Fee Award. In the event the Court does not approve

the entirety of the application for the Attorneys Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorneys Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

- C. To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each Class Member's Individual Settlement Share. Defendant's portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) will be paid outside of and in addition to the GSA. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and will forward the amount of the Participating Class Members' portion of normal payroll withholding taxes to the appropriate taxing authorities.
- D. To the Settlement Administrator.** The Settlement Administrator – Apex Class Action Administration – will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$7,500. This will be paid out of the Gross Settlement Amount. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- E. To the LWDA.** The Settlement Administrator will pay \$37,500 of the Gross Settlement Amount to the LWDA. This is 75% of the \$50,000 allocated to satisfy the PAGA penalties claim. The remaining 25% of the PAGA Payment (which equates to \$12,500) shall become part of the PAGA Fund and be available for distribution to PAGA Aggrieved Employees.
- F. To Class Members.** The Settlement Administrator will pay Participating Class Members and the PAGA Aggrieved Employees according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members and the PAGA Aggrieved Employees shall be made from the Gross Settlement Amount.

- 57. Appointment of Settlement Administrator.** Solely for the purposes of this Settlement, the Parties stipulate and agree that Apex Class Action Administration shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, mailing; performing skip traces and remailing notices to Class Members; calling Class

Members with undeliverable notices to obtain accurate addresses; keeping track of any objections or requests for exclusion from Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; maintaining a website which will include settlement documents; providing weekly status reports to Defendant's Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing and remailing Individual Settlement Shares to Participating Class Members and PAGA Aggrieved Employees; calculating and mailing the PAGA Payment to the LWDA; distributing the Attorneys Fee Award and Cost Award to Class Counsel; printing and providing Participating Class Members, Aggrieved Employees, and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the State of California unclaimed property fund in the name of the Class Member; and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in Apex Class Action Administration or otherwise have a relationship with Apex Class Action Administration that could create a conflict of interest.

58. Procedure for Approving Settlement.

A. Motion for Preliminary Approval and Conditional Certification.

- i. Plaintiff will move for an order: (1) conditionally certifying the Class for settlement purposes only; (2) granting Preliminary Approval of the Settlement; (3) setting a date for the Final Approval hearing; and (4) approving the Class Notice.
- ii. At the same time that Plaintiff files his Motion for Preliminary Approval, Plaintiff shall send a copy of the Agreement to the LWDA pursuant to the 2016 amendments to PAGA.
- iii. At the Preliminary Approval hearing, Plaintiff will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.
- iv. **Effect of Denial of Preliminary Approval.** Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement Agreement will be null and void, and the Parties will have no

further obligations under it. Provided, however, that the amounts of the Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement Agreement. Any order or proceeding relating to an application for the Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payment shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff's or Class Counsel's ability to appeal any decision by the Court to award less than the requested Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payment.

B. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice in accordance with the following procedure:

- i. Delivery of Class Data.** Within fourteen (14) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator an Excel spreadsheet, which will list the following information for each Class Member: (1) first and last name; (2) last known mailing address; (3) last known telephone number; (4) social security number; and (5) hire and termination dates. The Settlement Administrator will conduct a skip trace for the address of all former Defendant employee Class Members. The Class Data shall be based on Defendant's payroll, personnel, and other business records. The Settlement Administrator shall maintain the Class Data and all information contained within the Class Data as private and confidential.
- ii. Preparation of Class Notices.** Based on the information in the Class Data and the formulas set forth in Paragraph 55(A), above, the Settlement Administrator shall promptly calculate the estimated Individual Class Settlement Share for every Class Member and Individual PAGA Settlement Share for every PAGA Aggrieved Employee, to be included in the individualized Class Notice to be sent to that Class Member, and shall prepare and mail a spreadsheet setting forth those calculations (without names and contact information of Class Members) to Class Counsel and Defense Counsel no fewer than five (5) days before mailing the Class Notices to Class Members. The Class Notices will inform

each Class Member of his/her right to do nothing, dispute the number of work weeks worked, opt out of the Settlement, or object to the Settlement. It will also inform Class Members that if they first request exclusion from the Settlement and then object, the objections would not be considered valid. In addition, if the Class Members object and then request exclusion from the Class Settlement, the Class Members would be deemed to have waived their objection.

- iii. **Mailing of Class Notices.** Within fourteen (14) calendar days after receipt of the Class Data, the Settlement Administrator will mail via first-class regular U.S. Mail the Class Notice to all identified Class Members using the mailing address information provided by Defendant and the results of the skip trace performed on all former Defendant employee Class Members.
- iv. **Posting of Class Notice.** At the same time the Class Notices are mailed, the Settlement Administrator will post a copy of the Class Notice on a settlement website for at least 90 days.
- v. **Returned Notices.** If a Class Notice is returned because of an incorrect address, within five (5) business days from receipt of the returned notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail, performing address searches for all mail returned without a forwarding address, and promptly re-mailing to Class Members for whom new addresses are found. If a Class Notice is returned because of an incorrect address and re-mailed to a Class Member for whom a new address is found, the Class Member's deadline to respond to the settlement shall be increased by forty-five (45) calendar days.
- vi. **Weekly Status Reports.** The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for exclusion or objections received.

- vii. **Settlement Administrator's Declaration.** No later than fourteen (14) calendar days after the Response Deadline, or on a date mutually agreed upon by the Parties and the Settlement Administrator, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel at the same time as the final approval motion is filed. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

C. Objections to Settlement. The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline or by appearing at the Final Approval Hearing. The Settlement Administrator will provide the Parties with any objections received within five (5) days of receipt. Absent good cause found by the Court, objections will not be considered by the Court if not timely or otherwise compliant with the procedures herein. All objections submitted to the Settlement Administrator will be presented to the Court along with the final approval motion.

- a. **Format.** Any Objections shall state: (a) the Class Member's name, address, telephone number, and the last four digits of the Class Member's social security number or employee identification number; (b) the words "Notice of Objection" or "Formal Objection;" and (c) a short statement of the facts supporting the objections, such as, the legal and factual arguments supporting the objection.

- b. **Notice of Intent to Appear.** Class Members may (though are not required to) appear at the Final Approval Hearing to state an objection, either in person or through the objector's own counsel.

D. Request for Exclusion from the Settlement ("Opt-Out"). The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator a written request for exclusion. The written request for exclusion must: (a) state the Class Member's name, address, telephone number, and the last four digits of the Class Member's social security number or employee identification number; (b) state the Class Member's intention to exclude themselves from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class Member or his or her lawful

representative; and (e) be postmarked no later than the Response Deadline. A request to Opt-Out of the Settlement shall not serve to exclude the Class Member from participation in the settlement of PAGA claims under this Settlement. PAGA Aggrieved Employees who opt-out from the class portion of the settlement shall still be entitled to their share of the PAGA Fund. Subject to Court approval of the PAGA Payment, PAGA Aggrieved Employees shall have no right or ability to opt out of the PAGA portion of this Settlement and will have released the Released PAGA Claims. The Court has the final say regarding the validity of any requests for exclusion.

- i. Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Class Settlement and subsequent judgment and will not receive an Individual Class Settlement Share, but will still receive an Individual PAGA Settlement Share and be bound by the release of the Released PAGA Claims if a PAGA Aggrieved Employee. A Class Member who does not complete and mail a timely request for exclusion will automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.
- ii. Report.** No later than five (5) business days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.
- iii.** Defendant, at its sole discretion, shall have the right but not the obligation to revoke the Settlement Agreement if five (5) percent or more of the Class Members timely opt out of the Class. Defendant shall exercise its revocation rights, if at all, within fourteen (14) days of the end of the opt out period by providing written notice to Plaintiff's counsel.

E. Class Member Disputes. If a Class Member who receives a Class Notice wishes to dispute the number of work weeks listed on the Class Notice, the Class Member may notify the Settlement Administrator by mail or telephone no later than the Response Deadline and should produce any available supporting evidence, such as wage statements, offers of employment, termination letters, and/or other employment records, to the Settlement Administrator by the Response Deadline. The documentation should provide evidence of the dates the Class Member contends he or she worked for Defendant during the Class Period. The Settlement Administrator shall then provide the documentation provided by the Class Member to Defendant. Defendant shall review its records, the documentation provided by the Class Member, and shall provide information to the Settlement Administrator in response to any such disputed claim. The Settlement Administrator shall evaluate the evidence submitted by the Class Member and make the decision as to which dates should be applied. All disputes submitted to the Settlement Administrator, including any evidence submitted in conjunction with a dispute, shall be presented to the Court in conjunction with final approval along with the determination made by the Settlement Administrator. The Court shall have the right to review any decision made by the Settlement Administrator regarding a workweek dispute.

F. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

G. Settlement Website. The Settlement Administrator shall establish a website to host documents relevant to this lawsuit and the proposed settlement, i.e., the pleadings filed in the Action, including all complaints and answers; this Joint Stipulation and Settlement Agreement, together with its exhibits; the Class Notice; the forthcoming settlement motions; and the Court's orders on those motions, including the judgment entered. These items will be posted for a period of at least ninety (90) calendar days.

H. Motion for Final Approval.

- i. Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorneys Fee Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative Enhancement Payment; (5) the Individual Settlement Payments; and (6) the PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Participating Class Members.

- ii. **Denial or Appeal of Final Approval.** If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Enhancement Payment, Attorneys Fee Award, Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph.
 - iii. **Proposed Order and Judgment.** Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the action pursuant to California Code of Civil Procedure § 664.6 and California Rules of Court Rule 3.769(h) for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-judgment matters as may be appropriate under Court rules and applicable law.
 - iv. **Posting the Judgment.** Notice of the Court's entry of a Final Approval Order and Judgment shall be given to Class Members by posting a copy of the Final Approval Order and Judgment on the Settlement Administrator's website for a period of at least ninety (90) calendar days.
- I. **Waiver of Right to Appeal.** Provided that the judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.
- J. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing Court vacates, reverses, or modifies the

judgment such that there is a material modification to the Settlement Agreement, and that Court's decision is not completely reversed and the judgment is not fully affirmed on review by a higher Court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount, an alteration in the calculation of the Net Settlement Amount, and any change to the calculation of the Individual Settlement Share.

K. Disbursement of Settlement Shares and Payments. Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's Final Approval Order and Judgment. The Settlement Administrator shall keep Defendant's Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendant's Counsel and Class Counsel. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.

- i. Employer's Share of Taxes:** The Settlement Administrator shall inform Defendant of the amount of the employer's share of taxes no later than seven (7) calendar days after the Effective Final Settlement Date. Defendant shall wire to the Settlement Administrator the employer's share of taxes no later than fourteen (14) calendar days of the Effective Final Settlement Date.
- ii. Disbursement:** Within seven (7) calendar days after the Defendant wires the Gross Settlement Amount and employer's share of taxes to the Settlement Administrator, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; (5) the PAGA Payment to the LWDA and the PAGA Aggrieved Employees; and (6) Defendant's portion of payroll taxes as the Class Members' current or former employer.
- iii. Qualified Settlement Fund or QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a

Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

L. Settlement Administrator's Final Report. Within ten (10) business days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds. The Parties shall file this declaration with the Court. The Settlement Administrator will provide any supplemental declaration required by the Court or the Parties. At the same time the Settlement Administrator's declaration is filed, the Parties will file an amended judgment in compliance with California Code of Civil Procedure § 384.

M. Uncashed Checks. Participating Class Members and PAGA Aggrieved Employees must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them.

- i. Reminder Postcard.** If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced.
- ii. Returned Checks.** If a check is returned because of an incorrect address, within five (5) business days from receipt of the returned check, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a check is returned by U.S. Postal Service as undeliverable. If the Settlement Administrator is unable to locate a better address through a database search or skip trace, the Settlement Administrator shall call the last known phone number provided by Defendant to attempt to obtain an accurate address. If an address is obtained, the Settlement Administrator shall promptly re-mail the check to the updated address.
- iii.** If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks. All funds

associated with the Individual Settlement Share checks returned as undeliverable and funds associated with those checks remaining un-cashed, shall escheat to the State of California Controller's Office under the Unclaimed Property Statutes in the name of the Class Member.

N. Defendant's Legal Fees. Defendant is responsible for paying for all of Defendant's own legal fees, costs, and expenses incurred in this Action outside of the Gross Settlement Amount.

59. Release of Claims. As of the Effective Final Settlement Date, Class Members who do not submit a timely and valid request for exclusion release the Released Parties from the Released Class Claims. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Claims. As of the Effective Final Settlement Date, PAGA Aggrieved Employees release the Released Parties from the Released PAGA Claims.

60. Plaintiff's Release of Claims and General Release. As of the Effective Final Settlement Date, and in exchange for the Class Representative Enhancement Payment to the named Plaintiff in an amount not to exceed \$5,000, Plaintiff Francisco Arroyo Mora shall give the following general release of claims for himself and his respective spouse, heirs, successors and assigns, forever release 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, penalties and expenses of any nature whatsoever, from the beginning of time through the date of his signature on this Agreement, known or unknown, suspected or unsuspected, whether in tort, contract, equity, or otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, including but not limited to all claims arising out of, based upon, or relating to his employment with Defendant or the remuneration for, or termination of, such employment. Plaintiff's Release of Claims also includes a waiver of California Civil Code section 1542, which provides as follows:

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

This release excludes any release of any claims not permitted to be released by law.

61. Miscellaneous Terms

- A. No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to arbitration, class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement including to enforce the terms of the releases herein).
- B. No Effect on Employee Benefits.** The Class Representative Enhancement Payment and/or Individual Settlement Shares paid to Plaintiff and Participating Class Members shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Participating Class Members. The Parties agree that any Class Representative Enhancement Payment and/or Individual Settlement Share paid to Plaintiff or the Participating Class Members under the terms of this Agreement do not represent any modification of Plaintiff's or Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any Class Representative Enhancement Payment shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.
- C. Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
- D. Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under 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 effect 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 this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.

- E. Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
- F. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.
- G. Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
- H. Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- I. No Prior Assignment.** Plaintiffs hereby 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 herein released and discharged.
- J. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- K. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.

- L. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of such taxes.
- M. Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.
- N. Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court 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. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.
- O. Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- P. Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND APPROVAL OF COUNSEL

The Parties execute this Agreement.

[signatures on the following page]

Dated: _____

FRANCISCO ARROYO MORA

Dated: _____

STERLING PLUMBING, INC.

Name:

Title:

AGREED AS TO FORM:

Dated: _____

MARA LAW FIRM, PC

David Mara, Esq.

Matthew Crawford, Esq.

Attorneys for Plaintiff, on behalf of himself, and all
others similarly situated

Dated: _____

**LAWYERS FOR EMPLOYEE AND
CONSUMER RIGHTS**

[Sabrina Sanders](#)~~[Peter Horton](#)~~, Esq.

[Colette Mahon, Esq.](#)

Attorneys for Plaintiff, on behalf of himself, and all
others similarly situated

Dated: _____

CDF LABOR LAW LLP

Marie D. DiSante, Esq.
Leigh A. White, Esq.
Osaama Saifi, Esq.
Attorneys for Defendant

Exhibit 1A

ORANGE COUNTY SUPERIOR COURT

If you worked for Sterling Plumbing, Inc. (“Sterling Plumbing” or “Defendant”) in California as an hourly, non-exempt employee at any time between November 4, 2022, and October 28, 2024, a class action settlement will affect your rights. You may be entitled to a payment under this settlement.

A court authorized this notice. This is not a solicitation from a lawyer.

- Former employee, Francisco Arroyo Mora (“Plaintiff”), filed a proposed class action and California Private Attorneys General Act (“PAGA”) lawsuit against Sterling Plumbing. The lawsuit alleges class and PAGA claims against Sterling Plumbing failing to pay all straight time wages, failing to pay minimum wages, failing to pay all overtime wages, failing to provide lawful meal and rest periods, failing to provide accurate itemized wage statements, failing to pay all wages owed at termination, failing to pay wages twice per month, failure to keep accurate records of time worked, failure to reimburse business expenses, and unfair competition. Sterling Plumbing denies all alleged violations and denies liability. The Court has not made a ruling on the merits of the case. The Parties have agreed to settle the claims set forth in the lawsuit.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	Get a settlement payment and give up any rights to sue for the Released Claims (defined below). <u>If you are still employed by Sterling Plumbing and choose to receive a settlement payment, this will not affect your employment.</u>
EXCLUDE YOURSELF	Get no payment as a Class Member. This is the only option that allows you to ever be part of any other lawsuit against Sterling Plumbing involving the legal claims and statutory period alleged in this case. Please note that you are unable to exclude yourself from the PAGA portion of the settlement if you are a PAGA Aggrieved Employee.
OBJECT	Write to the Court about why you don’t agree with the settlement.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court still has to decide whether to approve of the settlement. Payments will be made if the Court approves the settlement. Please be patient.

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1. Why Have I Received this Notice?

Sterling Plumbing's records indicate that you were employed as an hourly, non-exempt employee in California by Sterling Plumbing at sometime between November 4, 2022, and October 28, 2024. This period of time is referred to as the "Class Period." If you worked for Sterling Plumbing in California during the "Class Period," you may be entitled to money under this Settlement. This Notice provides you with basic information about the case and advises you of your options with regard to the Settlement.

2. What is this Case About?

On October 31, 2023, Plaintiff provided notice to the LWDA in accordance with the PAGA. A PAGA complaint against Defendant was filed by Plaintiff in the Orange County Superior Court on January 8, 2024 (Case No. 30-2024-01371468-CU-OE-CXC). The complaint alleged violations against Defendant of the PAGA, Labor Code §2699, et seq. for failure to pay straight time and minimum wages, failure to pay overtime, failure to provide meal periods, failure to provide rest periods, failure to provide compliant wage statements, failure to keep accurate records of time worked, failure to pay all wages due at termination, failing to pay wages twice per month, and failure to reimburse business expenses.

As part of the Settlement, Plaintiff filed a First Amended Complaint to include class claims for the original underlying alleged PAGA violations. The First Amended Complaint alleges causes of action against Defendant for: (1) Failure to Pay All Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; (6) Failure to Pay All Wages Due at Termination; (7) Failure to Pay All Wages Twice Per Month; (8) Failure to Reimburse/Illegal Deductions; (9) Violation of Unfair Competition Law (Bus. & Prof. Code § 17200, et seq.); and (10) Violations of the PAGA.

The Court has not made any determination as to whether the claims advanced by Plaintiff have

any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendant; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all parties avoid the risks and cost of a trial. Defendant expressly denies that it did anything wrong or that it violated the law and further denies any liability whatsoever to Plaintiff or to the Class.

3. *How Does this Class Action Settlement Work?*

Plaintiff and his attorneys believe the settlement is fair, adequate, and reasonable. The Orange County Superior Court has preliminarily reviewed the terms of the settlement and determined the settlement is fair, adequate, and reasonable. On [date of ruling on preliminary approval], the Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court will hold a Final Approval Hearing concerning the proposed settlement on [date of final approval hearing], 2025 at [time a.m./p.m.], in Department CX-102 before Judge Layne H. Melzer at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The date of the Final Approval Hearing may change without further notice to the Class. You are advised to check the Court's website (instructions on accessing this site are provided in Section 15 of this Notice) to confirm that the date has not been changed.

4. *Who Are the Attorneys Representing the Parties?*

Attorneys for Plaintiffs and the Class ("Class Counsel")	Attorneys for Sterling Plumbing
MARA LAW FIRM, PC David Mara dmara@maralawfirm.com Matthew Crawford jvecchi@maralawfirm.com 2650 Camino Del Rio North, Suite 302 San Diego, CA 92108 Telephone: (619) 234-2833 Facsimile: (619) 234-4048 <u>LAWYERS FOR EMPLOYEE AND CONSUMER RIGHTS</u> <u>Sabrina Sanders</u> <u>ssanders@lfecr.com</u> <u>Colette Mahon</u> <u>cmahon@lfecr.com</u> <u>3500 West Olive Avenue, Third Floor</u> <u>Burbank, CA 91505</u> <u>Telephone: (323) 375-5101</u> <u>Facsimile: (323) 306-5571</u>	CDF LABOR LAW LLP Marie D. DiSante mdisante@cdflaborlaw.com Leigh A. White lwhite@cdflaborlaw.com Osaama Saifi osaifi@cdflaborlaw.com 18300 Von Karman Avenue, Suite 800 Irvine, CA 92612 Telephone: (949) 622-1661

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The Court has appointed Mara Law Firm, PC and Lawyers for Employee and Consumer Rights to represent you and all other Class Members simultaneously in this Settlement. You are not required to hire your own attorney because Mara Law Firm, PC and Lawyers for Employee and

[Consumer Rights](#) is working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

5. ***How do I Participate in the Settlement?***

If you do nothing, you will automatically be included as a participant in this Settlement and will not have to take any further action to receive your settlement payment. By participating in the Settlement, you will be bound by the Release described in Section 8 below. It is your responsibility to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment.

Important Note: *Sterling Plumbing will not retaliate against you in any way for either participating or not participating in this Settlement.*

If you do nothing, you will receive money and will be bound by the release of claims stated in this notice.

6. ***How Do I Request to be Excluded from the Settlement?***

If you request to be excluded from the settlement, you **will not** receive any part of the class portion of the settlement. This is the only option that allows you to ever be a part of any other lawsuit against Sterling Plumbing about the legal claims and statutory period alleged in this case. By timely opting out, you will no longer receive any part of the class portion of the Settlement, nor bound by the release of class claims. You will still be bound by the release of PAGA claims.

HOW TO REQUEST TO BE EXCLUDED FROM THE SETTLEMENT:

How can I request to be excluded from the settlement?	You can request to be excluded from the class portion of the settlement by mailing the Settlement Administrator a written request for exclusion. To do this, you can use the enclosed Request for Exclusion Form.
Is there a deadline to request to be excluded?	You must postmark your completed Request for Exclusion Form or other written request to be excluded by RESPONSE DEADLINE 60 DAYS AFTER MAILING . If your class notice was returned to the Settlement Administrator as undeliverable and was then remailed to you because a more accurate address was found for you, your deadline to respond to the settlement will be forty-five (45) days from the date your notice was remailed.

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What information do I need to provide?	You must fully complete the enclosed Request for Exclusion Form. Alternatively, you can send a written request for exclusion that includes all of the following: (1) your full name, current address, telephone number, last four digits of your Social Security number or employee identification number; (2) state your intention to exclude yourself from or opt-out of the Settlement, (3) be addressed to Settlement Administrator; and (4) your signature and date of signature or your lawful representative signature and date of signature. A written request for exclusion must be postmarked by 60 DAYS AFTER MAILING RESPONSE DEADLINE .
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The proposed settlement includes the settlement of claims for civil penalties under PAGA. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the Court approves this settlement, then even if you request exclusion from the settlement, you still will receive an individual settlement share for the PAGA claims if you were employed between November 4, 2022, and October 28, 2024 and will be deemed to have released the PAGA claims. A request for exclusion will preserve your right to individually pursue only the remaining substantive, individual and/or class claims.

7. How Do I Object to the Settlement?

You can ask the Court to deny approval by filing an objection or appearing at the Final Approval Hearing to assert the objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. Importantly, you cannot object to the settlement if you have requested to be excluded from the settlement.

HOW TO OBJECT TO THE SETTLEMENT:

How can I object to the settlement?	As long as you have not requested to be excluded from the Settlement, you can object to the settlement by mailing the Settlement Administrator a written objection or appearing at the Final Approval Hearing to assert your objection. To do this, you can use the enclosed Formal Objection Form.
Is there a deadline to request to be excluded/object?	You must postmark your completed Formal Objection Form or other written objection by 60 DAYS AFTER MAILING RESPONSE DEADLINE . If your class notice was returned to the Settlement Administrator as undeliverable and was then remailed to you because a more accurate address was found for you, your deadline to respond to the settlement will be forty-five (45) days from the date your notice was remailed.

What information do I need to provide?	You must fully complete the enclosed Formal Objection Form. Alternatively, you can send a written objection that includes all of the following: (1) your full name, address, telephone number, the last four digits of your social security number or employee identification number; (2) the words “Notice of Objection” or “Formal Objection” and (3) a short statement of the facts supporting the objections, such as, the legal and factual arguments supporting the objection. A written objection must be postmarked by 60 DAYS AFTER MAILING RESPONSE DEADLINE .
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Absent good cause found by the Court, Class Members who fail to file timely written objections in the manner specified above or fail to appear at the Final Approval Hearing to assert an objection shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether an appeal or otherwise) to the settlement.

If the Court rejects the objection, the objector will receive a settlement payment and will be bound by the terms of the settlement and will release claims as defined in Section 8 of this notice and in the settlement agreement.

8. *How Does This Settlement Affect Employees’ Rights?*

If you do not submit a Request for Exclusion Form or other request to be excluded from the settlement and the Court approves of the settlement, you will receive your share of the settlement as described in Section 10 of this notice. In exchange for your share of the settlement, you will be releasing your right to bring your own lawsuit against Sterling Plumbing for the same claims that Plaintiff alleged in the lawsuit, or to bring claims that could have been alleged based on a reasonable interpretation of the facts alleged in the Lawsuit. Specifically, if you choose to receive your share of the settlement, you will be releasing your right to file a lawsuit or other claim against Sterling Plumbing for California wage and hour violations that occurred from November 4, 2022, to October 28, 2024, such as claims for failure to all regular rate and overtime wages owed during employment, failure to provide lawful meal and rest periods, failure to provide accurate itemized wage statements, failure to pay all wages due upon termination, failure to pay all wages owed twice per month, failure to keep accurate records of time worked, failure to reimburse business expenses, and unfair competition.

In addition, the proposed settlement includes the settlement of claims for civil penalties under the PAGA. If you worked for Sterling Plumbing from November 4, 2022, to October 28, 2024, you are a PAGA Aggrieved Employee. PAGA Aggrieved Employees will release claims for civil penalties under the PAGA for the claims alleged in Plaintiff’s lawsuit. This release will be for the period of time between November 4, 2022, to October 28, 2024.

If you would like to see the settlement documents or complaint on file, you can check www.occourts.org, the Court’s website, or contact Class Counsel. Directions for accessing the Court’s website are outlined in Section 15 of this notice. Class Counsel’s information is outlined in Section 4 of this notice.

9. *How Much is the Settlement?*

The amount that Sterling Plumbing is required to pay under this settlement is \$239,300. This amount is referred to as the “Gross Settlement Amount.” The Gross Settlement Amount includes the following amounts: (1) approximately \$74,533.34 for disbursement to Class Members who do not request to be excluded from the settlement; (2) \$5,000 to Plaintiff Francisco Arroyo Mora for his effort in bringing this action; (3) costs to administer the settlement – meaning costs associated with mailing this notice to employees and costs associated with sending out settlement checks – to the Settlement Administrator, Apex Class Action Administration, which will not exceed \$7,500; (3) \$50,000 to Plaintiff’s claims under the PAGA (of this amount \$37,500 will be paid to the Labor and Workforce Development Agency pursuant to the Private Attorneys’ General Act of 2004 and \$12,500 will be available for distribution to PAGA Aggrieved Employees); and (4) payment to Class Counsel in the amount of \$79,766.66 (33.33% of the Gross Settlement Amount) in attorneys’ fees for investigating the facts of the case, litigating the case, and negotiating the settlement, and an amount not to exceed \$22,500 for actual costs spent litigating this case. All of these payments are subject to Court approval.

The Court will not approve these requests until the Final Approval Hearing. If any of the amounts awarded are less than what is requested, the difference shall become part of the amount available for distribution to employees who do not request to be excluded from the settlement.

10. How Much Can I Expect to Receive from the Settlement?

Each employee who does not request to be excluded from the settlement will be provisionally assigned an award amount based on his or her tenure as part of the Class. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked for Sterling Plumbing in California, as a Class Member, based on the data provided by Defendant, divided by (ii) the total number of weeks worked by all Participating Class Members based on the same data, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a work week for purposes of this calculation. Therefore, your settlement payment ties directly to the number of workweeks you worked for Sterling Plumbing between November 4, 2022, to October 28, 2024.

Although your exact settlement share cannot be precisely calculated until employees have had the opportunity to request to be excluded from the settlement, based upon the calculation formula above, your approximate share of the settlement is: \$ [REDACTED] (based on Sterling Plumbing’s data which shows you worked # of workweeks between November 4, 2022, and October 28, 2024). If you began your employment prior to November 4, 2022, this lawsuit only compensates you for the weeks you worked for Sterling Plumbing on or after November 4, 2022.

If you believe the number of workweeks attributed to you is incorrect, you must notify the Settlement Administrator by completing the enclosed Workweek Dispute Form and mailing to the Settlement Administrator no later than 60 DAYS AFTER MAILING RESPONSE DEADLINE. Alternatively, you can notify the Settlement Administrator by mail or telephone, no later than 60 DAYS AFTER MAILING RESPONSE DEADLINE, explaining the basis for the dispute and including any supporting documentation showing that the workweeks credited to you are inaccurate. If your class notice was returned to the Settlement Administrator as undeliverable and was then remailed to you because a more accurate address was found for you, your deadline to submit a dispute as to the workweeks attributed to you will be forty-five (45) days from the

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date your notice was remailed. In response to a dispute submitted by a Class Member, Sterling Plumbing will review its records, the documentation provided by the Class Member, and shall provide information to the Settlement Administrator in response to any such disputed claim. The Settlement Administrator will make an initial determination about any disputes submitted. The Court shall have the right to review any decision by the Settlement Administrator regarding disputes.

You may also be entitled to a payment for your release of PAGA claims if you worked for Sterling Plumbing on or after November 4, 2022, to October 28, 2024. If you worked for Sterling Plumbing during this time period you are a PAGA Aggrieved Employee. Based on Sterling Plumbing's data which shows you worked # of pay periods between November 4, 2022, and October 28, 2024, your payment as a PAGA Aggrieved Employee is \$. If you submit a dispute, as outlined in the paragraph above, the initial determination made by the Settlement Administrator, subject to Court review, will also apply to the number of pay periods you are attributed to have worked as a PAGA Aggrieved Employee.

11. Will Taxes be Taken Out of My Settlement Share?

Yes, twenty percent (20%) of each settlement payment is intended to settle employees' claims for unpaid wages. This portion of your settlement share will be reduced by applicable payroll tax withholdings and deductions. Sterling Plumbing will pay the employer's share of legally required payroll taxes separately and outside of the settlement. The Settlement Administrator will issue you an IRS Form W-2 with respect to this portion of your settlement share.

Eighty percent (80%) of each settlement payment is intended to settle each employees' claims for interest and penalties. This portion will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue you an IRS Form 1099 with respect to this portion of your settlement share.

One hundred percent (100%) of each PAGA settlement share is intended to settle each employees' claims for penalties under the PAGA. This portion will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue you an IRS Form 1099 with respect to this portion of your settlement share.

12. When Can I Expect to Receive Money from the Settlement?

If you do not request to be excluded from the settlement, you should receive your settlement check approximately three months after the Court gives final approval of the settlement and it becomes effective. The effective date of this Settlement will be when the final approval of the settlement can no longer be appealed.

Please note that you must cash or deposit your settlement check within 180 calendar days after the check is mailed to you. If your check was lost or misplaced or you have changed your address, please contact the Settlement Administrator. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, they will be deemed void and of no further force and effect. This means that you will not be able to cash or redeem your settlement check 180 days after its issuance. The funds from settlement checks that are voided will be paid to the State of California unclaimed property fund in your name.

13. How Will the Attorneys for the Class Be Paid?

The Court-appointed attorneys for Plaintiff and the employees will be paid from the Gross Settlement Amount, subject to Court approval, in an amount not to exceed 33.33% of the Gross Settlement Amount (estimated to be \$79,766.66) in attorneys' fees and an amount not to exceed \$22,500 in actual litigation costs. Sterling Plumbing has paid and will continue to pay all of its own attorneys' fees and costs.

14. How Will the Class Representative Be Paid?

Plaintiff Francisco Arroyo Mora will also be paid, subject to Court approval, an amount not to exceed \$5,000, in consideration for bringing this case, for the time and effort they put into litigating this case and for conferring a benefit upon other employees and the State of California.

15. What do I do if I Need More Information or Have Questions?

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, you can receive a copy of the settlement agreement by contacting Class Counsel at the information listed in Section 4, above, or by accessing the Court docket in this case through the Court's website at <https://www.occourts.org> or by visiting the office of the Court at 751 W. Santa Ana Blvd., Santa Ana, CA 92701 between 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. You may also ask Class Counsel for a copy of any of the case documents to be mailed to you free of charge. Please refer to the Sterling Plumbing Class Action Settlement when calling the settlement administrator or Class Counsel.

To view the case documents on the Court's website, access the website <https://www.occourts.org>. Once at this website, click on the "Online Services" link. Then click the link that says "Case Access" under the heading "Online Services". Then click "Civil Case & Document Access." At the bottom of the page, click "Accept Terms". On the next page, type the case number "01371468" into the box with the words "Case Number" and "2024" in the box with the words "Year Filed". Then, click the "Search" button. You will be directed to a screen with the case name. Find the case title "FRANCISCO ARROYO MORA VS. STERLING PLUMBING, INC." and click on the case number associated with this case (30-2024-01371468-CU-OE-CXC). This will take you to the case information. If you scroll down on this page, you will be able to access all of the documents filed in the case.

Additionally, the Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on [FINAL APPROVAL HEARING DATE/TIME], in Department CX-102 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class Members. You are not required to attend the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.

Settlement documents, including the Court's final judgment, will be posted on the Settlement Administrator's website (INSERT). Other documents available on the Settlement Administrator's website include the operative complaints, the settlement agreement, and the Court's order granting preliminary approval.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

Exhibit 2

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this settlement agreement is made between Plaintiff Francisco Arroyo Mora (hereinafter “Plaintiff”) on behalf of himself and the Class and Defendant Sterling Plumbing, Inc. (hereinafter “Defendant”) (collectively Plaintiff and Defendant are referred to in this Agreement as the “Parties”). This agreement is intended to settle the case entitled *Francisco Arroyo Mora v. Sterling Plumbing, Inc.*, Orange County Superior Court Case No. 30-2024-01371468-CU-OE-CXC.

I. DEFINITIONS

In addition to the other terms defined in this agreement, the terms below have the following meaning:

1. **Administration Costs**: The costs incurred by the Settlement Administrator, Apex Class Action Administration, to administer this Settlement, which shall not exceed \$7,500. All Administration Costs shall be paid from the Gross Settlement Amount. If the actual administration costs are less than the amount allocated in this agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.
2. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
3. **Attorneys Fee Award**: The amount of attorneys’ fees approved of by the Court and awarded to Class Counsel. This amount shall not exceed one-third of the Gross Settlement Amount. One-third of the Gross Settlement Amount is currently \$79,766.66. The Attorneys Fee Award shall be paid from the Gross Settlement Amount. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
4. **Class**: All hourly, non-exempt employees of Defendant who worked in California at any time from November 4, 2022, to October 28, 2024.
5. **Class Counsel**: David Mara and Matthew Crawford of Mara Law Firm, PC, and Sabrina Sanders and Colette Mahon of Lawyers for Employee and Consumer Rights.
6. **Class Data**: The electronic database Defendant shall deliver to the Settlement Administrator which will list the following information for each Class Member: (1) first and last name; (2) last known mailing address; (3) last known telephone number; (4) social security number; and (5) hire and termination dates.. The

Class Data shall be based on Defendant's payroll, personnel, and other business records.

7. **Class Member**: Each person eligible to participate in this Settlement who is a member of the Class as defined above.
8. **Class Notices**: The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
9. **Class Period**: November 4, 2022, to October 28, 2024.
10. **Class Representative or Plaintiff**: Francisco Arroyo Mora
11. **Class Representative Enhancement Payment**: The amount the Court awards to Plaintiff, which will not exceed \$5,000. This payment shall be paid from the Gross Settlement Amount. This payment is being offered in consideration for Plaintiff executing a general release of claims against Defendant, a release that is broader than any Participating Class Member will provide in consideration for a settlement share. This payment is also offered in consideration for the Plaintiff's actions in conferring a benefit upon the State of California and the Class, and the time and effort Plaintiff put into pursuing the litigation. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
12. **Cost Award**: The amount that the Court orders Defendant to pay Class Counsel for payment of actual litigation costs, which shall not exceed \$22,500. The Cost Award will be paid from the Gross Settlement Amount and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the actual costs incurred are less than the amount allocated in this Agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this Agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.
13. **Counsel for Defendant**: Marie D. DiSante, Leigh A. White, and Osaama Saifi of CDF Labor Law LLP.
14. **Court**: Superior Court of California for the County of Orange.
15. **Defendant**: Sterling Plumbing, Inc.
16. **Disbursement of the Settlement**: The date on which the Settlement Administrator shall disburse the Gross Settlement Amount as indicated herein. Under the terms of this Settlement Agreement, within seven (7) calendar days after the Defendant wires the Gross Settlement Amount and employer's share of taxes to the Settlement Administrator, the Settlement Administrator shall

disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment, as approved by the Court.

17. **Effective Final Settlement Date:** The effective date of this Settlement will be the date by when both of the following have occurred: (a) the Court enters the Final Approval order; and (b) the Final Approval order is final. The Final Approval order is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Final Approval order; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Final Approval order if no appeal is filed; or (c) if a timely appeal from the Final Approval order filed, the day after the appellate court affirms the Final Approval order and issues a remittitur.
18. **Employer Taxes:** Defendant's portion of payroll taxes as the Class Members' current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) owed to the appropriate local, state, and federal taxing authorities. Defendant will pay its portion of payroll taxes separate and apart from the Gross Settlement Amount.
19. **Final Judgment or Final Approval:** The final order entered by the Court approving this Agreement.
20. **Funding of Settlement:** Defendants shall wire to the Settlement Administrator the Gross Settlement Amount no later than fourteen (14) calendar days after the Effective Final Settlement Date.
21. **Gross Settlement Amount or GSA:** The total value of the Settlement is a non-reversionary \$239,300. This is the gross amount Defendant can be required to pay under this Settlement Agreement, with the exception of its obligation to pay Employer Taxes. The Gross Settlement Amount includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment, as approved by the Court. Defendant's portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant for any reason.
22. **Individual Settlement Share(s):** The amount payable to each Participating

Class Member and PAGA Aggrieved Employees under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Settlement Share automatically, without the return of a claim form.

23. **LWDA**: California Labor and Workforce Development Agency.
24. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members and PAGA Aggrieved Employees, which is the GSA less the Attorneys Fee Award, Cost Award, Class Representative Enhancement Payment, the PAGA Payment, and Administration Costs. In other words, the NSA is the portion of the GSA that will be distributed to Participating Class Members and PAGA Aggrieved Employees. The remitting of employee-side taxes on the portion of the settlement shares earmarked as wages shall be deducted out of the Net Settlement Amount. Thus, the Individual Settlement Shares that are paid out of the Net Settlement Amount shall be reduced by the employee's tax liability for the share for the portion of the settlement shares allocated as wages.
25. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
26. **PAGA Aggrieved Employees**: Class Members who worked during the PAGA Period.
27. **PAGA Fund**: Twenty-five percent (25%) of the PAGA Payment that is available for distribution to PAGA Aggrieved Employees.
28. **PAGA Notice**: The letter submitted on behalf of Plaintiff to the Labor Workforce Development Agency on October 31, 2023, alleging violations against Defendant.
29. **PAGA Payment**: The Parties agree to settle the PAGA claims for \$50,000. 75% of this amount, or \$37,500, shall be paid to the LWDA and is referred to as the PAGA Payment. The remaining 25% of the \$50,000, or \$12,500, shall be added to the PAGA Fund for distribution to PAGA Aggrieved Employees.
30. **PAGA Period**: November 4, 2022, to October 28, 2024.
31. **Opt-Out or Request for Exclusion**: Means a Class Member who requests to be excluded from, or opt-out of, the Settlement within sixty (60) days of the Notices being mailed out by the Settlement Administrator. Class Members who request to be excluded from, or opt-out of, the Settlement shall not receive a Settlement Share and will not release any of the Released Class Claims against the Released Parties herein. PAGA Aggrieved Employees shall have no right

or ability to opt out of the PAGA portion of this Settlement and will have released the Released PAGA Claims.

32. **Participating Class Members:** All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
33. **Parties:** Plaintiff Arroyo Mora, as an individual and as Class Representative, and Defendant Sterling Plumbing, Inc.
34. **Preliminary Approval or Preliminary Approval Order:** The Court's order preliminarily approving the Class Settlement.
35. **Released Class Claims:** Participating Class Members will release Defendant and the Released Parties from all claims asserted at any time in the operative complaint and from all other claims that could have been asserted based on the facts alleged in the operative complaint and/or the PAGA Letter. This release will be for the Class Period.
36. **Released PAGA Claims:** Aggrieved Employees shall release Defendant and the Released Parties from all claims for civil penalties under the California Labor Code and the Private Attorneys General Act predicated upon the claims asserted in the PAGA Letter and the operative complaint and from all other claims that could have been asserted based on the facts alleged in the PAGA Letter and the operative complaint. This release will be for the PAGA Period.
37. **Released Parties:** Defendant and its past and present officers, directors, owners, parents, subsidiaries, divisions, related companies, Employee Stock Ownership Plans, employees, representatives, affiliates, administrators, attorneys, agents, consultants, shareholders, joint ventures, predecessors, successors, fiduciaries, beneficiaries, subrogees, executors, insurers, employee benefit plans, and/or assigns of said entities and individuals.
38. **Response Deadline:** Sixty (60) calendar days from the initial mailing of the Class Notices.
39. **Settlement Administration:** The Settlement Administrator will conduct a skip trace for the address of all former employee Class Members. The Settlement Administrator will mail the Class Notices by first class U.S. mail to all Class Members at the address Defendant has on file for those Class Members to all former employee Class Members at the address resulting from the skip trace. The Class Notices will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out of the Settlement. Any Class Member who does not receive notice after the steps outlined above have been taken will still be bound by the Settlement and/or judgment. Any Class Member who is also a PAGA Aggrieved Employee will have released the Released PAGA Claims even if they opt out of the Class.

40. **Settlement Administrator:** The third party administrator agreed upon by Parties to administer this Settlement is Apex Class Action Administration.

II. **RECITALS**

41. Plaintiff sent his Notice of Labor Code Violations Pursuant to Labor Code § 2699.3 on October 31, 2023. In the letter, Plaintiff apprised the LWDA of his wage and hour claims against Defendant. Plaintiff's notice alleged that Defendant violated the California Labor Code by failing to pay all straight time wages, failing to pay minimum wages, failing to pay all overtime wages, failing to provide lawful meal and rest periods, failing to provide accurate itemized wage statements, failing to pay all wages owed at termination, failing to pay wages twice per month, and failure to reimburse business expenses.
42. On January 8, 2024, Plaintiff filed his wage and hour PAGA representative action against Defendant. The complaint alleged causes of action on behalf of Plaintiff and those similarly situated aggrieved employees under the PAGA for failure to pay straight time and minimum wages, failure to pay overtime, failure to provide meal periods, failure to provide rest periods, failure to provide compliant wage statements, failure to keep accurate records of time worked, failure to pay all wages due at termination, failing to pay wages twice per month, and failure to reimburse business expenses.
43. The Parties met and conferred regarding the case and then agreed to attend a mediation. Prior to the mediation, Defendant provided class-wide data, documents, and information permitting Plaintiff and his lawyers to fully evaluate class-wide exposure.
44. On August 28, 2024, the Parties participated in a full-day mediation with respected wage and hour mediator, Jeff Ross, wherein the Parties were able to reach an agreement on settlement that is reflected in this Agreement.
45. As part of the Parties' settlement, a First Amended Complaint will be filed to add class-wide claims for hourly, non-exempt employees during the same statutory time period of the PAGA claims, November 4, 2022, to October 28, 2024, alleging class and PAGA claims for failing to pay all straight time wages, failing to pay minimum wages, failing to pay all overtime wages, failing to provide lawful meal and rest periods, failing to provide accurate itemized wage statements, failing to pay all wages owed at termination, failing to pay wages twice per month, failure to reimburse business expenses, and unfair competition. The Parties will cooperate and agree on the causes of action asserted in the First Amended Complaint before it is filed.
46. **Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible

appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.

47. **Defendant's Reasons for Settlement.** Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.
48. **Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Action is not appropriate for class treatment. Defendant asserts a number of defenses to the claims, and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.
49. **Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiffs, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, the Plaintiffs, Class Members, and Class Counsel will not oppose Defendant's efforts to use this Agreement to prove that Plaintiffs and Class Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

50. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount, that Defendant is obligated to pay under this Settlement Agreement is \$239,300. The Gross

Settlement Amount includes, but is not limited to: (1) the Net Settlement Amount to be paid to Participating Class Members, including their portion of payroll taxes; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and PAGA Aggrieved Employees, as approved by the Court. Defendant's portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant for any reason.

A. Escalator Provision: At the time of mediation, Defendant represented that there were an estimated 9,572 weeks worked by the Class Members during the Class Period. If the number of actual total weeks worked by Class Members during the Class Period, as reported to the Settlement Administrator following preliminary approval, exceeds this amount by more than 10% (i.e., if the workweeks increase by 957, such that the total workweeks exceed 10,529), Defendant will pay an additional sum necessary to increase the Gross Settlement Payment on a proportional basis (i.e., if there was a 15% increase in workweeks, Defendant would increase the Gross Settlement payment by 5%). As of the date of the execution of this Agreement, Defendant represents that there are an estimated 9,370 weeks worked by the Class Members during the Class Period.

51. **Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Agreement.
52. **Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with, the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. If the Settlement does not become effective, Defendant reserves the right to contest any issues relating to class certification and liability. The Parties agree that if this settlement is not finally approved for any reason, Defendant shall not have waived its right to move to compel arbitration of the Plaintiff's individual claims and dismiss the class claims pursuant to its Arbitration Agreement with Plaintiff through this agreement to amend the Complaint for settlement purposes or as a result of the settlement process.

53. **Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff Francisco Arroyo Mora shall be appointed as representative for the Class.
54. **Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
55. **Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member and PAGA Aggrieved Employee.

A. Calculation.

- i. **Individual Class Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked for Defendant in California, as a Class Member, based on the Class Data provided by Defendant, divided by (ii) the total number of weeks worked by all Participating Class Members based on the same Class Data, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a work week for purposes of this calculation. Therefore, the value of each Class Member's Individual Settlement Share ties directly to the amount of weeks that he or she worked.
- ii. **Individual PAGA Settlement Share Calculation.** Each PAGA Aggrieved Employee will receive a proportionate share of the PAGA Fund that is allocated for distribution to PAGA Aggrieved Employees (i.e., 25% of the PAGA Payment), equal to (i) the estimated number of pay periods he or she worked at least one (1) day of the week for Defendant in California during the PAGA Period based on the Class data provided by Defendant, divided by (ii) the total estimated number of pay periods worked by all PAGA Aggrieved Employees during the PAGA Period based on the same Class data, which is then multiplied by the PAGA Payment allocated for distribution to PAGA Aggrieved Employees.

- B. Tax Withholdings.** Each Class Member's Individual Class Settlement Share will be apportioned as follows: 20% wages and 80% interest and penalties. Each PAGA Aggrieved Employee's Individual PAGA Settlement Share will be apportioned as 100% penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an

employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-9 form is received from the payee(s). The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Only the employee share of payroll tax withholdings shall be from each Class Member's Individual Settlement Share. The employer share of payroll tax withholdings shall be paid separate from and in addition to the Gross Settlement Amount.

C. Tax Treatment and Payment. The Parties agree that Plaintiff, Class Counsel, and the Participating Class Members who receive any payment pursuant to this Settlement shall be solely responsible for any and all individual tax obligations associated with this Settlement.

56. Constituents of Gross Settlement Amount Disbursement. Subject to the terms and conditions of this Agreement, the Settlement Administrator shall disburse the Gross Settlement Amount as directed later on herein to the following:

A. To the Named Plaintiff: In addition to his Individual Settlement Share, and subject to the Court's approval, the named Plaintiff, Francisco Arroyo Mora, will receive up to \$5,000 in consideration for providing Defendant a General Release, a release that is broader than the claims released by Participating Class Members. Defendant shall not oppose this request. The Settlement Administrator will pay the Class Representative Enhancement Payment out of the Gross Settlement Amount. Payroll tax withholdings and deductions will not be taken from the Class Representative Enhancement Payment. An IRS Form 1099 will be issued to Plaintiff with respect to his Class Representative Enhancement Payment.

B. To Class Counsel. At the Final Approval Hearing, Class Counsel will apply to the Court for an Attorneys Fee Award not to exceed one-third of the GSA (which currently equates to \$79,766.66) and a Cost Award not to exceed \$22,500. Defendant shall not oppose this request. The Settlement Administrator will pay the Court approved amounts for the Attorneys Fee Award and Cost Award out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Attorneys Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to the Attorneys Fee Award. In the event the Court does not approve the entirety of the application for the Attorneys Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested

by Class Counsel for the Attorneys Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

C. To the Responsible Tax Authorities. The Settlement Administrator will pay the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each Class Member's Individual Settlement Share. Defendant's portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) will be paid outside of and in addition to the GSA. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and will forward the amount of the Participating Class Members' portion of normal payroll withholding taxes to the appropriate taxing authorities.

D. To the Settlement Administrator. The Settlement Administrator – Apex Class Action Administration – will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$7,500. This will be paid out of the Gross Settlement Amount. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

E. To the LWDA. The Settlement Administrator will pay \$37,500 of the Gross Settlement Amount to the LWDA. This is 75% of the \$50,000 allocated to satisfy the PAGA penalties claim. The remaining 25% of the PAGA Payment (which equates to \$12,500) shall become part of the PAGA Fund and be available for distribution to PAGA Aggrieved Employees.

F. To Class Members. The Settlement Administrator will pay Participating Class Members and the PAGA Aggrieved Employees according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members and the PAGA Aggrieved Employees shall be made from the Gross Settlement Amount.

57. Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties stipulate and agree that Apex Class Action Administration shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, mailing; performing skip traces and remailing notices to Class Members; calling Class Members with undeliverable notices to obtain accurate addresses; keeping track of any objections or requests for exclusion from Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; maintaining a website which will include settlement documents; providing weekly status reports to Defendant's

Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing and remailing Individual Settlement Shares to Participating Class Members and PAGA Aggrieved Employees; calculating and mailing the PAGA Payment to the LWDA; distributing the Attorneys Fee Award and Cost Award to Class Counsel; printing and providing Participating Class Members, Aggrieved Employees, and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the State of California unclaimed property fund in the name of the Class Member; and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in Apex Class Action Administration or otherwise have a relationship with Apex Class Action Administration that could create a conflict of interest.

58. Procedure for Approving Settlement.

A. Motion for Preliminary Approval and Conditional Certification.

- i.** Plaintiff will move for an order: (1) conditionally certifying the Class for settlement purposes only; (2) granting Preliminary Approval of the Settlement; (3) setting a date for the Final Approval hearing; and (4) approving the Class Notice.
- ii.** At the same time that Plaintiff files his Motion for Preliminary Approval, Plaintiff shall send a copy of the Agreement to the LWDA pursuant to the 2016 amendments to PAGA.
- iii.** At the Preliminary Approval hearing, Plaintiff will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.
- iv. Effect of Denial of Preliminary Approval.** Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement Agreement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval

or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement Agreement. Any order or proceeding relating to an application for the Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payment shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff's or Class Counsel's ability to appeal any decision by the Court to award less than the requested Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payment.

B. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice in accordance with the following procedure:

- i. Delivery of Class Data.** Within fourteen (14) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator an Excel spreadsheet, which will list the following information for each Class Member: (1) first and last name; (2) last known mailing address; (3) last known telephone number; (4) social security number; and (5) hire and termination dates. The Settlement Administrator will conduct a skip trace for the address of all former Defendant employee Class Members. The Class Data shall be based on Defendant's payroll, personnel, and other business records. The Settlement Administrator shall maintain the Class Data and all information contained within the Class Data as private and confidential.
- ii. Preparation of Class Notices.** Based on the information in the Class Data and the formulas set forth in Paragraph 55(A), above, the Settlement Administrator shall promptly calculate the estimated Individual Class Settlement Share for every Class Member and Individual PAGA Settlement Share for every PAGA Aggrieved Employee, to be included in the individualized Class Notice to be sent to that Class Member, and shall prepare and mail a spreadsheet setting forth those calculations (without names and contact information of Class Members) to Class Counsel and Defense Counsel no fewer than five (5) days before mailing the Class Notices to Class Members. The Class Notices will inform each Class Member of his/her right to do nothing, dispute the number of work weeks worked, opt out of the Settlement, or object to the Settlement. It will also inform Class Members that if they first request exclusion from the Settlement and then object, the objections would not be considered valid. In addition, if the Class

Members object and then request exclusion from the Class Settlement, the Class Members would be deemed to have waived their objection.

- iii. **Mailing of Class Notices.** Within fourteen (14) calendar days after receipt of the Class Data, the Settlement Administrator will mail via first-class regular U.S. Mail the Class Notice to all identified Class Members using the mailing address information provided by Defendant and the results of the skip trace performed on all former Defendant employee Class Members.
- iv. **Posting of Class Notice.** At the same time the Class Notices are mailed, the Settlement Administrator will post a copy of the Class Notice on a settlement website for at least 90 days.
- v. **Returned Notices.** If a Class Notice is returned because of an incorrect address, within five (5) business days from receipt of the returned notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail, performing address searches for all mail returned without a forwarding address, and promptly re-mailing to Class Members for whom new addresses are found. If a Class Notice is returned because of an incorrect address and re-mailed to a Class Member for whom a new address is found, the Class Member's deadline to respond to the settlement shall be increased by forty-five (45) calendar days.
- vi. **Weekly Status Reports.** The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for exclusion or objections received.
- vii. **Settlement Administrator's Declaration.** No later than fourteen (14) calendar days after the Response Deadline, or on a date mutually agreed upon by the Parties and the Settlement Administrator, the Settlement Administrator will serve on the

Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel at the same time as the final approval motion is filed. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

C. Objections to Settlement. The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline or by appearing at the Final Approval Hearing. The Settlement Administrator will provide the Parties with any objections received within five (5) days of receipt. Absent good cause found by the Court, objections will not be considered by the Court if not timely or otherwise compliant with the procedures herein. All objections submitted to the Settlement Administrator will be presented to the Court along with the final approval motion.

a. Format. Any Objections shall state: (a) the Class Member's name, address, telephone number, and the last four digits of the Class Member's social security number or employee identification number; (b) the words "Notice of Objection" or "Formal Objection;" and (c) a short statement of the facts supporting the objections, such as, the legal and factual arguments supporting the objection.

b. Notice of Intent to Appear. Class Members may (though are not required to) appear at the Final Approval Hearing to state an objection, either in person or through the objector's own counsel.

D. Request for Exclusion from the Settlement ("Opt-Out"). The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator a written request for exclusion. The written request for exclusion must: (a) state the Class Member's name, address, telephone number, and the last four digits of the Class Member's social security number or employee identification number; (b) state the Class Member's intention to exclude themselves from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class Member or his or her lawful representative; and (e) be postmarked no later than the Response Deadline. A request to Opt-Out of the Settlement shall not serve to exclude the Class Member from participation in the settlement of PAGA claims under this Settlement. PAGA Aggrieved Employees who opt-out from the class portion of the settlement shall still be entitled to their share of the PAGA

Fund. Subject to Court approval of the PAGA Payment, PAGA Aggrieved Employees shall have no right or ability to opt out of the PAGA portion of this Settlement and will have released the Released PAGA Claims. The Court has the final say regarding the validity of any requests for exclusion.

- i. **Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Class Settlement and subsequent judgment and will not receive an Individual Class Settlement Share, but will still receive an Individual PAGA Settlement Share and be bound by the release of the Released PAGA Claims if a PAGA Aggrieved Employee. A Class Member who does not complete and mail a timely request for exclusion will automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.
 - ii. **Report.** No later than five (5) business days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.
 - iii. Defendant, at its sole discretion, shall have the right but not the obligation to revoke the Settlement Agreement if five (5) percent or more of the Class Members timely opt out of the Class. Defendant shall exercise its revocation rights, if at all, within fourteen (14) days of the end of the opt out period by providing written notice to Plaintiff's counsel.
- E. **Class Member Disputes.** If a Class Member who receives a Class Notice wishes to dispute the number of work weeks listed on the Class Notice, the Class Member may notify the Settlement Administrator by mail or telephone no later than the Response Deadline and should produce any available supporting evidence, such as wage statements, offers of

employment, termination letters, and/or other employment records, to the Settlement Administrator by the Response Deadline. The documentation should provide evidence of the dates the Class Member contends he or she worked for Defendant during the Class Period. The Settlement Administrator shall then provide the documentation provided by the Class Member to Defendant. Defendant shall review its records, the documentation provided by the Class Member, and shall provide information to the Settlement Administrator in response to any such disputed claim. The Settlement Administrator shall evaluate the evidence submitted by the Class Member and make the decision as to which dates should be applied. All disputes submitted to the Settlement Administrator, including any evidence submitted in conjunction with a dispute, shall be presented to the Court in conjunction with final approval along with the determination made by the Settlement Administrator. The Court shall have the right to review any decision made by the Settlement Administrator regarding a workweek dispute.

F. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

G. Settlement Website. The Settlement Administrator shall establish a website to host documents relevant to this lawsuit and the proposed settlement, i.e., the pleadings filed in the Action, including all complaints and answers; this Joint Stipulation and Settlement Agreement, together with its exhibits; the Class Notice; the forthcoming settlement motions; and the Court's orders on those motions, including the judgment entered. These items will be posted for a period of at least ninety (90) calendar days.

H. Motion for Final Approval.

- i. Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorneys Fee Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative Enhancement Payment; (5) the Individual Settlement Payments; and (6) the PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Participating Class Members.
- ii. **Denial or Appeal of Final Approval.** If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that

occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Enhancement Payment, Attorneys Fee Award, Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph.

iii. Proposed Order and Judgment. Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the action pursuant to California Code of Civil Procedure § 664.6 and California Rules of Court Rule 3.769(h) for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-judgment matters as may be appropriate under Court rules and applicable law.

iv. Posting the Judgment. Notice of the Court's entry of a Final Approval Order and Judgment shall be given to Class Members by posting a copy of the Final Approval Order and Judgment on the Settlement Administrator's website for a period of at least ninety (90) calendar days.

I. Waiver of Right to Appeal. Provided that the judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.

J. Vacating, Reversing, or Modifying Judgment on Appeal. If, after a notice of appeal, the reviewing Court vacates, reverses, or modifies the judgment such that there is a material modification to the Settlement Agreement, and that Court's decision is not completely reversed and the judgment is not fully affirmed on review by a higher Court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not

necessarily be limited to, any alteration of the Gross Settlement Amount, an alteration in the calculation of the Net Settlement Amount, and any change to the calculation of the Individual Settlement Share.

K. Disbursement of Settlement Shares and Payments. Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's Final Approval Order and Judgment. The Settlement Administrator shall keep Defendant's Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendant's Counsel and Class Counsel. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.

- i. Employer's Share of Taxes:** The Settlement Administrator shall inform Defendant of the amount of the employer's share of taxes no later than seven (7) calendar days after the Effective Final Settlement Date. Defendant shall wire to the Settlement Administrator the employer's share of taxes no later than fourteen (14) calendar days of the Effective Final Settlement Date.
- ii. Disbursement:** Within seven (7) calendar days after the Defendant wires the Gross Settlement Amount and employer's share of taxes to the Settlement Administrator, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) the Administration Costs, as approved by the Court; (5) the PAGA Payment to the LWDA and the PAGA Aggrieved Employees; and (6) Defendant's portion of payroll taxes as the Class Members' current or former employer.
- iii. Qualified Settlement Fund or QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

L. Settlement Administrator's Final Report. Within ten (10) business days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds. The Parties shall file this declaration with the Court. The Settlement Administrator will provide any supplemental declaration required by the Court or the Parties. At the same time the Settlement Administrator's declaration is filed, the Parties will file an amended judgment in compliance with California Code of Civil Procedure § 384.

M. Uncashed Checks. Participating Class Members and PAGA Aggrieved Employees must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them.

- i. Reminder Postcard.** If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced.
- ii. Returned Checks.** If a check is returned because of an incorrect address, within five (5) business days from receipt of the returned check, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a check is returned by U.S. Postal Service as undeliverable. If the Settlement Administrator is unable to locate a better address through a database search or skip trace, the Settlement Administrator shall call the last known phone number provided by Defendant to attempt to obtain an accurate address. If an address is obtained, the Settlement Administrator shall promptly re-mail the check to the updated address.
- iii.** If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks. All funds associated with the Individual Settlement Share checks returned as undeliverable and funds associated with those checks remaining un-cashed, shall escheat to the State of California Controller's Office under the Unclaimed Property Statutes in the name of the

Class Member.

N. Defendant's Legal Fees. Defendant is responsible for paying for all of Defendant's own legal fees, costs, and expenses incurred in this Action outside of the Gross Settlement Amount.

59. Release of Claims. As of the Effective Final Settlement Date, Class Members who do not submit a timely and valid request for exclusion release the Released Parties from the Released Class Claims. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Claims. As of the Effective Final Settlement Date, PAGA Aggrieved Employees release the Released Parties from the Released PAGA Claims.

60. Plaintiff's Release of Claims and General Release. As of the Effective Final Settlement Date, and in exchange for the Class Representative Enhancement Payment to the named Plaintiff in an amount not to exceed \$5,000, Plaintiff Francisco Arroyo Mora shall give the following general release of claims for himself and his respective spouse, heirs, successors and assigns, forever release 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, penalties and expenses of any nature whatsoever, from the beginning of time through the date of his signature on this Agreement, known or unknown, suspected or unsuspected, whether in tort, contract, equity, or otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, including but not limited to all claims arising out of, based upon, or relating to his employment with Defendant or the remuneration for, or termination of, such employment. Plaintiff's Release of Claims also includes a waiver of California Civil Code section 1542, which provides as follows:

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

This release excludes any release of any claims not permitted to be released by law.

61. Miscellaneous Terms

A. No Admission of Liability. Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to arbitration, class certification and liability if the Settlement is not approved. Defendant

denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement including to enforce the terms of the releases herein).

- B. No Effect on Employee Benefits.** The Class Representative Enhancement Payment and/or Individual Settlement Shares paid to Plaintiff and Participating Class Members shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Participating Class Members. The Parties agree that any Class Representative Enhancement Payment and/or Individual Settlement Share paid to Plaintiff or the Participating Class Members under the terms of this Agreement do not represent any modification of Plaintiff's or Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any Class Representative Enhancement Payment shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.
- C. Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
- D. Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under 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 effect 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 this Agreement, or on any supplemental provisions that may become necessary to effectuate

the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.

- E. Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
- F. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.
- G. Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
- H. Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- I. No Prior Assignment.** Plaintiffs hereby 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 herein released and discharged.
- J. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- K. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
- L. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement,

and that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of such taxes.

M. Jurisdiction of the Court. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.

N. Invalidity of Any Provision; Severability. Before declaring any provision of this Agreement invalid, the Parties request that the Court 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. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

O. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

P. Execution in Counterpart. This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND APPROVAL OF COUNSEL

The Parties execute this Agreement.

[signatures on the following page]

Dated: 8/6/2025

FRANCISCO ARROYO MORA

Firmado por:

5C5D12536C94475...

Dated: _____

STERLING PLUMBING, INC.

Name:

Title:

AGREED AS TO FORM:

Dated: August 7, 2025

MARA LAW FIRM, PC



David Mara, Esq.

Matthew Crawford, Esq.

Attorneys for Plaintiff, on behalf of himself, and all
others similarly situated

Dated: 8/8/202
5

**LAWYERS FOR EMPLOYEE AND
CONSUMER RIGHTS**



Sabrina Sanders, Esq.

Colette Mahon, Esq.

Attorneys for Plaintiff, on behalf of himself, and all
others similarly situated

Dated: _____

CDF LABOR LAW LLP

Marie D. DiSante, Esq.

Leigh A. White, Esq.

Osaama Saifi, Esq.

Attorneys for Defendant

Dated: _____

FRANCISCO ARROYO MORA

Dated: 8/6/2025

STERLING PLUMBING, INC.

Signed by:

2709CE03164446A...

Name: Rod Robbins

Title: President

AGREED AS TO FORM:

Dated: _____

MARA LAW FIRM, PC

David Mara, Esq.
Matthew Crawford, Esq.
Attorneys for Plaintiff, on behalf of himself, and all
others similarly situated

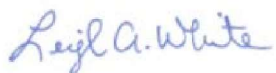
Dated: _____

**LAWYERS FOR EMPLOYEE AND
CONSUMER RIGHTS**

Sabrina Sanders, Esq.
Colette Mahon, Esq.
Attorneys for Plaintiff, on behalf of himself, and all
others similarly situated

Dated: August 6, 2025

CDF LABOR LAW LLP



Marie D. DiSante, Esq.
Leigh A. White, Esq.
Osaama Saifi, Esq.
Attorneys for Defendant

Exhibit A

ORANGE COUNTY SUPERIOR COURT

If you worked for Sterling Plumbing, Inc. (“Sterling Plumbing” or “Defendant”) in California as an hourly, non-exempt employee at any time between November 4, 2022, and October 28, 2024, a class action settlement will affect your rights. You may be entitled to a payment under this settlement.

A court authorized this notice. This is not a solicitation from a lawyer.

- Former employee, Francisco Arroyo Mora (“Plaintiff”), filed a proposed class action and California Private Attorneys General Act (“PAGA”) lawsuit against Sterling Plumbing. The lawsuit alleges class and PAGA claims against Sterling Plumbing failing to pay all straight time wages, failing to pay minimum wages, failing to pay all overtime wages, failing to provide lawful meal and rest periods, failing to provide accurate itemized wage statements, failing to pay all wages owed at termination, failing to pay wages twice per month, failure to keep accurate records of time worked, failure to reimburse business expenses, and unfair competition. Sterling Plumbing denies all alleged violations and denies liability. The Court has not made a ruling on the merits of the case. The Parties have agreed to settle the claims set forth in the lawsuit.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	Get a settlement payment and give up any rights to sue for the Released Claims (defined below). <u>If you are still employed by Sterling Plumbing and choose to receive a settlement payment, this will not affect your employment.</u>
EXCLUDE YOURSELF	Get no payment as a Class Member. This is the only option that allows you to ever be part of any other lawsuit against Sterling Plumbing involving the legal claims and statutory period alleged in this case. Please note that you are unable to exclude yourself from the PAGA portion of the settlement if you are a PAGA Aggrieved Employee.
OBJECT	Write to the Court about why you don’t agree with the settlement.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court still has to decide whether to approve of the settlement. Payments will be made if the Court approves the settlement. Please be patient.

WHAT INFORMATION IS IN THIS NOTICE?

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1. Why Have I Received this Notice?

Sterling Plumbing's records indicate that you were employed as an hourly, non-exempt employee in California by Sterling Plumbing at sometime between November 4, 2022, and October 28, 2024. This period of time is referred to as the "Class Period." If you worked for Sterling Plumbing in California during the "Class Period," you may be entitled to money under this Settlement. This Notice provides you with basic information about the case and advises you of your options with regard to the Settlement.

2. What is this Case About?

On October 31, 2023, Plaintiff provided notice to the LWDA in accordance with the PAGA. A PAGA complaint against Defendant was filed by Plaintiff in the Orange County Superior Court on January 8, 2024 (Case No. 30-2024-01371468-CU-OE-CXC). The complaint alleged violations against Defendant of the PAGA, Labor Code §2699, et seq. for failure to pay straight time and minimum wages, failure to pay overtime, failure to provide meal periods, failure to provide rest periods, failure to provide compliant wage statements, failure to keep accurate records of time worked, failure to pay all wages due at termination, failing to pay wages twice per month, and failure to reimburse business expenses.

As part of the Settlement, Plaintiff filed a First Amended Complaint to include class claims for the original underlying alleged PAGA violations. The First Amended Complaint alleges causes of action against Defendant for: (1) Failure to Pay All Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; (6) Failure to Pay All Wages Due at Termination; (7) Failure to Pay All Wages Twice Per Month; (8) Failure to Reimburse/Illegal Deductions; (9) Violation of Unfair Competition Law (Bus. & Prof. Code § 17200, et seq.); and (10) Violations of the PAGA.

The Court has not made any determination as to whether the claims advanced by Plaintiff have

any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff or Defendant; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all parties avoid the risks and cost of a trial. Defendant expressly denies that it did anything wrong or that it violated the law and further denies any liability whatsoever to Plaintiff or to the Class.

3. *How Does this Class Action Settlement Work?*

Plaintiff and his attorneys believe the settlement is fair, adequate, and reasonable. The Orange County Superior Court has preliminarily reviewed the terms of the settlement and determined the settlement is fair, adequate, and reasonable. On [date of ruling on preliminary approval], the Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court will hold a Final Approval Hearing concerning the proposed settlement on [date of final approval hearing], 2025 at [time a.m./p.m.], in Department CX-102 before Judge Layne H. Melzer at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The date of the Final Approval Hearing may change without further notice to the Class. You are advised to check the Court's website (instructions on accessing this site are provided in Section 15 of this Notice) to confirm that the date has not been changed.

4. *Who Are the Attorneys Representing the Parties?*

Attorneys for Plaintiffs and the Class ("Class Counsel")	Attorneys for Sterling Plumbing
MARA LAW FIRM, PC David Mara dmara@maralawfirm.com Matthew Crawford jvecchi@maralawfirm.com 2650 Camino Del Rio North, Suite 302 San Diego, CA 92108 Telephone: (619) 234-2833 Facsimile: (619) 234-4048 LAWYERS FOR EMPLOYEE AND CONSUMER RIGHTS Sabrina Sanders ssanders@lfecr.com Colette Mahon cmahon@lfecr.com 3500 West Olive Avenue, Third Floor Burbank, CA 91505 Telephone: (323) 375-5101 Facsimile: (323) 306-5571	CDF LABOR LAW LLP Marie D. DiSante mdisante@cdfsflaborlaw.com Leigh A. White lwhite@cdfsflaborlaw.com Osaama Saifi osaifi@cdfsflaborlaw.com 18300 Von Karman Avenue, Suite 800 Irvine, CA 92612 Telephone: (949) 622-1661

The Court has appointed Mara Law Firm, PC and Lawyers for Employee and Consumer Rights to represent you and all other Class Members simultaneously in this Settlement. You are not required to hire your own attorney because Mara Law Firm, PC and Lawyers for Employee and

Consumer Rights is working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

5. How do I Participate in the Settlement?

If you do nothing, you will automatically be included as a participant in this Settlement and will not have to take any further action to receive your settlement payment. By participating in the Settlement, you will be bound by the Release described in Section 8 below. It is your responsibility to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment.

Important Note: *Sterling Plumbing will not retaliate against you in any way for either participating or not participating in this Settlement.*

If you do nothing, you will receive money and will be bound by the release of claims stated in this notice.

6. How Do I Request to be Excluded from the Settlement?

If you request to be excluded from the settlement, you **will not** receive any part of the class portion of the settlement. This is the only option that allows you to ever be a part of any other lawsuit against Sterling Plumbing about the legal claims and statutory period alleged in this case. By timely opting out, you will no longer receive any part of the class portion of the Settlement, nor bound by the release of class claims. You will still be bound by the release of PAGA claims.

HOW TO REQUEST TO BE EXCLUDED FROM THE SETTLEMENT:	
How can I request to be excluded from the settlement?	You can request to be excluded from the class portion of the settlement by mailing the Settlement Administrator a written request for exclusion. To do this, you can use the enclosed Request for Exclusion Form.
Is there a deadline to request to be excluded?	You must postmark your completed Request for Exclusion Form or other written request to be excluded by 60 DAYS AFTER MAILING . If your class notice was returned to the Settlement Administrator as undeliverable and was then remailed to you because a more accurate address was found for you, your deadline to respond to the settlement will be forty-five (45) days from the date your notice was remailed.
What information do I need to provide?	You must fully complete the enclosed Request for Exclusion Form. Alternatively, you can send a written request for exclusion that includes all of the following: (1) your full name, current address, telephone number, last four digits of your Social Security number or employee identification number; (2) state your intention to exclude yourself from or opt-out of the Settlement, (3) be addressed to Settlement Administrator; and (4) your signature and date of signature or your lawful representative signature and date of signature. A written request for exclusion must be postmarked by 60 DAYS AFTER MAILING .

The proposed settlement includes the settlement of claims for civil penalties under PAGA. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the Court approves this settlement, then even if you request exclusion from the settlement, you still will receive an individual settlement share for the PAGA claims if you were employed between November 4, 2022, and October 28, 2024 and will be deemed to have released the PAGA claims. A request for exclusion will preserve your right to individually pursue only the remaining substantive, individual and/or class claims.

7. *How Do I Object to the Settlement?*

You can ask the Court to deny approval by filing an objection or appearing at the Final Approval Hearing to assert the objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. Importantly, you cannot object to the settlement if you have requested to be excluded from the settlement.

HOW TO OBJECT TO THE SETTLEMENT:	
How can I object to the settlement?	As long as you have not requested to be excluded from the Settlement, you can object to the settlement by mailing the Settlement Administrator a written objection or appearing at the Final Approval Hearing to assert your objection. To do this, you can use the enclosed Formal Objection Form.
Is there a deadline to object?	You must postmark your completed Formal Objection Form or other written objection by 60 DAYS AFTER MAILING . If your class notice was returned to the Settlement Administrator as undeliverable and was then remailed to you because a more accurate address was found for you, your deadline to respond to the settlement will be forty-five (45) days from the date your notice was remailed.
What information do I need to provide?	You must fully complete the enclosed Formal Objection Form. Alternatively, you can send a written objection that includes all of the following: (1) your full name, address, telephone number, the last four digits of your social security number or employee identification number; (2) the words “Notice of Objection” or “Formal Objection” and (3) a short statement of the facts supporting the objections, such as, the legal and factual arguments supporting the objection. A written objection must be postmarked by 60 DAYS AFTER MAILING .

Absent good cause found by the Court, Class Members who fail to file timely written objections in the manner specified above or fail to appear at the Final Approval Hearing to assert an objection shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether an appeal or otherwise) to the settlement.

If the Court rejects the objection, the objector will receive a settlement payment and will be bound by the terms of the settlement and will release claims as defined in Section 8 of this notice

and in the settlement agreement.

8. *How Does This Settlement Affect Employees' Rights?*

If you do not submit a Request for Exclusion Form or other request to be excluded from the settlement and the Court approves of the settlement, you will receive your share of the settlement as described in Section 10 of this notice. In exchange for your share of the settlement, you will be releasing your right to bring your own lawsuit against Sterling Plumbing for the same claims that Plaintiff alleged in the lawsuit, or to bring claims that could have been alleged based on a reasonable interpretation of the facts alleged in the Lawsuit. Specifically, if you choose to receive your share of the settlement, you will be releasing your right to file a lawsuit or other claim against Sterling Plumbing for California wage and hour violations that occurred from November 4, 2022, to October 28, 2024, such as claims for failure to all regular rate and overtime wages owed during employment, failure to provide lawful meal and rest periods, failure to provide accurate itemized wage statements, failure to pay all wages due upon termination, failure to pay all wages owed twice per month, failure to keep accurate records of time worked, failure to reimburse business expenses, and unfair competition.

In addition, the proposed settlement includes the settlement of claims for civil penalties under the PAGA. If you worked for Sterling Plumbing from November 4, 2022, to October 28, 2024, you are a PAGA Aggrieved Employee. PAGA Aggrieved Employees will release claims for civil penalties under the PAGA for the claims alleged in Plaintiff's lawsuit. This release will be for the period of time between November 4, 2022, to October 28, 2024.

If you would like to see the settlement documents or complaint on file, you can check www.court.org, the Court's website, or contact Class Counsel. Directions for accessing the Court's website are outlined in Section 15 of this notice. Class Counsel's information is outlined in Section 4 of this notice.

9. *How Much is the Settlement?*

The amount that Sterling Plumbing is required to pay under this settlement is \$239,300. This amount is referred to as the "Gross Settlement Amount." The Gross Settlement Amount includes the following amounts: (1) approximately \$74,533.34 for disbursement to Class Members who do not request to be excluded from the settlement; (2) \$5,000 to Plaintiff Francisco Arroyo Mora for his effort in bringing this action; (3) costs to administer the settlement – meaning costs associated with mailing this notice to employees and costs associated with sending out settlement checks – to the Settlement Administrator, Apex Class Action Administration, which will not exceed \$7,500; (3) \$50,000 to Plaintiff's claims under the PAGA (of this amount \$37,500 will be paid to the Labor and Workforce Development Agency pursuant to the Private Attorneys' General Act of 2004 and \$12,500 will be available for distribution to PAGA Aggrieved Employees); and (4) payment to Class Counsel in the amount of \$79,766.66 (33.33% of the Gross Settlement Amount) in attorneys' fees for investigating the facts of the case, litigating the case, and negotiating the settlement, and an amount not to exceed \$22,500 for actual costs spent litigating this case. All of these payments are subject to Court approval.

The Court will not approve these requests until the Final Approval Hearing. If any of the amounts awarded are less than what is requested, the difference shall become part of the amount available for distribution to employees who do not request to be excluded from the settlement.

10. How Much Can I Expect to Receive from the Settlement?

Each employee who does not request to be excluded from the settlement will be provisionally assigned an award amount based on his or her tenure as part of the Class. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked for Sterling Plumbing in California, as a Class Member, based on the data provided by Defendant, divided by (ii) the total number of weeks worked by all Participating Class Members based on the same data, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a work week for purposes of this calculation. Therefore, your settlement payment ties directly to the number of workweeks you worked for Sterling Plumbing between November 4, 2022, to October 28, 2024.

Although your exact settlement share cannot be precisely calculated until employees have had the opportunity to request to be excluded from the settlement, based upon the calculation formula above, your approximate share of the settlement is: \$ [REDACTED] (based on Sterling Plumbing's data which shows you worked # of workweeks between November 4, 2022, and October 28, 2024). If you began your employment prior to November 4, 2022, this lawsuit only compensates you for the weeks you worked for Sterling Plumbing on or after November 4, 2022.

If you believe the number of workweeks attributed to you is incorrect, you must notify the Settlement Administrator by completing the enclosed Workweek Dispute Form and mailing to the Settlement Administrator no later than **60 DAYS AFTER MAILING**. Alternatively, you can notify the Settlement Administrator by mail or telephone, no later than **60 DAYS AFTER MAILING**, explaining the basis for the dispute and including any supporting documentation showing that the workweeks credited to you are inaccurate. If your class notice was returned to the Settlement Administrator as undeliverable and was then remailed to you because a more accurate address was found for you, your deadline to submit a dispute as to the workweeks attributed to you will be forty-five (45) days from the date your notice was remailed. In response to a dispute submitted by a Class Member, Sterling Plumbing will review its records, the documentation provided by the Class Member, and shall provide information to the Settlement Administrator in response to any such disputed claim. The Settlement Administrator will make an initial determination about any disputes submitted. The Court shall have the right to review any decision by the Settlement Administrator regarding disputes.

You may also be entitled to a payment for your release of PAGA claims if you worked for Sterling Plumbing on or after November 4, 2022, to October 28, 2024. If you worked for Sterling Plumbing during this time period you are a PAGA Aggrieved Employee. Based on Sterling Plumbing's data which shows you worked # of pay periods between November 4, 2022, and October 28, 2024, your payment as a PAGA Aggrieved Employee is \$ [REDACTED]. If you submit a dispute, as outlined in the paragraph above, the initial determination made by the Settlement Administrator, subject to Court review, will also apply to the number of pay periods you are attributed to have worked as a PAGA Aggrieved Employee.

11. Will Taxes be Taken Out of My Settlement Share?

Yes, twenty percent (20%) of each settlement payment is intended to settle employees' claims for unpaid wages. This portion of your settlement share will be reduced by applicable payroll tax withholdings and deductions. Sterling Plumbing will pay the employer's share of legally required payroll taxes separately and outside of the settlement. The Settlement Administrator will issue you an IRS Form W-2 with respect to this portion of your settlement share.

Eighty percent (80%) of each settlement payment is intended to settle each employees' claims for interest and penalties. This portion will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue you an IRS Form 1099 with respect to this portion of your settlement share.

One hundred percent (100%) of each PAGA settlement share is intended to settle each employees' claims for penalties under the PAGA. This portion will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue you an IRS Form 1099 with respect to this portion of your settlement share.

12. When Can I Expect to Receive Money from the Settlement?

If you do not request to be excluded from the settlement, you should receive your settlement check approximately three months after the Court gives final approval of the settlement and it becomes effective. The effective date of this Settlement will be when the final approval of the settlement can no longer be appealed.

Please note that you must cash or deposit your settlement check within 180 calendar days after the check is mailed to you. If your check was lost or misplaced or you have changed your address, please contact the Settlement Administrator. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, they will be deemed void and of no further force and effect. This means that you will not be able to cash or redeem your settlement check 180 days after its issuance. The funds from settlement checks that are voided will be paid to the State of California unclaimed property fund in your name.

13. How Will the Attorneys for the Class Be Paid?

The Court-appointed attorneys for Plaintiff and the employees will be paid from the Gross Settlement Amount, subject to Court approval, in an amount not to exceed 33.33% of the Gross Settlement Amount (estimated to be \$79,766.66) in attorneys' fees and an amount not to exceed \$22,500 in actual litigation costs. Sterling Plumbing has paid and will continue to pay all of its own attorneys' fees and costs.

14. How Will the Class Representative Be Paid?

Plaintiff Francisco Arroyo Mora will also be paid, subject to Court approval, an amount not to exceed \$5,000, in consideration for bringing this case, for the time and effort they put into litigating this case and for conferring a benefit upon other employees and the State of California.

15. What do I do if I Need More Information or Have Questions?

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, you can receive a copy of the settlement agreement by contacting Class Counsel at the information listed in Section 4, above, or by accessing the Court docket in this case through the Court's website at <https://www.occourts.org> or by visiting the office of the Court at 751 W. Santa Ana Blvd., Santa Ana, CA 92701 between 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. You may also ask Class Counsel for a copy of any of the case documents to be mailed to you free of charge. Please refer to the Sterling Plumbing Class Action Settlement when calling the settlement administrator or Class Counsel.

To view the case documents on the Court's website, access the website <https://www.occourts.org>. Once at this website, click on the "Online Services" link. Then click the link that says "Case Access" under the heading "Online Services". Then click "Civil Case & Document Access." At the bottom of the page, click "Accept Terms". On the next page, type the case number "01371468" into the box with the words "Case Number" and "2024" in the box with the words "Year Filed". Then, click the "Search" button. You will be directed to a screen with the case name. Find the case title "FRANCISCO ARROYO MORA VS. STERLING PLUMBING, INC." and click on the case number associated with this case (30-2024-01371468-CU-OE-CXC). This will take you to the case information. If you scroll down on this page, you will be able to access all of the documents filed in the case.

Additionally, the Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on [FINAL APPROVAL HEARING DATE/TIME], in Department CX-102 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class Members. You are not required to attend the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.

Settlement documents, including the Court's final judgment, will be posted on the Settlement Administrator's website (INSERT). Other documents available on the Settlement Administrator's website include the operative complaints, the settlement agreement, and the Court's order granting preliminary approval.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

Exhibit 3

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF ORANGE

FRANCISCO ARROYO MORA on behalf
of himself, all others similarly situated, and
on behalf of the general public,

Plaintiffs,

v.

STERLING PLUMBING, INC.; and DOES
1-100,

Defendants.

Case No. 30-2024-01371468-CU-OE-CXC

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT,
CONDITIONAL CERTIFICATION,
APPROVAL OF CLASS NOTICE, SETTING
OF FINAL APPROVAL HEARING DATE**

Date: ~~June 12~~[September 4](#), 2025
Time: 2:00 p.m.
Department: CX-102
Reservation No.: 74513908

1 **I. RECITALS**

2 This action is currently pending before this Court as a putative class action and
3 representative action (the “Action”). Plaintiff Francisco Arroyo Mora (“Plaintiff”) has applied to
4 this Court for an order preliminarily approving the settlement of the Action in accordance with the
5 Joint Stipulation and Settlement Agreement (the “Agreement”), which together with the exhibit
6 annexed thereto, sets forth the terms and conditions for a proposed settlement and entry of
7 judgment upon the terms and conditions set forth therein. The Parties’ Agreement is attached
8 hereto as **Exhibit 1** and attached to the Supplemental Declaration of David Mara, Esq. (ROA No.
9) as Exhibit 1. The Court has read and considered the Memorandum of Points and Authorities
10 in support of Plaintiff’s Motion for Preliminary Approval of Class and PAGA Action Settlement,
11 Conditional Certification, Approval of Class Notice, Setting of Final Approval Hearing Date and
12 the declarations submitted therewith. For purposes of this Order, the Court adopts all defined terms
13 as set forth in the Agreement.

14 **II. FINDINGS**

15 After review and consideration of the Agreement and Plaintiff’s motion for preliminary
16 approval and the papers in support thereof, the Court hereby finds and orders as follows:

17 1. The Agreement falls within the range of reasonableness meriting possible final
18 approval.

19 2. The certification of the Class solely for purposes of settlement is appropriate in that:
20 (1) the Class Members are ascertainable and so numerous that joinder of all Class Members is
21 impracticable; (2) there are questions of law and fact common to the Class which predominate
22 over any individual questions; (3) Plaintiff’s claims are typical of the claims of the Class; (4)
23 Plaintiff and his Counsel have fairly and adequately represented and protected the interests of the
24 Class; and (5) a class action, and class-wide resolution of the action via class settlement procedures
25 is superior to other available methods for the fair and efficient adjudication of the controversy.

26 3. The Agreement, and the obligations of the Parties as set forth therein, is fair,
27 reasonable, and is an adequate settlement of this case and is in the best interests of the Class in

light of the factual, legal, practical, and procedural considerations raised by this case.

4. Plaintiff does not have any conflicts that would preclude him from serving as Class Representative, and his appointment comports with the requirements of due process.

5. Class Counsel does not have any conflicts that would preclude them from acting as Class Counsel, and they meet the requirements for appointment as Class Counsel and the requirements of due process.

6. The notice of proposed class action settlement attached as **Exhibit A** hereto complies with due process because the notice of proposed class action settlement is reasonably calculated to adequately apprise Class Members of: (i) the pending lawsuit; (ii) the terms of the proposed Agreement; and (iii) their rights, including the right to either participate in the settlement, exclude themselves from the settlement, or object to the settlement. Plaintiff's proposed plan for class notice and settlement administration is the best notice practicable under the circumstances.

III. ORDER

The Court having considered the papers submitted in support of the motion for preliminary approval, HEREBY ORDERS THE FOLLOWING:

1. The Court finds on a preliminary basis that the provisions of the Agreement are fair, just, reasonable, and adequate and, therefore, meet the requirements for preliminary approval.

2. The following Class is conditionally certified for purposes of settlement only: All hourly, non-exempt employees of Defendant Sterling Plumbing, Inc. ("Defendant") who worked in California at any time from November 4, 2022, to October 28, 2024.

3. The Agreement provides for the following release as to Participating Class Members (defined as Class Members who do not submit a valid and timely request to exclude themselves from the Settlement),⁺ which is hereby approved conditionally: Participating Class Members will release Defendant and the Released Parties (defined as Defendant and its past and present officers, directors, owners, parents, subsidiaries, divisions, related companies, Employee

⁺Participating Class Members are Class Members who do not submit a valid and timely request to exclude themselves from the Settlement.

1 Stock Ownership Plans, employees, representatives, affiliates, administrators, attorneys, agents,
2 consultants, shareholders, joint ventures, predecessors, successors, fiduciaries, beneficiaries,
3 subrogees, executors, insurers, employee benefit plans, and/or assigns of said entities and
4 individuals)² from all claims asserted at any time in the operative complaint and from all other
5 claims that could have been asserted based on the facts alleged in the operative complaint and/or
6 the PAGA Letter. This release will be for the Class Period of November 4, 2022, to October 28,
7 2024.

8 4. This settlement also releases claims under the Private Attorneys General Act of
9 2004 ("PAGA"). These claims are asserted on behalf of PAGA Aggrieved Employees defined as:
10 Class Members who worked during the period of time from November 4, 2022, to October 28,
11 2024. PAGA Aggrieved Employees may not request to be excluded from the PAGA portion of the
12 settlement, including the Released PAGA Claims. All PAGA Aggrieved Employees will receive
13 a portion of the PAGA Fund.

14 5. The Agreement provides for the following release as to PAGA Aggrieved
15 Employees, which is hereby approved conditionally: Aggrieved Employees shall release
16 Defendant and the Released Parties from all claims for civil penalties under the California Labor
17 Code and the Private Attorneys General Act predicated upon the claims asserted in the PAGA
18 Letter and the operative complaint and from all other claims that could have been asserted based
19 on the facts alleged in the PAGA Letter and the operative complaint. This release will be for the
20 period of time from November 4, 2022, to October 28, 2024.

21 6. The settlement appears to be fair, adequate and reasonable to the Class. The
22 settlement falls within the range of reasonableness and appears to be presumptively valid, subject
23 only to any objections that may be raised at the final approval hearing and final approval by this
24 Court.

25 ² The Released Parties are Defendant and its past and present officers, directors, owners, parents,
26 subsidiaries, divisions, related companies, Employee Stock Ownership Plans, employees,
27 representatives, affiliates, administrators, attorneys, agents, consultants, shareholders, joint
28 ventures, predecessors, successors, fiduciaries, beneficiaries, subrogees, executors, insurers,
employee benefit plans, and/or assigns of said entities and individuals.

1 7. Plaintiff Francisco Arroyo Mora is conditionally approved as the Class
2 Representative for the Class.

3 8. The proposed Class Representative Enhancement Payment of \$5,000 payable to
4 Plaintiff Francisco Arroyo Mora for his services as class representative is conditionally approved.

5 9. Mara Law Firm, PC [and Lawyers for Employee and Consumer Rights](#) ~~is-are~~
6 conditionally approved as Class Counsel for the Class.

7 10. The proposed awards of up to \$79,766.66 in attorneys' fees and up to \$22,500 in
8 actual costs payable to Class Counsel are conditionally approved.

9 11. A final approval hearing on the question of whether the settlement, attorneys' fees
10 and costs to Class Counsel, and the Class Representative Enhancement Payment should be finally
11 approved as fair, reasonable and adequate as to Class Members is scheduled in Department CX102
12 on the date and time set forth in the Implementation Schedule below.

13 12. The Court confirms Apex Class Action Administration as the Settlement
14 Administrator.

15 13. The proposed payment of up to \$7,500 in costs to Apex Class Action
16 Administration for its services as the Settlement Administrator is conditionally approved.

17 14. The Court also hereby conditionally approves and orders payment from the Gross
18 Settlement Fund of the PAGA Payment of \$50,000 (75% of which shall be paid to the Labor and
19 Workforce Development Agency, and 25% of which shall be distributable to PAGA Aggrieved
20 Employees).

21 15. The Court approves, as to form and content, the Notice of Class Action Settlement
22 in substantially the form attached as **Exhibit A** hereto. The Notice of Class Action Settlement
23 shall be accompanied by a Request for Exclusion Form, a Formal Objection Form, and a
24 Workweek Dispute Form that Settlement Class Members may use. The Court approves, as to form
25 and content, the Request for Exclusion Form, the Formal Objection Form, and the Workweek
26 Dispute Form attached hereto as **Exhibits B, C, and D**, respectively. The Court approves the
27 procedure for Class Members to participate in, to opt out of, to object to, and to dispute the

workweeks attributed to them by, the settlement as set forth in the notice.

16. The Court directs the mailing of the notice of class action settlement by first class mail to Class Members in English and Spanish language in accordance with the Implementation Schedule below. The Court finds the dates selected for the mailing and distribution of the notice, as set forth in the Implementation Schedule, meet the requirements of due process and provide the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

~~16-17.~~ The Court, pursuant to California Code of Civil Procedure § 664.6 and California Rule of Court 3.769(h), shall continue to retain jurisdiction over the Parties to enforce the terms of the Agreement.

IV. IMPLEMENTATION SCHEDULE

The Court orders the following Implementation Schedule for further proceedings:

Deadline for Defendant to submit Class Data to Settlement Administrator:	14 calendar days after entry of this Order
Deadline for Settlement Administrator to Mail Class Notices to Class Members	14 calendar days after receipt of the Class Data
Deadline for Class Members to Postmark Requests for Exclusion and Objections (“Response Deadline”)	~~45-60~~ calendar days after mailing of Notice to Class Members
Deadline for Class Members Submit Disputes by Mail or Telephone	~~45-60~~ calendar days after mailing of Notice to Class Members
Deadline for Class Members with Re-Mailed Class Notices to Postmark Requests for Exclusion and Objections	45 calendar days after Response Deadline
Deadline for Class Members with Re-Mailed Class Notices to Submit Disputes by Mail or Telephone	45 calendar days after Response Deadline

1	Deadline for Class Counsel to file a Motion for Final Approval	~~November 7~~ February 9, 2025 [16 court days before Final Approval Hearing]
2		
3	Deadline to Provide the Court with the Settlement Administrator's Declaration Outlining Requests for Exclusion, Objections, and Disputes	~~November 7~~ February 9, 2025 [16 court days before Final Approval Hearing]
4		
5		
6	Final Approval Hearing and Final Approval	~~December~~ March 54, 2025, at 2:00 p.m.
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IT IS SO ORDERED.

Dated: _____, 2025

By _____
Honorable Layne H. Melzer
Orange County Superior Court Judge

Exhibit 4

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF ORANGE

FRANCISCO ARROYO MORA on behalf
of himself, all others similarly situated, and
on behalf of the general public,

Plaintiffs,

v.

STERLING PLUMBING, INC.; and DOES
1-100,

Defendants.

Case No. 30-2024-01371468-CU-OE-CXC

**[PROPOSED] ORDER GRANTING
PLAINTIFF’S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT,
CONDITIONAL CERTIFICATION,
APPROVAL OF CLASS NOTICE, SETTING
OF FINAL APPROVAL HEARING DATE**

Date: September 4, 2025
Time: 2:00 p.m.
Department: CX-102
Reservation No.: 74513908

1 **I. RECITALS**

2 This action is currently pending before this Court as a putative class action and
3 representative action (the “Action”). Plaintiff Francisco Arroyo Mora (“Plaintiff”) has applied to
4 this Court for an order preliminarily approving the settlement of the Action in accordance with the
5 Joint Stipulation and Settlement Agreement (the “Agreement”), which together with the exhibit
6 annexed thereto, sets forth the terms and conditions for a proposed settlement and entry of
7 judgment upon the terms and conditions set forth therein. The Parties’ Agreement is attached
8 hereto as **Exhibit 1** and attached to the Supplemental Declaration of David Mara, Esq. (ROA No.
9 ____) as **Exhibit 1**. The Court has read and considered the Memorandum of Points and Authorities
10 in support of Plaintiff’s Motion for Preliminary Approval of Class and PAGA Action Settlement,
11 Conditional Certification, Approval of Class Notice, Setting of Final Approval Hearing Date and
12 the declarations submitted therewith. For purposes of this Order, the Court adopts all defined terms
13 as set forth in the Agreement.

14 **II. FINDINGS**

15 After review and consideration of the Agreement and Plaintiff’s motion for preliminary
16 approval and the papers in support thereof, the Court hereby finds and orders as follows:

17 1. The Agreement falls within the range of reasonableness meriting possible final
18 approval.

19 2. The certification of the Class solely for purposes of settlement is appropriate in that:
20 (1) the Class Members are ascertainable and so numerous that joinder of all Class Members is
21 impracticable; (2) there are questions of law and fact common to the Class which predominate
22 over any individual questions; (3) Plaintiff’s claims are typical of the claims of the Class; (4)
23 Plaintiff and his Counsel have fairly and adequately represented and protected the interests of the
24 Class; and (5) a class action, and class-wide resolution of the action via class settlement procedures
25 is superior to other available methods for the fair and efficient adjudication of the controversy.

26 3. The Agreement, and the obligations of the Parties as set forth therein, is fair,
27 reasonable, and is an adequate settlement of this case and is in the best interests of the Class in

light of the factual, legal, practical, and procedural considerations raised by this case.

4. Plaintiff does not have any conflicts that would preclude him from serving as Class Representative, and his appointment comports with the requirements of due process.

5. Class Counsel does not have any conflicts that would preclude them from acting as Class Counsel, and they meet the requirements for appointment as Class Counsel and the requirements of due process.

6. The notice of proposed class action settlement attached as **Exhibit A** hereto complies with due process because the notice of proposed class action settlement is reasonably calculated to adequately apprise Class Members of: (i) the pending lawsuit; (ii) the terms of the proposed Agreement; and (iii) their rights, including the right to either participate in the settlement, exclude themselves from the settlement, or object to the settlement. Plaintiff's proposed plan for class notice and settlement administration is the best notice practicable under the circumstances.

III. ORDER

The Court having considered the papers submitted in support of the motion for preliminary approval, HEREBY ORDERS THE FOLLOWING:

1. The Court finds on a preliminary basis that the provisions of the Agreement are fair, just, reasonable, and adequate and, therefore, meet the requirements for preliminary approval.

2. The following Class is conditionally certified for purposes of settlement only: All hourly, non-exempt employees of Defendant Sterling Plumbing, Inc. ("Defendant") who worked in California at any time from November 4, 2022, to October 28, 2024.

3. The Agreement provides for the following release as to Participating Class Members (defined as Class Members who do not submit a valid and timely request to exclude themselves from the Settlement), which is hereby approved conditionally: Participating Class Members will release Defendant and the Released Parties (defined as Defendant and its past and present officers, directors, owners, parents, subsidiaries, divisions, related companies, Employee Stock Ownership Plans, employees, representatives, affiliates, administrators, attorneys, agents, consultants, shareholders, joint ventures, predecessors, successors, fiduciaries, beneficiaries,

1 subrogees, executors, insurers, employee benefit plans, and/or assigns of said entities and
2 individuals) from all claims asserted at any time in the operative complaint and from all other
3 claims that could have been asserted based on the facts alleged in the operative complaint and/or
4 the PAGA Letter. This release will be for the Class Period of November 4, 2022, to October 28,
5 2024.

6 4. This settlement also releases claims under the Private Attorneys General Act of
7 2004 ("PAGA"). These claims are asserted on behalf of PAGA Aggrieved Employees defined as:
8 Class Members who worked during the period of time from November 4, 2022, to October 28,
9 2024. PAGA Aggrieved Employees may not request to be excluded from the PAGA portion of the
10 settlement, including the Released PAGA Claims. All PAGA Aggrieved Employees will receive
11 a portion of the PAGA Fund.

12 5. The Agreement provides for the following release as to PAGA Aggrieved
13 Employees, which is hereby approved conditionally: Aggrieved Employees shall release
14 Defendant and the Released Parties from all claims for civil penalties under the California Labor
15 Code and the Private Attorneys General Act predicated upon the claims asserted in the PAGA
16 Letter and the operative complaint and from all other claims that could have been asserted based
17 on the facts alleged in the PAGA Letter and the operative complaint. This release will be for the
18 period of time from November 4, 2022, to October 28, 2024.

19 6. The settlement appears to be fair, adequate and reasonable to the Class. The
20 settlement falls within the range of reasonableness and appears to be presumptively valid, subject
21 only to any objections that may be raised at the final approval hearing and final approval by this
22 Court.

23 7. Plaintiff Francisco Arroyo Mora is conditionally approved as the Class
24 Representative for the Class.

25 8. The proposed Class Representative Enhancement Payment of \$5,000 payable to
26 Plaintiff Francisco Arroyo Mora for his services as class representative is conditionally approved.

27 9. Mara Law Firm, PC and Lawyers for Employee and Consumer Rights are
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1 conditionally approved as Class Counsel for the Class.

2 10. The proposed awards of up to \$79,766.66 in attorneys' fees and up to \$22,500 in
3 actual costs payable to Class Counsel are conditionally approved.

4 11. A final approval hearing on the question of whether the settlement, attorneys' fees
5 and costs to Class Counsel, and the Class Representative Enhancement Payment should be finally
6 approved as fair, reasonable and adequate as to Class Members is scheduled in Department CX102
7 on the date and time set forth in the Implementation Schedule below.

8 12. The Court confirms Apex Class Action Administration as the Settlement
9 Administrator.

10 13. The proposed payment of up to \$7,500 in costs to Apex Class Action
11 Administration for its services as the Settlement Administrator is conditionally approved.

12 14. The Court also hereby conditionally approves and orders payment from the Gross
13 Settlement Fund of the PAGA Payment of \$50,000 (75% of which shall be paid to the Labor and
14 Workforce Development Agency, and 25% of which shall be distributable to PAGA Aggrieved
15 Employees).

16 15. The Court approves, as to form and content, the Notice of Class Action Settlement
17 in substantially the form attached as **Exhibit A** hereto. The Notice of Class Action Settlement
18 shall be accompanied by a Request for Exclusion Form, a Formal Objection Form, and a
19 Workweek Dispute Form that Settlement Class Members may use. The Court approves, as to form
20 and content, the Request for Exclusion Form, the Formal Objection Form, and the Workweek
21 Dispute Form attached hereto as **Exhibits B, C, and D**, respectively. The Court approves the
22 procedure for Class Members to participate in, to opt out of, to object to, and to dispute the
23 workweeks attributed to them by, the settlement as set forth in the notice.

24 16. The Court directs the mailing of the notice of class action settlement by first class
25 mail to Class Members in English and Spanish language in accordance with the Implementation
26 Schedule below. The Court finds the dates selected for the mailing and distribution of the notice,
27 as set forth in the Implementation Schedule, meet the requirements of due process and provide the

best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

17. The Court, pursuant to California Code of Civil Procedure § 664.6 and California Rule of Court 3.769(h), shall continue to retain jurisdiction over the Parties to enforce the terms of the Agreement.

IV. IMPLEMENTATION SCHEDULE

The Court orders the following Implementation Schedule for further proceedings:

Deadline for Defendant to submit Class Data to Settlement Administrator:	14 calendar days after entry of this Order
Deadline for Settlement Administrator to Mail Class Notices to Class Members	14 calendar days after receipt of the Class Data
Deadline for Class Members to Postmark Requests for Exclusion and Objections (“Response Deadline”)	60 calendar days after mailing of Notice to Class Members
Deadline for Class Members Submit Disputes by Mail or Telephone	60 calendar days after mailing of Notice to Class Members
Deadline for Class Members with Re-Mailed Class Notices to Postmark Requests for Exclusion and Objections	45 calendar days after Response Deadline
Deadline for Class Members with Re-Mailed Class Notices to Submit Disputes by Mail or Telephone	45 calendar days after Response Deadline
Deadline for Class Counsel to file a Motion for Final Approval	February 9, 2025 [16 court days before Final Approval Hearing]
Deadline to Provide the Court with the Settlement Administrator’s Declaration Outlining Requests for Exclusion, Objections, and Disputes	February 9, 2025 [16 court days before Final Approval Hearing]

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Final Approval Hearing and Final Approval	March 5, 2025, at 2:00 p.m.

IT IS SO ORDERED.

Dated: _____, 2025

By _____
Honorable Layne H. Melzer
Orange County Superior Court Judge

Exhibit B

REQUEST FOR EXCLUSION FORM

Francisco Arroyo Mora v. Sterling Plumbing, Inc.
Case No. 30-2024-01371468-CU-OE-CXC
Orange County Superior Court
751 W. Santa Ana Blvd.
Santa Ana, CA 92701

IF YOU DO **NOT** WANT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST SIGN AND FILL OUT THIS FORM ACCURATELY AND IN ITS ENTIRETY, AND MAIL THIS FORM BY FIRST CLASS U.S. MAIL TO THE ADDRESS BELOW SO THAT IT IS POSTMARKED ON OR BEFORE [**RESPONSE DEADLINE**]. IF THE NOTICE OF CLASS ACTION SETTLEMENT WAS REMAILED TO YOU, YOU HAVE AN EXTRA FORTY-FIVE (45) DAYS AFTER THE DATE YOUR NOTICE WAS REMAILED TO REQUEST TO BE EXCLUDED FROM THE SETTLEMENT.

INSERT ADMIN NAME
SETTLEMENT ADMIN ADDRESS

I confirm that I have received notice of the proposed settlement in this action. I have decided to be excluded from the settlement, and I have decided **not** to participate in the proposed settlement. Please note that you cannot request to be excluded from the PAGA portion of the settlement. As such, if you request to be excluded from the settlement and are a PAGA Aggrieved Employee, you will still receive your portion of the PAGA Fund.

(Date)

(Signature)

(Address)

(Type or Print Name)

(City, State, Zip)

(Employee Identification Number or Last Four Digits of Social Security Number)

(Telephone Number)

Exhibit C

FORMAL OBJECTION FORM

IF YOU WANT TO OBJECT TO THE SETTLEMENT, YOU MUST SIGN AND FILL OUT THIS FORM ACCURATELY AND IN ITS ENTIRETY, AND MAIL THIS FORM BY FIRST CLASS U.S. MAIL TO THE ADDRESS BELOW SO THAT IT IS POSTMARKED ON OR BEFORE **[RESPONSE DEADLINE]**. IF THE NOTICE OF CLASS ACTION SETTLEMENT WAS REMAILED TO YOU, YOU HAVE AN EXTRA FORTY-FIVE (45) DAYS AFTER THE DATE YOUR NOTICE WAS REMAILED TO OBJECT TO THE SETTLEMENT.

INSERT ADMIN NAME
SETTLEMENT ADMIN ADDRESS

I WANT TO OBJECT TO THE SETTLEMENT.

I confirm that I was employed by Sterling Plumbing, Inc. as an hourly, non-exempt employee in California during the period of time beginning on November 4, 2022 and ending on October 28, 2024. I confirm that I have received notice of the proposed settlement in this action.

Please provide the basis for your objection (you may also provide this on a separate document enclosed and returned with this form):

This image shows a single page of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

You may provide copies of documents or other exhibits you intend on relying on in support of your objection when you return this form if you would like.

You may appear at the final approval hearing, if you so choose, to discuss your objection with the Court. Please note that if the Court rejects your objection, you will receive a settlement payment and will be bound by the terms of the settlement.

(Date)

(Signature)

(Address)

(Type or Print Name)

(City, State, Zip)

(Employee Identification Number or Last Four
Digits of Social Security Number)

(Telephone Number)

Exhibit D

WORKWEEK DISPUTE FORM

Francisco Arroyo Mora v. Sterling Plumbing, Inc.
Case No. 30-2024-01371468-CU-OE-CXC
Orange County Superior Court
751 W. Santa Ana Blvd.
Santa Ana, CA 92701

IF YOU BELIEVE THE NUMBER OF WORKWEEKS ATTRIBUTED TO YOU IS INCORRECT, YOU MUST SIGN AND FILL OUT THIS FORM ACCURATELY AND IN ITS ENTIRETY, AND MAIL THIS FORM BY FIRST CLASS U.S. MAIL TO THE ADDRESS BELOW SO THAT IT IS POSTMARKED ON OR BEFORE **[RESPONSE DEADLINE]**. IF THE NOTICE OF CLASS ACTION SETTLEMENT WAS REMAILED TO YOU, YOU HAVE AN EXTRA FORTY-FIVE (45) DAYS AFTER THE DATE YOUR NOTICE WAS REMAILED TO REQUEST TO SUBMIT A WORKWEEK DISPUTE.

INSERT ADMIN NAME
SETTLEMENT ADMIN ADDRESS

I confirm that I was employed by Sterling Plumbing, Inc. as an hourly, non-exempt employee in California during the period of time beginning on November 4, 2022 and ending on October 28, 2024. I confirm that I have received notice of the proposed settlement in this action. I believe that the number of workweeks attributed to me by the Settlement Administrator is incorrect.

Please state the number of workweeks you believe you worked during the period of time beginning on November 4, 2022 and ending on October 28, 2024, as well as the basis for your belief (you may also provide this on a separate document enclosed and returned with this form):

[illegible]

Please include any copies of documents, such as wage statements, offers of employment, termination letters, and/or other employment records you are relying on in support of your dispute when you return this form.

(Date)

(Signature)

(Address)

(Type or Print Name)

(City, State, Zip)

(Employee Identification Number or Last Four
Digits of Social Security Number)

(Telephone Number)