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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA

MICHAEL PETERSEN, on behalf of himself and
all others similarly situated,

Plaintiff,

v.

GOLD BOND BUILDING PRODUCTS, LLC a
Limited Liability Company; and DOES 1-50,
inclusive.

Defendant.

CASE NO.: C23-03215

Assigned to Hon. Edward G. Weil

**DECLARATION OF MEHRDAD
BOKHOUR IN SUPPORT OF CLASS
ACTION SETTLEMENT**

HEARING INFO

Date:
Time:
Dept.: 39

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1 “Super Lawyer” in 2023, 2024, and 2025—a distinction awarded to no more than 2.5% of attorneys
2 practicing in the field..

3 5. Through a contested but productive mediation, Plaintiff and Defendant Gold Bond
4 Building Products, LLC (“Defendant”) (collectively, the “Parties”) entered into a Joint Stipulation of
5 Class Action and PAGA Settlement (“Stipulation of Settlement” and/or the “Settlement”), resolving
6 the wage and hour claims asserted on behalf of the Settlement Class and PAGA Members. A true and
7 correct copy of the Stipulation of Settlement is attached hereto as **Exhibit “A”**.

8 6. The Stipulation of Settlement provides for a full and final release of claims asserted
9 in this Action in exchange for Defendant’s agreement to pay a non-reversionary Total Settlement
10 Amount of \$574,500. The Settlement is structured on a non-claims-made basis, meaning that each
11 Settlement Class Member who does not opt out will automatically receive their share of the Net
12 Settlement Amount without the need to submit a claim form or take any affirmative action. Plaintiff
13 seeks to represent: all current and former non-exempt employees employed by Defendant in
14 California (“Settlement Class” or “Class Members”) at any time between January 1, 2021, through
15 the date of Preliminary Approval, except as set forth in the Escalator Clause (the “Class Period”).
16 Likewise, Plaintiff seeks to represent Class Members who worked any hours for Defendant in
17 California (“PAGA Members”) during any workweek from December 19, 2022, through the date of
18 Preliminary Approval (the “PAGA Period”).

19 7. Under the terms of the Stipulation of Settlement, Defendant will not oppose Class
20 Counsel’s request for a reasonable award of Attorney’s Fees not to exceed 33.33% of the Total
21 Settlement Amount, Class Counsel’s reasonable litigation costs not to exceed \$20,000, Settlement
22 Administrator costs not to exceed \$8,000, California Labor Code Private Attorneys General Act of
23 2004 (“PAGA”) penalties of \$10,000 (“PAGA Amount”) (of which \$7,500 or 75% will be paid to
24 the California Labor and Workforce Development Agency (“LWDA”) and the remaining \$2,500 or
25 25% will be paid to the PAGA Members), and a Class Representative Enhancement Payment to
26 Plaintiff not to exceed \$10,000, as follows:

	Total Amount
<i>Total Settlement Amount</i>	\$574,500.00
Attorneys' Fees (33.33%)	\$191,500.00
Litigation Costs (not to exceed)	\$20,000.00
Settlement Administrator Costs (not to exceed)	\$8 000.00
LWDA Payment (75% of \$10k allocation)	\$7,500.00
PAGA Member Amount	\$2,500.00
Class Representative Enhancement Payment	\$10,000.00
<i>Net Settlement Amount</i>	\$335,000.00

8. As of the date of the Parties' mediation, the Settlement Class includes approximately 245 non-exempt employees who all worked for Defendant in California during the Class Period. Regardless of their roles, all non-exempt employees were subject to the same workplace policies and practices. Accordingly, the Individual Settlement Payments (i.e., the Net Settlement Amount) will be distributed on a *pro rata* basis, determined by the number of Workweeks worked by each individual participating Class Member during the Class Period. Assuming a total of 245 Settlement Class Members, the average payment to each member is estimated to be approximately **\$1,367.35**. Naturally, Settlement Class Members with more Workweeks worked will receive proportionally greater payments. Based on this allocation method, the highest estimated individual recovery could be as much as **\$3,621.43**.

9. The Settlement is non-reversionary, and Settlement Class Members will not be required to submit claim forms to receive payment, but each Settlement Class Member will receive the Notice of Proposed Class Action Settlement and Class Action Settlement Hearing ("Class Notice," attached hereto as "**Exhibit B**") containing information about his/her share, the opportunity to dispute the number of Workweeks worked by the Settlement Class Member, and the opportunity to opt-out or object to the Settlement. All Settlement Class Members who do not affirmatively opt out will receive a settlement check upon the Court granting final approval of the Settlement.

10. Because the Settlement is fair and reasonable and was negotiated at arm's length by experienced counsel and an experienced mediator following a sufficient exchange of information and documents before mediation, it should be preliminarily approved. Plaintiff respectfully requests that

1 the Court enter an order preliminarily approving the Settlement, conditionally certifying the
2 Settlement Class under Code of Civil Procedure § 382 for settlement purposes, approving the
3 proposed Class Notice, appointing Plaintiff’s counsel as Class Counsel, appointing Phoenix Class
4 Action Administration Solutions as the Settlement Administrator, and scheduling a hearing for the
5 final approval of the Settlement.

6 11. Defendant, doing business as “National Gypsum,” produces and supplies drywall
7 gypsum boards, including wall boards, ceiling boards, sheathing, shaft liners, tile backers,
8 prefinished boards, and plaster products. Defendant is also is also the exclusive service provider
9 for the products mentioned above.

10 12. Plaintiff was employed by Defendant out of its Richmond, California, location as a
11 non-exempt employee with the title of “Maintenance Mechanic” beginning on February 27, 2023,
12 until his separation from employment on December 4, 2023. Plaintiff and other punitive Class
13 Members (including Laboratory Technician, Production Operator, Industrial Electrician,
14 Production Manufacturing Technician, and all other non-exempt positions) were responsible for all
15 of Defendant’s businesses within the State of California.

16 13. On December 19, 2023, Plaintiff filed suit in Contra Costa County Superior Court,
17 asserting class action claims for: (1) failure to pay all overtime wages; (2) meal period violations; (3)
18 rest periods violations; (4) failure to pay all sick time; (5) wage statement violations; (6) waiting time
19 penalties; (7) failure to reimburse necessary business expenses; and (8) unfair competition in violation
20 of California Business and Professions Code section 17200, *et seq.* (“Original Complaint”).

21 14. On the same date, Plaintiff submitted a letter (the “PAGA Notice”) to the LWDA and
22 Defendant for civil penalties under the PAGA alleging claims against Defendant based on violations
23 of the Labor Code described in the Original Complaint.

24 15. On August 8, 2025, the Parties filed a stipulation permitting the filing of a First
25 Amended Complaint to add a PAGA cause of action.

26 16. On or about February 1, 2024, Defendant filed a Notice of Removal to Federal Court
27 to the Northern District under the Class Action Fairness Act, arguing that Plaintiff’s damages are no
28 less than \$6,209,647. On or about August 16, 2024, the Federal Court issued its Order Remanding

1 the Action back to the State Court.

2 17. After Plaintiff prevailed on remand, the Parties agreed to attend mediation and to
3 suspend formal discovery pending its outcome. Defendant denied the allegations and vigorously
4 defended against them. The Parties conducted a thorough investigation into the facts of the Action.
5 This investigation included informal discovery and meet and confer efforts, as well as the Defendant's
6 disclosure of information and materials in informal discovery for the mediation. The discovery and
7 disclosures included, amongst other things, Defendant's written wage and hour policies/procedures,
8 and payroll and timekeeping data and records for Settlement Class Members and PAGA Members.
9 Class Counsel is both knowledgeable about and has done extensive research with respect to the
10 applicable law and potential defenses to the claims of the Settlement Class Members and PAGA
11 Members. Class Counsel has diligently investigated the Class Members' claims against Defendant.
12 Based on the data and information disclosed, and on Class Counsel's own independent investigation
13 and evaluation, Class Counsel is of the opinion that the settlement with Defendant for the
14 consideration and on the terms set forth in the Stipulation of Settlement are fair, reasonable, and
15 adequate, as well as in the best interest of the Settlement Class Members and Aggrieved Employees
16 in light of all known facts and circumstances, including the risk of significant delay and uncertainty
17 associated with litigation, various defenses asserted by Defendant, and numerous potential appellate
18 issues.

19 18. On March 27, 2025, the Parties participated in an all-day private mediation presided
20 over by Brandon McKelvey, Esq. After a full-day mediation, followed by the mediator's proposal,
21 the Parties reached a settlement. The Parties subsequently memorialized the terms of the Settlement
22 in a long-form Stipulation of Settlement. The Parties now seek the Court's preliminary approval of
23 the Settlement.

24 19. Plaintiff alleged numerous violations of the California Labor Code on behalf of non-
25 exempt employees who worked for Defendant during the Class Period (*i.e.*, Class Members).

26 20. First, Plaintiff alleged that Defendant failed to pay all wages due as a result of an
27 unlawful and uneven rounding policy. Plaintiff further contended that Defendant failed to properly
28 calculate and pay overtime and sick wages due to its failure to include all forms of compensation,

1 including, but not limited to, non-discretionary bonus earnings, in calculating the “regular rate of
2 pay” for purposes of overtime compensation.

3 21. Moreover, Plaintiff alleged that he and the Settlement Class were not provided timely
4 compliant meal periods and were not provided with a one-hour wage premium at the “regular rate of
5 pay” pursuant to Labor Code § 226.7 on each such occasion. Specifically, Plaintiff alleged that he
6 and other non-exempt employees were forced to cut their meal periods short and/or take them late in
7 order to meet the work demands and operational requirements imposed by Defendant.

8 22. Next, Plaintiff alleged that he and the Settlement Class were not provided with
9 compliant rest periods or a one-hour wage premium at the “regular rate of pay” pursuant to Labor
10 Code § 226.7 on each occasion. Specifically, Plaintiff alleges that Defendant prevented the Settlement
11 Class from taking complaint rest periods due to work demands and operational requirements. Plaintiff
12 also alleges that Defendant allegedly failed to pay Plaintiff and the Settlement Class California Paid
13 Sick Leave and failed to reimburse Plaintiff and the Settlement Class’ reasonable business expenses.

14 23. Based on the above violations, Plaintiff alleged that Defendant failed to provide
15 accurate itemized wage statements and to pay all wages owed and due upon separation of
16 employment. Finally, Plaintiff also sought PAGA penalties arising out of the alleged Labor Code
17 violations.

18 24. Defendant contested and denied each of Plaintiff’s material allegations on the merits
19 and as to the propriety of the class and representative action, and asserted affirmative defenses to the
20 claims alleged.

21 25. First, Defendant argued that it did not improperly round employees’ actual time
22 worked, it always paid employees all wages owed, that its pay policies and practices correctly paid
23 for all time worked, and that it correctly paid overtime, California Paid Sick leave, meal period
24 premiums and other premium pay at the “regular rate of pay.” Next, Defendant contended that its
25 meal and rest period policies/practices were compliant with California law and that it provided and
26 made available all required meal and rest breaks to all non-exempt employees. Additionally,
27 Defendant contended that any purported failure to reimburse Plaintiff and the Class Members for
28 necessary business expenses incurred was a product of individualized error and not due to class-wide

1 violations.

2 26. Defendant further argued that Plaintiff's claims for wage statements, waiting time
3 penalties and PAGA penalties were derivative of other claims, and had no merit.

4 27. Finally, Defendant contended that Plaintiff's claims were not suitable for class
5 certification because individualized inquiries would be required to establish, amongst other things,
6 which employees, if any, took meal periods of less than 30 minutes and why a particular employee
7 received a meal period of less than 30 minutes on a particular shift.

8 28. The \$574,500 Total Settlement Amount, which will be paid, is non-reversionary and
9 will be paid out to Settlement Class Members without the need to submit a claim form or take any
10 affirmative action. It includes (1) Plaintiff's Attorneys' Fees up to 33.33% of the Total Settlement
11 Amount and litigation costs up to \$20,000, as approved by the Court; (2) a Class Representative
12 Enhancement Payment of \$10,000 to Plaintiff, as approved by the Court; (3) Settlement
13 Administrator costs, not to exceed \$8,000, as approved by the Court (4) a \$10,000 PAGA Amount,
14 75 percent of which is to be paid to the LWDA pursuant to California Labor Code § 2699(i), as
15 approved by the Court; and (5) the aggregate of all Individual Settlement Payments of the
16 participating Class Members.

17 29. Based upon detailed data obtained through informal discovery and information
18 exchanges, Class Counsel estimated the following big-picture data points through the mediation date:
19 (1) 245 Class Members who worked approximately 18,501 workweeks and 94,479 shifts during the
20 Class Period.

21 30. First, Plaintiff alleged that Defendant's non-neutral rounding policy resulted in the
22 systematic underpayment of wages in violation of the Labor Code. Based on Plaintiff's analysis of
23 the payroll records and timekeeping data produced by Defendant in advance of mediation, Plaintiff
24 concluded that the rounding practice led to several Class Members being underpaid, amounting to
25 approximately 1,593 hours of unpaid compensable time across the Class. Based on the payroll data
26 provided by Defendant, Plaintiff estimates that a total of 63% of applicable shifts and Class
27 Members were underpaid as a result of rounding, yielding total potential rounding-related damages
28 at approximately \$65,000.

1 31. However, this projected figure does not account for Defendant’s asserted defenses.
2 In particular, Defendant argued that its wage and hour policies are compliant and that all time was
3 properly recorded and compensated. If any rounding occurred (which it does not concede),
4 Defendant contends the policy was neutral—rounding both up and down—and is lawful because it
5 does not systematically favor the employer (*See’s Candy Shop v. Superior Court (2012) 210*
6 *Cal.App.4th 889, 902*). While the California Supreme Court may eventually rule that rounding
7 resulting in employee loss is unlawful, no such decision has been issued.

8 32. Further, Plaintiff’s rounding claim would require highly individualized inquiries,
9 including a shift-by-shift and person-by-person analysis, to determine whether any alleged
10 underpayment occurred and whether each employee was fully compensated. Defendant asserted
11 that this level of individual scrutiny made the claim unsuitable for class treatment.

12 33. To account for these risks, Plaintiff applied an equitable discount reflecting the risk
13 of denial at class certification, as well as an additional discount for the risk of defeat at summary
14 judgment or trial. To account for Defendant’s defenses, Plaintiff discounted the maximum exposure
15 by 40% for the risk of non-certification, and an additional 50% for risk of losing on the merits,
16 and/or not receiving the maximum penalties sought, to arrive at an estimated exposure of \$19,500
17 for the unpaid wages due to rounding claim.

18 34. Next, Plaintiff alleged that Defendant failed to properly calculate the “regular rate of
19 pay” by excluding non-discretionary bonuses, commissions, and other incentive payments when
20 paying overtime and sick pay wages. Plaintiff contends that these exclusions resulted in a systemic
21 underpayment of compensation, in violation of California law. Based on a review of the payroll and
22 paystub data produced in discovery, Plaintiff estimates that Defendant’s failure to include all required
23 forms of remuneration in the regular rate of pay led to underpayment of both overtime and sick pay
24 wages across the Class.

25 35. In response, Defendant argued that any bonus payments at issue were discretionary
26 and, therefore, properly excluded from regular rate calculations. Defendant further asserted that all
27 overtime and sick pay was lawfully calculated and paid in good faith, and that any potential
28 underpayment, if it occurred, was *de minimis* and non-systemic.

1 36. While Plaintiff maintains that the bonuses and incentive payments at issue were non-
2 discretionary and therefore required to be included in the “regular rate of pay,” Plaintiff also
3 acknowledges the litigation risks associated with this claim. These risks include the possibility that
4 the Court could deny class certification based on individual variations in pay structures and the nature
5 of the bonuses. Additionally, there is risk on the merits, including the potential for summary judgment
6 or an unfavorable outcome at trial.

7 37. To account for these risks, Plaintiff applied an equitable discount reflecting the risk of
8 denial at class certification, as well as an additional discount for the risk of defeat at summary
9 judgment or trial. Plaintiff calculated that based on 18,501 pay periods, and the blended ratio of
10 straight-time hours to overtime-hours compared to “bonus” and “incentive” payments remitted to the
11 Class Members over the Class Period, as extrapolated from Defendant’s provided payroll records
12 sampling, there was a total of \$37,106.00, in unpaid overtime, sick pay and meal premiums. However,
13 to account for Defendant’s defenses, Plaintiff discounted the maximum exposure by 50% for the risk
14 of non-certification, and an additional 50% for risk of losing on the merits, and/or not receiving the
15 maximum penalties sought, to arrive at an estimated exposure of \$9,276.50.

16 38. With respect to Plaintiff’s meal period violation claims, Settlement Class Members
17 worked approximately 91,538 meal-eligible shifts during the Class Period. Based on the sampling of
18 data provided by Defendant, there was an approximately 44.8% violation rate of non-compliant meal
19 periods during the Class Period. Therefore, Plaintiff calculated Defendant’s maximum exposure
20 under this theory of liability at \$1,326,231.84 (91,538 meal-eligible shifts x 44.8% violation rate x
21 \$32.34 meal period premium).

22 39. However, Defendant asserted that it maintained legally compliant meal period policies
23 and practices throughout the Class Period. Defendant also contended that this claim would not be
24 certified due to the lack of any common evidence tying together the reason that Settlement Class
25 Members experienced a meal period violation. Lastly, Defendant asserted that the presence of these
26 affirmative defenses as to the voluntariness of a particular meal period decision would preclude class
27 certification.

28 40. In light of these defenses and arguments, Plaintiff discounted Defendant’s maximum

1 exposure by 70% for the risk of non-certification, and an additional 50% to account for Defendant's
2 defenses on the merits to arrive at an estimated total of \$198,934.78.

3 41. Similarly, Plaintiff alleged that Defendant failed to authorize and permit all legally
4 compliant rest periods throughout the Class Period. Specifically, Plaintiff alleged that Defendant does
5 not authorize and permit all rest periods in compliance with California law and does not allow
6 Settlement Class Members to leave the premises during rest periods. Likewise, to the extent
7 Settlement Class Members worked shifts in excess of 10.5 hours, no third rest period was ever
8 authorized or permitted. According to the data provided by Defendant, there were approximately
9 93,296 rest period eligible shifts, and Plaintiff assumed a 15% violation rate. As such, Plaintiff
10 calculated Defendant's maximum exposure on this claim at \$452,578.90 (93,296 shifts x 15%
11 violation rate x \$32.34 rest period premium).

12 42. However, Defendant asserted that it maintained compliant rest period policies
13 throughout the Class Period and authorized and permitted all rest periods to Settlement Class
14 Members. Further, Defendant contended that this claim is not amenable to class treatment because
15 individualized inquiries would be required to determine which employees failed to take rest periods,
16 and the reasons why each employee failed to take a rest period on a particular shift. As such, Plaintiff
17 discounted Defendant's maximum exposure by 75% to account for the risk of non-certification, and
18 an additional 50% to account for Defendant's defenses on the merits to arrive at an estimated exposure
19 of approximately \$56,572.36.

20 43. Next, Plaintiff alleges that Defendant failed to reimburse Plaintiff and Class Members
21 for necessary expenditures incurred as a direct consequence and requirement of performing their job
22 duties, including the costs associated with using their personal cell phones for work purposes. Plaintiff
23 alleges that he and Class Members were using their phones for amongst other things, calls, texts,
24 using Defendant's applications, and communicating with co-workers and supervisors. Plaintiff was
25 regularly required to use his personal cell phones to make company-related calls, to contact
26 employees and other managers on a daily basis.

27 44. Defendant contended that Plaintiff and other Class Members never requested
28 reimbursement from Defendant for these items, and Defendant did not know and had no reason to

1 know that the alleged business-related expenses were incurred and not reimbursed. Defendant further
2 contended that the reason for why a putative class member undertook certain expenses, while not
3 others, and failed to receive reimbursement for certain expenses while not others, would raise
4 individual issues that could not be certified. Defendant contended that the California Labor Code only
5 requires reimbursement of “necessary” expenses—as opposed to any expense that is incurred in the
6 course of performing work—and argued that distinguishing a necessary expense from an unnecessary
7 one would require individualized inquiry. *Id.*; *See*, Cal. Lab. Code § 2802; *Gattuso v. Harte-Hanks*
8 *Shoppers, Inc.* (2007) 42 Cal.4th 554. Furthermore, whether or not an expense was necessary, would
9 depend, in part, on the reasonableness of the employee’s choice, and whether or not an expense was
10 incurred, would have to be established by way of extensive individual factual inquiry and/or statistical
11 evidence. *Cochran v. Schwan’s Home Services, Inc.* (2014) 228 Cal.App.4th 1137.

12 45. Plaintiff estimated an average of \$15.00 per pay period for which Defendant failed to
13 reimburse for the foregoing business expenses incurred. Thus, Plaintiff and the Class Members would
14 be entitled to recover a total of \$277,515.00 in unreimbursed expenses (18,501 pay periods x \$15 per
15 pay period). In light of these defenses and arguments, Plaintiff discounted Defendant’s maximum
16 exposure by 60% for the risk of non-certification, and an additional 50% to account for Defendant’s
17 defenses on the merits, to arrive at an estimated total of a risk-adjusted value of \$55,503.00 for the
18 unreimbursed business expenses claim.

19 46. With respect to the waiting time penalty claim, approximately 197 Settlement Class
20 Members separated from their employment with Defendant during the statutory period. As such, the
21 maximum potential penalty under Labor Code § 201 – 203 is \$1,529,035.20 (197 employees x 8.0
22 hours per day x average rate of \$32.34 x 30 days). However, Defendant argued that it would defeat
23 the waiting time penalty claim as to Plaintiff’s underpayment of overtime claims because the failure
24 to pay wages, if any, was not willful. Furthermore, Defendant argued that it would defeat liability as
25 to waiting time penalties arising from the other unpaid wage claims and unavailability of derivative
26 claims for meal and rest violations. Therefore, Plaintiff applied a 60% risk of defeat at the class
27 certification stage, and an additional 50% risk of defeat at the summary judgment stage or on the
28 merits, resulting in the risk-adjusted value of \$305,807.04 for waiting time penalty claims.

1 47. Further, Plaintiff alleged that Defendant issued non-compliant wage statements in
2 violation of Labor Code § 226, based on the same facts underlying Plaintiff's claims for unpaid
3 wages, meal and rest period premiums, and failure to include all forms of compensation in the
4 "regular rate of pay". Plaintiff estimates that approximately 7,728 allegedly violative wage statements
5 were issued during the applicable period. In calculating Defendant's maximum potential exposure,
6 Plaintiff conservatively assumed that only the "initial" penalty of \$50 per violation would apply, in
7 accordance with Labor Code § 226(e) and case law holding that higher penalties apply only after an
8 employer has been notified of the violations. See *Amaral v. Cintas Corp. No. 2*, 163 Cal.App.4th
9 1157, 1207 (2008). This results in a maximum potential penalty of \$386,400.00 (7,728 × \$50).

10 48. Defendant disputed this claim and asserted that its wage statements fully complied
11 with the requirements of Labor Code § 226. Defendant contends that employees were fully
12 compensated, and any violations were rare and minor, if they occurred at all. As a result, Defendant
13 argues there were no wage statement violations and thus no basis for penalties. Defendant further
14 argued that, even if there were any errors, they were not "knowing and intentional" because
15 Defendant was unaware of any issues and believed it was in compliance and Plaintiff could not
16 establish the required element of injury. Defendant also relied on its defenses to the underlying wage
17 and hour claims and class certification.

18 49. In light of these risks, Plaintiff discounted Defendant's maximum exposure by 50%
19 for the risk of non-certification, and an additional 50% to account for Defendant's defenses on the
20 merits, to arrive at an estimated total of a risk-adjusted value of \$96,600.00 for the wage statement
21 penalty claim.

22 50. Plaintiff also sought PAGA penalties for each violation for which they are available
23 and alleged that these penalties can be "stacked." (See *Gonzalez v. Corecivic of Tennessee, LLC*, No.
24 1:16-cv-01891-DAD-JLT, 2018 WL 4388425 (E.D. Cal. Sept. 12, 2018) ("'stacking' PAGA
25 penalties is not inappropriate under California law"). Assuming that a PAGA penalty is available in
26 the default amount of \$100 per pay period and is not reduced, the maximum potential PAGA penalty
27 would be \$772,800 for the 7,728 pay periods in the PAGA period. See Cal. Lab. Code. § 2699(f)(2).

28 51. However, this maximum figure fails to account for numerous unclear issues relating

1 to PAGA claims. First, it is unclear whether stacking is permissible and/or whether the court would
2 award penalties in such a way (especially for purely derivative penalties). Second, the maximum
3 figure fails to acknowledge that courts have wide latitude to reduce the amount of civil penalties
4 “based on the facts and circumstances of a particular case” and if “to do otherwise would result in an
5 award that is unjust, arbitrary and oppressive, or confiscatory.”

6 52. In recognition of these risks—including the likelihood of judicial reduction and the
7 challenges of prevailing on the merits of the underlying claims—Plaintiff applied significant
8 discounts to the estimated penalty exposure. After accounting for these risks, Plaintiff estimated a
9 reasonable potential value of \$69,552.00 in PAGA penalties. However, in light of the Parties’
10 mutual desire to resolve the matter without protracted litigation, they agreed to allocate \$10,000 of
11 the Total Settlement Amount toward resolution of the PAGA claim, which Plaintiff believes is fair
12 and reasonable under the circumstances.

13 53. In sum, when factoring in defenses and risks of ongoing litigation, Plaintiff estimates
14 the risk-adjusted Class recovery as follows:

15	• Rounding Claim:	\$19,500.00
16	• Regular Rate of Pay Claim:	\$9,276.50
17	• Meal Period Claims:	\$198,934.78
18	• Rest Period Claims:	\$56,572.36
19	• Reimbursement Claims:	\$55,503.00
20	• Labor Code §§ 201 – 203 Claims:	\$305,807.04
21	• Wage Statement Violation Claims:	\$96,600.00
22	• PAGA Claim:	\$69,552.00
23	• <u>Total Risk-Adjusted Penalties and Damages:</u>	\$811,745.68

24 54. The reasonableness of the settlement is apparent from the fact that the proposed
25 settlement is 71% of the risk-adjusted class damages and penalties. And while the PAGA penalties
26 had a maximum value of \$772,800, this fails to acknowledge that courts have wide latitude to reduce
27 the civil penalties “based on the facts and circumstances of a particular case” and if “to do otherwise
28 would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” Labor Code §

1 2699(e)(2). Moreover, Defendant argued against the merits of the underlying claims, particularly that
2 the “willfulness” standard and/or “good faith” defenses mitigated the civil penalty claims and
3 rendered any such penalties uncertain. Defendant also argued that it is improper to stack civil penalty
4 claims on top of the underlying statutory claim. For these reasons, the Parties submit that the agreed-
5 upon settlement is fair and reasonable. The Settlement was the product of extensive arm’s-length
6 negotiations between counsel and was facilitated by an experienced wage-and-hour class action
7 mediator. Though cordial and professional, the Settlement negotiations were adversarial and non-
8 collusive. The Settlement reached is the product of substantial effort by the Parties and their counsel.
9 Although Plaintiff and his counsel believe that there was a possibility of certifying the claims, they
10 recognized the potential risk, expense, and complexity posed by litigation, such as unfavorable
11 decisions on class certification, summary judgment, at trial and/or on the damages awarded, and/or
12 on an appeal that can take several more years to litigate. In addition, if Defendant prevailed on any
13 of their defenses, the employees may not have received any substantial monetary recovery.

14 55. The Settlement will result in a fair payment to each Settlement Class Member based
15 on the number of weeks worked during the Class Period. As set forth hereinabove, Plaintiff and
16 counsel have diligently investigated the claims and defenses on behalf of the Settlement Class
17 Members and worked to achieve a resolution of the claims to maximize the recovery by avoiding
18 further expenditure of attorneys’ fees and costs. After evaluating the significant risks attendant with
19 further litigation described above and weighing them against the benefits of a known compromise
20 and settlement as set forth in the Stipulation of Settlement, settlement on the terms agreed to is
21 believed to be in the best interest of Plaintiff and the Settlement Class, and is a fair and reasonable
22 resolution of the claims alleged.

23 56. Class Counsel brought to bear a great deal of collective experience in negotiating the
24 settlement of this case. As detailed herein, Class Counsel engaged in necessary informal discovery,
25 investigation, sampling, and expert evaluation, making it possible to exercise informed judgment
26 throughout the settlement process, including significant document review (*e.g.*, documents pertaining
27 to Defendant’s policies and procedures, personnel documents, wage statements, time records, among
28 others) and conducted an extensive analysis and extrapolation of the sampling of class-wide data

1 provided by Defendant.

2 57. Based on our experience in other cases, including wage and hour matters, I believe
3 our office, along with Joshua Falakassa, is qualified to evaluate the class claims and viability of
4 defenses in this class action. In this case, the recovery for each Settlement Class Member is
5 reasonable, fair, and adequate, and a settlement at this time is in the best interest of the Settlement
6 Class. The Settlement provides each Settlement Class Member with compensation for the alleged
7 violations when viewed in relation to the costs and risks inherent in obtaining class certification and
8 proceeding to trial.

9 58. Class Counsel, as well as Defendant's counsel, fully endorse the terms and conditions
10 of the Settlement as set forth in the abovementioned Stipulation of Settlement.

11 59. Of course, the Settlement Amount represents a compromise figure, taking into account
12 the various risks surrounding class certification and the merits of the Defendant's asserted defenses.
13 Nevertheless, the Settlement provides fair and adequate payments to the Settlement Class Members,
14 with no reversion to Defendant.

15 60. Under the terms of the Stipulation of Settlement, Class Counsel is requesting
16 \$191,500.00 in attorneys' fees, which is equal to one-third (33.33%) of the Total Settlement
17 Amount. Once the Court grants preliminary approval of the Stipulation of Settlement and Class
18 Notice is disseminated, Class Counsel will submit a request for Attorneys' Fees and Costs with
19 Plaintiff's final approval motion.

20 61. Plaintiff seeks a Enhancement Payment of \$10,000, which we believe is fair and
21 warranted. Plaintiff agreed to come forward in an effort to effectuate a policy and practice change
22 that would benefit all other Settlement Class Members and to recover unpaid wages and penalties.
23 Plaintiff assumed significant risk in bringing this litigation, namely, had he lost, he could have been
24 ordered to pay Defendant's costs.

25 62. Plaintiff provided invaluable assistance to the investigation and prosecution of this
26 case, including: providing factual background for the Class Complaint; reviewing the litigation
27 documents; providing information and documentation about Defendant's policies and practices;
28 participating in phone calls to discuss litigation and settlement strategy; participating in the mediation

1 process, and reviewing the settlement documents. Plaintiff agreed to participate in this case with no
2 guarantee of personal benefit. plaintiff's comprehensive declarations setting forth all of the reasons
3 why he believes that the Enhancement Payment should be approved have been filed herewith.

4 63. When this case was taken on a contingency fee basis, with our firm agreeing to assume
5 responsibility for all litigation costs, the ultimate result was far from certain. In the course of this
6 litigation, we paid all costs, including the filing fees, court costs, mediation costs, and expert costs.
7 There was never a guarantee that our firms would recoup these expenditures.

8 64. It is our experience that attorneys' fee awards of one-third of a common fund
9 settlement are the standard in California. In this case, Class Counsel agreed to seek one-third of the
10 Settlement Amount for attorneys' fees. Defendant does not oppose this fee request. The fee is further
11 warranted because it is within the range of reasonableness typically awarded in class actions. Our
12 firm's costs will not exceed \$20,000 and will be based on the actual amount incurred at the time of
13 final approval.

14 65. Subject to the Court's approval, the parties stipulated that Phoenix Class Action
15 Administration Solutions ("Phoenix") would serve as the Settlement Administrator. Phoenix is
16 experienced in administering class action settlements and will not exceed \$8,000 to administer this
17 class action Settlement.

18 66. Plaintiff has concurrently submitted the Settlement to the LWDA in accordance with
19 Labor Code Section 2699(1)(2). The proof of submission is attached hereto as **Exhibit "C."**

20 67. For the foregoing reasons, it is respectfully requested that the Court grant preliminary
21 approval of the Settlement as being fair, reasonable, and in the best interests of the Settlement Class,
22 as well as preliminarily approve the requested attorneys' fees and costs, and the Enhancement
23 Payment to the Class Representative.

24 68. The Total Settlement Amount is based on Defendant's representation of the number
25 of weeks worked by the Settlement Class through mediation, and on the payroll data provided by
26 Defendant for purposes thereof. Based on its records, Defendant represented that there were
27 approximately 18,501 workweeks during the period from January 1, 2021, through March 27, 2025.
28 Should the number of workweeks during the Class Period increase beyond 10% of the represented

workweeks (*i.e.*, exceeds 20,352 workweeks), Defendant at its sole discretion, has the option to either: (1) agree to increase the Total Settlement Amount on a pro rata basis according to the number of additional workweeks over the 10% cap, or (2) agree to close the Class Period just before the date the workweeks exceeds this 10% cap (the foregoing, the “Escalator Clause.”)

69. If either (i) ten percent (10%) or more of the Class Members submit timely and valid Requests for Exclusion or timely and complete Notices of Objection, or (ii) the total number of Class Members who submit timely and valid Requests for Exclusion or timely and complete Notices of Objection whose share of the Net Settlement Amount is ten percent (10%) or more of the Net Settlement Amount, or both (i) and (ii), Defendant may, at its election, rescind the Settlement and all actions taken in its furtherance will be thereby null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel, within thirty (30) calendar days after the Settlement Administrator notifies the Parties of the total number of opt-outs and objections.

I declare under penalty of perjury under the laws of California that the foregoing is true and correct on this 11th of August 2025, in Los Angeles, California.

By: 
Mehrdad Bokhour, Esq.

EXHIBIT “A”

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement (“Agreement,” “Settlement,” or “Settlement Agreement”) is made and entered into by and between Plaintiff Michael Petersen (“Plaintiff”), on behalf of all others similarly situated and the State of California with respect to aggrieved employees pursuant to the Private Attorneys General Act, and Defendant Gold Bond Building Products, LLC (“Gold Bond”) (“Defendant”) (collectively, with Plaintiff, the “Parties”).

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

RECITALS

1. On December 19, 2023, Plaintiff filed a Class Action Complaint for Damages (“Complaint”) against Defendant in the Superior Court of California for the County of Contra Costa, thereby commencing the action entitled *Michael Petersen v. Gold Bond Building Products, LLC, et al.*, Case No. C23-03215 (“Action”).

2. On December 19, 2023, Plaintiff provided written notice to the Labor and Workforce Development Agency by online submission and to Defendant by Certified Mail of his intent to seek civil penalties for Defendant’s alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders.

3. For purposes of this Agreement, the term “Action” is defined collectively to include the Class Action and the forthcoming First Amended Complaint.

4. Defendant denies all material allegations set forth in the Action and has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Action, Released Class Claims, and Released PAGA Claims, under the terms provided for herein. The Parties, Class Counsel, and Defendant’s Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

5. Class Counsel in the Action diligently investigated the proposed class and PAGA claims against Defendant, including any and all applicable defenses and the applicable law. The investigation

included, *inter alia*, the exchange of information, data, and documents, and review of numerous policies and practices.

6. On March 27, 2025, the Parties participated in a mediation with Brandon McKelvey, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, and reached the Settlement that is memorialized herein. The settlement discussions were conducted at arm’s-length, and the Settlement is the result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on the documents produced, as well as Class Counsel’s own independent investigation and evaluation, Class Counsel believes that the Settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California, and PAGA Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

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

DEFINITIONS

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

a. **“Attorneys’ Fees and Costs”** means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of this Action, and all actual costs incurred and to be incurred by Class Counsel in the Action, as set forth in Paragraph 13 below.

b. **“Class Counsel”** or **“Plaintiff’s Counsel”** mean Mehrdad Bokhour of Bokhour Law Group, P.C. and Joshua S. Falakassa of Falakassa Law, PC, who will seek to be appointed counsel for the Class.

c. **“Class List”** means a complete list of all Class Members that Defendant will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class

Member's full name, last known mailing address, Social Security Number, the number of Workweeks worked as an hourly-paid or non-exempt employee of Defendant in California during the Class Period and during the PAGA Period, and such other information as is necessary for the Settlement Administrator to calculate Workweeks during the Class Period and during the PAGA Period (as defined below).

d. **"Class Member(s)"** or **"Class"** means all current and former non-exempt employees employed by Defendant in California at any time during the Class Period.

e. **"Class Notice"** means the Notice of Class Action Settlement, substantially in the form attached as **"Exhibit A."**

f. **"Class Period"** means the time period from January 1, 2021, through the date of preliminary approval, subject to Paragraph 40.

g. **"Class Representative"** or **"Plaintiff"** means Michael Petersen.

h. **"Class Settlement"** means the settlement and resolution of Released Class Claims.

i. **"Court"** means the Superior Court of the State of California for the County of Contra Costa.

j. **"Defendant"** means Gold Bond Building Products, LLC.

k. **"Defendant's Counsel"** means Matthew M. Sonne and Eric T. Angel of Sheppard, Mullin, Richter & Hampton, LLP.

l. **"Effective Date"** means the last to occur of the following: (a) the 61st day after service of notice of entry of the Final Approval Order and Judgment; or (b) if an appeal, review, or writ is sought from the Final Approval Order and Judgment, the day after the Final Approval Order and Judgment is affirmed or the appeal, review, or writ is dismissed or denied, and the Final Approval Order and Judgment is no longer subject to further judicial review. Prior to the Effective Date, Defendant will not be required to fund the Settlement, in whole or in part, through the Settlement Administrator or any third party.

m. **"Enhancement Payment"** means the amount to be paid to Plaintiff in recognition of his effort and work in prosecuting the Action on behalf of Class Members, State of California, and PAGA Members, as set forth in Paragraph 14 below.

n. **"Employer Taxes"** means the employer's share of taxes and contributions in

connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant separately and in addition to the Total Settlement Amount.

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

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

q. **“Individual PAGA Payment”** means the *pro rata* share of the PAGA Member Amount (i.e., 25% of the PAGA Amount) that a PAGA Member may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 18.

r. **“Individual Settlement Payment”** means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 17 below.

s. **“LWDA Payment”** means the amount of Seven Thousand and Five Hundred Dollars and Zero Cents (\$7,500) (i.e., 75% of the PAGA Amount) that the Parties have agreed to pay to the California Labor and Workforce Development Agency (“LWDA”) for the PAGA Settlement, as set forth in Paragraph 16.

t. **“Net Settlement Amount”** means the portion of the Total Settlement Amount that is available for distribution to Settlement Class Members, which is the Total Settlement Amount less the Court-approved Enhancement Payment, Settlement Administration Costs, PAGA Amount, and Attorneys’ Fees and Costs.

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

v. **“PAGA Amount”** means the allocation of Ten Thousand Dollars and Zero Cents

(\\$10,000) from the Total Settlement Amount for the PAGA Settlement. Seventy-five percent (75%) of the PAGA Amount, or \\$7,500, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or \\$2,500, will be distributed to PAGA Members based on their Workweeks during the PAGA Period (i.e., PAGA Member Amount).

w. **“PAGA Members”** means all current and former non-exempt employees employed by Defendant in California at any time during the PAGA Period.

x. **“PAGA Member Amount”** means the amount of Two Thousand and Five Hundred Dollars and Zero Cents (\\$2,500). i.e., 25% of the PAGA Amount, to be distributed to PAGA Members on a *pro rata* basis based on their Workweeks during the PAGA Period.

y. **“PAGA Period”** means the time period from December 19, 2022, through date of approval.

z. **“PAGA Settlement”** means the settlement and resolution of Released PAGA Claims.

aa. **“Parties”** means Plaintiff and Defendant, collectively, and “Party” means either Plaintiff or Defendant.

bb. **“Preliminary Approval”** means entry of the Court order granting preliminary approval of the Settlement Agreement.

cc. **“Released Claims”** means all claims, debts, liabilities, demands, actions, or causes of action under state, federal or local law, whether statutory, common law or administrative, that were asserted or that reasonably could have been asserted based on the facts alleged in the operative complaint and/or PAGA Notice Letter in the action, including but not limited to all state and/or federal wage and hour claims, failure to pay all wages due, including minimum wages, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and interest; the calculation of the regular rate of pay; failure to provide meal periods; failure to provide rest periods; failure to pay proper meal period penalties; failure to pay proper rest period penalties; payment for all hours worked, including off-the-clock work; failure to provide accurate itemized wage statements; failure to comply with wage reporting; failure to reimburse business expenses; failure to timely pay all wages during employment; failure to timely pay all wages due at separation of employment; failure to provide one day’s rest in a seven-

day workweek; failure to maintain accurate records, including payroll records; failure to provide written notice at the time of hiring under California Labor Code Section 2810.5, unfair business practices; penalties, including but not limited to recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting-time penalties; interest; attorneys' fees and costs; and including and not limited to, all claims arising under the California Labor Code (including but not limited to Sections 201-204, 206, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 256, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2698 *et seq.*, and 2699 *et seq.*); the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); California Business and Professions Code Section 17200, *et seq.*; 8 CCR Sections 11040, 11070, 11080, and 11140; and California Code of Civil Procedure, including but not limited to Section 1021.5; ; and the Fair Labor Standards Act, 29 U.S.C. Section 201, *et seq* class members who cash their settlement checks will be deemed to have opted into the action for purposes of the FLSA and will thereby release and waive any of their claims under the FLSA. This release is limited to claims arising during the Class Period and PAGA Period as defined in this Agreement, and only as to Class Members and Aggrieved Employees, respectively. This release excludes the release of claims not permitted by law.

dd. **"Released Class Claims"** means any and all Released Claims, arising during the Class Period, other than those arising under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.*

ee. **"Released PAGA Claims"** means any and all Released Claims, arising during the PAGA Period and arising under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.*

ff. **"Released Parties"** means Gold Bond Building Products, LLC and its parents, subsidiaries, and affiliates including all of their former and present directors, officers, employees, shareholders, owners, members, attorneys, insurers, and assigns.

gg. **"Request for Exclusion"** means a letter submitted by a Class Member indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Action, (b) contain the full name, signature, address, telephone number, and the last four (4) digits of the Social Security Number of the Class Member requesting exclusion, (c) clearly state that the Class

Member does not wish to be included in the Class Settlement, and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

hh. **“Response Deadline”** means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or dispute of the number of Workweeks credited to them, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be the extended by fifteen (15) calendar days from the original deadline.

ii. **“Settlement Administrator”** means Phoenix Class Action Administration Solutions, or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

jj. **“Settlement Administration Costs”** means the costs payable from the Total Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this Settlement, as set forth in Paragraph 15 below and in accordance with the Settlement Administrator’s “not to exceed” bid submitted to the Court in connection with approval of the Settlement.

kk. **“Settlement Class Members”** means all Class Members who do not submit a timely and valid Request for Exclusion.

ll. **“Total Settlement Amount”** means the amount of Five Hundred and Seventy-Four Thousand and Five Hundred Dollars and Zero Cents (\$574,500.00). Defendant will pay the Total Settlement Amount in full resolution of all Released Class Claims, Released PAGA Claims, and the Action, which includes all Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, Net Settlement Amount to be paid to the Settlement Class Members, and Settlement Administration Costs.

The Employer's Taxes will be paid separately and in addition to the Total Settlement Amount.

mm. "Workweeks" means the number of weeks that each Class Member worked for Defendant as a non-exempt employee in California.

CLASS CERTIFICATION

9. For the purposes of this Settlement only, the Parties stipulate to the certification of the Class.

10. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

TERMS OF AGREEMENT

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

11. Funding of the Settlement Amount. Within fifteen (15) calendar days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid by Defendant pursuant to the terms of the Settlement Agreement. Within forty-five (45) calendar days after the Effective Date, Defendant will fund the Total Settlement Amount, plus an amount sufficient for Employer Taxes, into a settlement account to be established by the Settlement Administrator.

12. Distribution of the Settlement Amount. Within seven (7) calendar days of the date on which the Settlement Administrator receives the Total Settlement Amount, the Settlement Administrator will distribute the Court-approved Enhancement Payment to Plaintiff, the LWDA Payment to the LWDA, the Court-approved Settlement Administration Costs to itself (the Settlement Administrator), the Individual Settlement Payments to Settlement Class Members, the Individual PAGA Payments to PAGA Members, and Court-approved Attorneys' Fees and Costs to Class Counsel. The Settlement Administrator will also undertake filings and remittances in connection with the employee's share of taxes on the wages portion of Individual Settlement Shares and the Employer Taxes, which are necessary for the administration of

the Settlement. The Settlement Administrator will disburse the Total Settlement Amount without asking or requiring Class Members or PAGA Members to submit any claim as a condition of payment.

13. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose attorneys' fees of up to one third of the Total Settlement Amount (i.e., up to One Hundred Ninety One Thousand Five Hundred Dollars and Zero Cents (\$191,500) if the Total Settlement Amount remains \$574,500.00) and reimbursement of reasonable litigations costs and expenses associated with Class Counsel's litigation and settlement of the Action, both of which will be paid from the Total Settlement Amount subject to Court approval. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Action, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Attorneys' Fees and Costs. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

14. Enhancement Payment. In recognition of his efforts and work in prosecuting the Action, Defendant agrees not to oppose any application or motion for an Enhancement Payment in an amount up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff. The Enhancement Payment, which will be paid from the Total Settlement Amount, subject to Court approval, will be in addition to Plaintiff's individual settlement payment that Plaintiff may be eligible to receive under the Settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff for the Enhancement Payment, and Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Enhancement Payment. Should the Court approve the Enhancement Payment to Plaintiff in an amount that is less than that set forth above, the difference between the lesser amount approved by the Court and

1 the amount allocated toward the Enhancement Payment will be part of the Net Settlement Amount for the
2 benefit of Settlement Class Members.

3 15. Settlement Administration Costs. The Settlement Administrator will be paid for the
4 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
5 which is currently estimated not to exceed Eight Thousand Dollars and Zero Cents (\$8,000.00) except
6 for a showing of good cause and as approved by the Court. These costs, which will be paid from the
7 Total Settlement Amount, subject to Court approval, will include, *inter alia*, translating (to Spanish),
8 printing, distributing, and tracking Class Notices and other documents for this Settlement, calculating and
9 distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax
10 reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other
11 duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. To
12 the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such
13 excess amount will be deducted from the Total Settlement Amount, subject to approval by the Court. Any
14 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in
15 fact required to fulfill payment to the Settlement Administrator to undertake the requirement settlement
16 administration duties will become part of the Net Settlement Amount.

17 16. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
18 Ten Thousand Dollars and Zero Cents (\$10,000) from the Total Settlement Amount will be allocated
19 toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.*
20 (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$7,500, will be paid to the LWDA
21 (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$2,500, will be distributed to PAGA
22 Members (i.e., the PAGA Member Amount) on a *pro rata* basis, based on Workweeks during the PAGA
23 Period (i.e., the Individual PAGA Payments).

24 17. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated
25 and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks
26 during the Class Period as follows:

27 a. After Preliminary Approval, the Settlement Administrator will divide the Net
28 Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the

“Estimated Workweek Value,” and multiply each Class Member’s individual Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members during the Class Period to yield the “Final Workweek Value,” and multiply each Settlement Class Member’s individual Workweeks during the Class Period by the Final Workweek Value to yield his or her Individual Settlement Share.

18. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Member Amount based on the PAGA Members’ number of Workweeks during the PAGA Period as follows: The Settlement Administrator will divide the PAGA Member Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks during the PAGA Period for all PAGA Members to yield the “PAGA Workweek Value,” and multiply each PAGA Member’s individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

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

20. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

21. Notice by First-Class U.S. Mail.

a. Within fourteen (14) calendar days after receiving the Class List from Defendant,

1 the Settlement Administrator will perform a search based on the National Change of Address Database,
2 for information to update and correct for any known or identifiable address changes, and will mail a
3 Class Notice in (in the form attached as “**Exhibit A**” to this Settlement Agreement) to all Class Members
4 in English and Spanish via First-Class U.S. Mail, using the most current, known mailing addresses
5 identified by the Settlement Administrator.

6 b. With respect to Class Notices that are returned as undeliverable with a forwarding
7 address on or before the Response Deadline, the Settlement Administrator will re-mail the Class Notice
8 within five (5) calendar days to the forwarding address. With respect to Class Notices that are returned
9 as undeliverable without a forwarding address on or before the Response Deadline, the Settlement
10 Administrator will search for an alternate address by way of skip-trace and re-mail the Class Notice
11 within five (5) calendar days.

12 22. Dispute Regarding Workweeks. Class Members will have an opportunity to dispute the
13 number of Workweeks to which they have been credited, as reflected in their respective Class Notices.
14 In order to dispute Workweeks, Class Members must submit a written letter to the Settlement
15 Administrator that must: (a) contain the case name and number of the Action, (b) contain the full name,
16 signature, address, telephone number, and the last four (4) digits of the Social Security Number of the
17 disputing Class Member, (c) clearly state that the Class Member disputes the number of Workweeks
18 credited to him or her and what he or she contends is the correct number to be credited to him or her, (d)
19 include information and/or attach documentation demonstrating that the number of Workweeks that he
20 or she contends should be credited to him or her are correct, and (e) be returned by mail to the Settlement
21 Administrator at the specified address, postmarked on or before the Response Deadline. The date of the
22 postmark on the return mailing envelope on the submission will be the exclusive means to determine
23 whether a dispute has been timely submitted. Absent evidence rebutting the accuracy of Defendant’s
24 records and data as they pertain to the number of Workweeks to be credited to a disputing Class Member,
25 Defendant’s records will be presumed correct and determinative of the dispute. However, if a Class
26 Member produces information and/or documents to the contrary, the Settlement Administrator will
27 evaluate the materials submitted by the Class Member and the Settlement Administrator will resolve and
28 determine the number of eligible Workweeks that the disputing Class Member should be credited with

1 under the Settlement. The Settlement Administrator's decision on such disputes will be final and non-
2 appealable.

3 23. Settlement Checks. The Settlement Administrator will be responsible for undertaking
4 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way of
5 check to the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA
6 Members in accordance with this Settlement Agreement. When issuing payments, the Settlement
7 Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one
8 check if the intended recipient for both payments is one individual. Each Individual Settlement Payment
9 and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
10 calendar days from the date the checks are issued, and thereafter, shall be canceled. All funds associated
11 with such canceled checks will be transmitted to the State Controller's Office, Unclaimed Property
12 Division in the name of the Settlement Class Member and/or PAGA Member. The Settlement
13 Administrator shall undertake amended and/or supplemental tax filings and reporting, required under
14 applicable local, state, and federal tax laws, that are necessitated due to the cancelation of any Individual
15 Settlement Payment and Individual PAGA Payment checks. Settlement Class Members whose Individual
16 Settlement Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA
17 Members whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the
18 PAGA Settlement.

19 24. Procedure for Requesting Exclusion from the Class Settlement. Any Class Member
20 wishing to be excluded from the Class Settlement must submit a written Request for Exclusion to the
21 Settlement Administrator, by mail, within the Response Deadline. The date of the postmark on the return
22 mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been
23 timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
24 Counsel the number of timely and valid Requests for Exclusion that are submitted, and also identify the
25 individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be
26 filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a
27 Request for Exclusion is prohibited from making any objection to the Class Settlement. Any Class
28 Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement

1 and will not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
2 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion will
3 be bound by all of the terms of the Class Settlement, including and not limited to those pertaining to the
4 Released Class Claims, as well as any judgment that may be entered by the Court if it grants Final
5 Approval. Notwithstanding the above, all PAGA Members will be bound to the PAGA Settlement and
6 will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for
7 Exclusion.

8 25. Procedures for Objecting to the Class Settlement. To object to the Class Settlement, Class
9 Members who have not opted out of the Class Settlement (i.e., Settlement Class Members) must submit
10 a timely and complete Notice of Objection to the Settlement Administrator, by mail, on or before the
11 Response Deadline. The Notice of Objection must be signed by the Settlement Class Member and contain
12 all information required by this Settlement Agreement. The postmark date will be deemed the exclusive
13 means for determining that the Notice of Objection is timely. At no time will any of the Parties or their
14 counsel seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement
15 or appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
16 through counsel, may present their objection orally at the Final Approval Hearing, regardless of whether
17 they have submitted a Notice of Objection.

18 26. Reports by the Settlement Administrator Regarding Settlement Administration. The
19 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which
20 certifies: (a) the number of Class Members who have submitted a dispute of Workweeks; (b) the number
21 of Class Members who have submitted timely and valid Requests for Exclusion or timely and complete
22 Notices of Objection; and (c) the number of undeliverable and re-mailed Class Notices. Additionally,
23 the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the
24 administration of the Settlement Agreement as needed or requested, and immediately notify the Parties
25 when it receives a request from an individual or any other entity regarding inclusion in the Class and/or
26 Settlement.

27 27. Certification of Completion. Upon completion of administration of the Settlement, the
28 Settlement Administrator will provide a written declaration under oath to certify such completion to the

Court and counsel for all Parties.

28. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each Individual Settlement Share will be allocated as thirty-three percent (33%) wages, thirty-three percent (33%) penalties, and thirty-four percent (34%) interest, fees, and other non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to interest, penalties, and other non-wage damages will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Total Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will not undertake any withholding or deductions with respect to the Individual PAGA Payment.

29. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities with respect to the wages portion of the Individual Settlement Shares.

30. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement Class Members, and PAGA Members understand and agree that, except for Defendant's payment of Employer Taxes, they will be solely responsible for correctly characterizing any compensation received by them under the Settlement, on their personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

31. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant

1 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
2 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
3 of action or right herein released and discharged.

4 32. Class Settlement Release. As of the Effective Date, Plaintiff and all Class Members who
5 do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members), on behalf of
6 themselves and their respective past, present, and future representatives, agents, attorneys, heirs,
7 administrators, successors, and assigns, and each and all of them, will be deemed to have fully, finally,
8 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
9 Released Class Claims.

10 33. PAGA Settlement Release. As of the Effective Date, Plaintiff, the State of California with
11 respect to all PAGA Members, and all PAGA Members, on behalf of themselves and their respective past,
12 present, and future representatives, agents, attorneys, heirs, administrators, successors, and assigns, and
13 each and all of them, will be deemed to have fully, finally, and forever released, settled, compromised,
14 relinquished, and discharged the Released Parties of all Released PAGA Claims.

15 34. General Release of Claims by Plaintiff. As of the Effective Date, Plaintiff, on behalf of
16 himself and his respective past, present, and future representatives, agents, attorneys, heirs, spouses,
17 executors, administrators, successors, assigns, and any entities or businesses where Plaintiff has a
18 controlling ownership interest, fully and finally releases the Released Parties from any and all claims,
19 known and unknown, under federal, state and/or local law, statute, ordinance, regulation, common law,
20 or other source of law, including but not limited to claims arising from or related to his employment
21 with Defendant and his compensation while an employee of Defendant ("Plaintiff's Released Claims").
22 Plaintiff's Released Claims include all claims alleged or could have been alleged in the Action, including
23 but not limited to state and/or federal wage and hour claims, failure to pay all wages due, including
24 minimum wages, straight time compensation, overtime compensation, double-time compensation,
25 reporting time compensation, and interest; the calculation of the regular rate of pay; failure to provide
26 meal periods; failure to provide rest periods; failure to pay proper meal period penalties; failure to pay
27 proper rest period penalties; payment for all hours worked, including off-the-clock work; failure to
28 provide accurate itemized wage statements; failure to reimburse business expenses; failure to timely pay

all wages during employment; failure to timely pay all wages due at separation of employment; failure to provide one day's rest in a seven-day workweek; failure to maintain accurate records, including payroll records; misclassification; unfair business practices; penalties, including but not limited to recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting-time penalties; interest; and attorneys' fees and costs. Plaintiff's Released Claims also expressly include all claims arising under the California Labor Code (including but not limited to Sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204, 205.5, 206, 210, 216, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 256, 450, 510, 511, 512, 516, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2800, 2802, 2698 et seq., and 2699 et seq.); the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); California Business and Professions Code Section 17200, et seq.; the California Civil Code, including but not limited to Sections 3287, 3336, and 3294; 8 CCR Sections 11040, 11070, 11080, and 11140; California Code of Civil Procedure, including but not limited to Section 1021.5; the California common law of contract; the FLSA, 29 U.S.C. Section 201, et seq.; federal common law; and the Employee Retirement Income Security Act, 29 U.S.C. Section 1001, et seq. ("ERISA"); all claims for lost wages and benefits, emotional distress, punitive damages, other damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, retaliation, and wrongful termination, such as, by way of example only, (as amended) 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing Act. This release excludes the release of claims not permitted by law.

Plaintiff's Released Claims include all claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of Plaintiff's Released Claims, those claims will remain released and forever barred. Thus, Plaintiff expressly waives and relinquishes the provisions, rights and benefits of California Civil Code Section 1542, which reads:

"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.”

Further, this Agreement constitutes a knowing and voluntary waiver of any and all rights or claims that Plaintiff or may have under the Federal Age Discrimination In Employment Act, as amended by the Older Workers' Benefit Protection Act of 1990, 29 U.S.C. §§ 621 et seq. This paragraph and this Agreement are written in a manner calculated to be understood by Plaintiff. Plaintiff is hereby advised in writing to consult with an attorney before signing this Agreement. Plaintiff has had a reasonable time of up to 21 days in which to consider signing this Agreement. If Plaintiff decides not to use all 21 days, Plaintiff knowingly and voluntarily waives any claims that Plaintiff was not given the 21-day period or did not use the entire 21 days to consider this Agreement. Plaintiff may revoke this Agreement at any time within the 7-day period following the date Plaintiff signs this Agreement by providing written notice of revocation to Defendant’s counsel of record. The Agreement shall not become effective or enforceable until after this 7-day revocation period has expired. If Plaintiff revokes the Agreement, Plaintiff will not receive the consideration set forth in the Agreement.

35. Release by Class Counsel. Class Counsel, on behalf of themselves and their respective law firms, hereby release any and all claims to attorneys’ fees and litigation costs against the Released Parties in connection with the Action and the LWDA Notices, other than those fees and costs approved by the Court pursuant to this Settlement.

36. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement. Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff’s Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will be responsible for drafting and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendant’s Counsel a draft of the proposed order granting preliminary approval before filing it with the Court. Defendant agrees not to oppose the Motion for Preliminary Approval of the Settlement consistent with this Settlement Agreement. Said motion shall apply to the Court for the entry of an order (“Preliminary Approval Order”), which shall be mutually agreed upon by the Parties, seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;

- c. Preliminarily appointing Plaintiff as representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving, as to form and content, the mutually agreed upon and proposed Class Notice and directing its mailing to the Class by First-Class U.S. Mail;
- f. Approving the manner and method for Class Members to object to or request exclusion from the Class Settlement as contained herein and within the Class Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether Final Approval should be granted.

37. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for (a) Individual Settlement Payments; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

- a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Certification of the Settlement Class;
- c. Appointment of Plaintiff as representative of the Class;
- d. Appointment of Class Counsel as counsel for the Class;
- e. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- f. Approval of the application for Enhancement Payment to Plaintiff;
- g. Approval of the application for Settlement Administration Costs to the Settlement Administrator;
- h. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and

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

38. Termination or Revocation of Settlement by Defendant. If either (i) ten percent (10%) or more of the Class Members submit timely and valid Requests for Exclusion or timely and complete Notices of Objection, or (ii) the total number of Class Members who submit timely and valid Requests for Exclusion or timely and complete Notices of Objection whose share of the Net Settlement Amount is ten percent (10%) or more of the Net Settlement Amount, or both (i) and (ii), Defendant may, at its election, rescind the Settlement and all actions taken in its furtherance will be thereby null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel, within thirty (30) calendar days after the Settlement Administrator notifies the Parties of the total number of opt-outs and objections.

39. Effects of Termination of the Settlement. Termination of the Settlement Agreement shall have the following effects:

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

b. In the event the Settlement Agreement is terminated, Defendant shall have no obligation to make any payments to any Party, Class Member, PAGA Member, the State of California, or attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order, including any order certifying the Class, shall be vacated;

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

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

f. Any documents generated to bring the Settlement into effect, will be null and void.

1 and any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise
2 be treated as void from the beginning.

3 40. Escalator Clause. Based on its records, Defendant represented that there were
4 approximately 18,501 workweeks during the period from January 1, 2021, through March 27, 2025.
5 Should the number of workweeks during the Class Period increase beyond 10% of the represented
6 workweeks (i.e. exceeds 20,352 workweeks), Defendant at its sole discretion, has the option of either: (1)
7 agree to increase the Total Settlement Amount on a pro rata basis according to the number of additional
8 workweeks over the 10% cap, or (2) agree to close the Class Period just before the date the workweeks
9 exceeds this 10% cap.

10 41. Amended Complaint. The Parties agree that no later than ten (10) days after signing this
11 Agreement, as a condition of settlement, Plaintiff will amend the Action to assert a PAGA claim as alleged
12 in his December 19, 2023, PAGA Notice Letter.

13 42. No Publicity. Neither Plaintiff nor Class Counsel shall issue press releases or initiate contact
14 with the media regarding the amount or specific terms of the Settlement, , except as necessary in filings
15 with the Court or in communications with the LWDA pursuant to the California Labor Code. Class Counsel
16 may respond to media inquiries by stating that the matter has been resolved and referring the inquirer to
17 public court filings. Class Counsel may also comment on the public court filings only in response to media
18 inquiries. Class Counsel agrees not to engage in marketing or promotional statements that disclose material
19 terms of the Settlement, including the identity of the Defendant, except as may appear in required court
20 filings, attorney advertising disclaimers, or routine references to the case on Class Counsel's website.
21 Plaintiff agrees not to discuss the specific terms or fact of the Settlement with third parties, except for
22 Plaintiff's spouse, counsel, tax advisors, or as required by law. Nothing in this paragraph shall restrict
23 required disclosures to the Court, the Settlement Administrator, or the LWDA, or prevent any Party from
24 complying with applicable laws or court orders. The Settlement Administrator may, with Court approval,
25 maintain a settlement website for the sole purpose of providing Notice of Judgement to the Class Members.

26 43. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
27 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
28 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and

1 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-
2 judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

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

6 45. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
7 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
8 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
9 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
10 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
11 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or
12 contradict the terms of this Settlement Agreement.

13 46. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
14 Action (including with respect to California Code of Civil Procedure section 583.310), except such
15 proceedings necessary to implement and complete the Settlement Agreement, including amending the
16 Complaint, pending the Final Approval Hearing to be conducted by the Court.

17 47. Amendment. Prior to the filing of the motion for preliminary approval of the Settlement,
18 the Parties may not amend or modify any provision of this Settlement Agreement except by written
19 agreement signed by counsel for all Parties. After the filing of the motion for preliminary approval of
20 the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement except
21 by written agreement signed by counsel for all Parties and subject to Court approval. A waiver or
22 amendment of any provision of this Settlement Agreement will not constitute a waiver of any other
23 provision.

24 48. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
25 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
26 Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant
27 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
28 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have

1 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement
2 will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
3 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
4 provisions that otherwise might apply under state or federal law.

5 49. Signatories. It is agreed that because the members of the Class are so numerous, it is
6 impossible or impractical to have each Settlement Class Member or PAGA Member execute this
7 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
8 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement as
9 to the PAGA Members, and the releases provided for by the Settlement Agreement shall have the same
10 force and effect as if this Settlement Agreement were executed by each Settlement Class Member and
11 PAGA Member.

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

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

16 52. Execution and Counterparts. This Settlement Agreement is subject only to the execution
17 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
18 executed counterparts and each of them, including facsimile, electronic, and scanned copies of the
19 signature page, will be deemed to be one and the same instrument.

20 53. Acknowledgment that the Settlement is Reasonable. The Parties believe this Settlement
21 Agreement is an adequate and reasonable settlement of the Action and have arrived at this Settlement
22 after arm's-length negotiations with the assistance of a neutral mediator and in the context of adversarial
23 litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge
24 that they are each represented by competent counsel and that they have had an opportunity to consult
25 with their counsel regarding the reasonableness of this Settlement Agreement.

26 54. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement
27 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible
28 consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid

1 and enforceable.

2 55. Parties' Cooperation. The Parties agree to sign this Settlement Agreement and, by signing
3 this Settlement Agreement, are hereby bound by the terms herein and agree to fully cooperate to
4 implement the Settlement.

5 56. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
6 the dispute that has arisen between them and to avoid the burden, expense, and risk of continued
7 litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically deny,
8 that they have violated any state, federal, or local law; violated any regulations or guidelines promulgated
9 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
10 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
11 any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any
12 of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
13 admission or concession by Defendant of any such violations or failures to comply with any applicable
14 law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this
15 Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any
16 action or proceeding to establish any liability or admission on the part of Defendant or to establish the
17 existence of any condition constituting a violation of, or a non-compliance with state, federal, local or
18 other applicable law.

19 57. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted
20 for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the
21 provisions of this Settlement Agreement.

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

27 59. Representation by Counsel. The Parties acknowledge that they have been represented by
28 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that

this Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full.

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

61. Notices. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such other addresses as either Party may designate in writing from time to time:

<u>To Plaintiff and Class Counsel:</u>	<u>To Defendant:</u>
Mehrdad Bokhour, Esq. BOKHOUR LAW GROUP, P.C. 1901 Avenue of the Stars, Suite 920 Los Angeles, CA 90067	Matthew M. Sonne, Esq. Eric T. Angel, Esq. SHEPPARD, MULLIN, RICHTER & HAMPTON, LLP 650 Town Center Drive, 10 th Floor Costa Mesa, California 92626-1993
Joshua S. Falakassa, Esq. FALAKASSA LAW, P.C. 1901 Avenue of the Stars, Suite 920 Los Angeles, CA 90067	

62. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court. This shall satisfy California Rules of Court 3.771(b), and no individualized notice to the Class will be required.

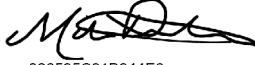
63. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of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

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

1 **IT IS SO AGREED.**

2
3 **Dated:** 6/28/2025
4 _____

PLAINTIFF MICHAEL PETERSEN

Signed by:

826595C91B944E6...
Michael Petersen, Plaintiff

5
6
7
8 **Dated:** 7/3/2025
9 _____

DEFENDANT GOLD BOND BUILDING PRODUCTS, LLC

DocuSigned by:

6C89ADB809B2443...
Full Name: Laura C Budzichowski
Title: Vice President and Secretary
On behalf of Defendant Gold Bond Building Products, LLC

10
11
12 **APPROVED AS TO FORM:**

CLASS COUNSEL

FALAKASSA LAW, P.C.

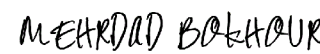
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16 **Dated:** 6/27/2025
17 _____

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Joshua Falakassa
Attorneys for Plaintiff

BOKHOUR LAW GROUP, P.C.

18
19
20
21 **Dated:** 6/30/2025
22 _____

Signed by:

D8D3643F271940F...
Mehrdad Bokhour
Attorneys for Plaintiff

DEFENDANT'S COUNSEL:

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

23
24
25
26 **Dated:** 7/7/2025
27 _____


Matthew M. Sonne
Eric Angel
Attorneys for Defendant,
Gold Bond Building Products, LLC

EXHIBIT “B”

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND
CLASS ACTION SETTLEMENT HEARING**

IMPORTANT LEGAL NOTICE

This is not an advertisement

Michael Petersen v. Gold Bond Building Products, LLC, et al.

Superior Court for the County of Contra Costa, Case No. C23-03215

**THIS NOTICE IS BEING SENT AS PART OF A SETTLEMENT FROM A COURT AND CONTAINS
IMPORTANT INFORMATION THAT MAY AFFECT YOU**

YOU ARE NOT BEING SUED

TO: ALL PERSONS EMPLOYED BY GOLD BOND BUILDING PRODUCTS, LLC IN CALIFORNIA AS
A NON-EXEMPT FOR ANY PORTION OF TIME BETWEEN JANUARY 1, 2021, AND [PA DATE]
(THE “CLASS MEMBERS”)

1. Why Did I Receive This Notice?

A proposed settlement has been reached in a lawsuit that may affect your rights.

This lawsuit is against Gold Bond Building Products, LLC. (referred to in this notice as “Defendant”). Michael Petersen is a former employee of Defendant. He filed this lawsuit. This notice refers to Mr. Petersen as “Plaintiff.”

You are receiving this notice because Defendant’s records indicate that you worked for Defendant in California as a non-exempt employee for some time between January 1, 2021, and [PA DATE] (“Class Period”). This means you are a potential Class Member, and you have a right to know about the proposed settlement. This notice explains the lawsuit, the proposed settlement, your legal rights, what payments may be available, and how to get them.

2. What Is the Lawsuit About?

Plaintiff filed a proposed class action lawsuit on behalf of himself and other Class Members. Plaintiff claims that Defendant violated California law by:

- (1) failing to pay all overtime wages due;
- (2) failing to provide legally required rest periods;
- (3) failing to provide legally required meal periods;
- (4) failing to provide all sick time;
- (5) failing to provide accurate wage statements;
- (6) failing to pay wages due at separation of employment;
- (7) failing to reimburse all necessary business expenditures;
- (8) violating Business and Professions Code § 17200 *et seq.*; and
- (9) violating the Private Attorneys General Act of 2004 (“PAGA”)

Plaintiff sought unpaid wages, interest, and penalties, as well as attorneys’ fees and costs for Class Members. Defendant denies each and every one of Plaintiff’s allegations, and believes that it has treated, and continues to treat, Class Members in accordance with all applicable laws at all times. The Court has not made any decision on whether the claims in this lawsuit have merit or not.

3. What Is a Class Action?

A class action lawsuit is a legal proceeding where one or more persons sue not just for themselves, but for other people who have similar claims (forming a “class” or group of people).

4. Background of Settlement

The claims in this case are contested. Defendant denies that it committed any wrongdoing. Plaintiff’s lawyers have received sufficient information from Defendant in order to evaluate the strengths and weaknesses of Plaintiff’s claims and Defendant’s defenses and reached a settlement with Defendant after extensive arm’s-length negotiations. The Court did not decide in favor of Plaintiff or Defendant.

Plaintiff and his lawyers believe the settlement is in the best interests of the Class Members considering the uncertain outcome, and the risks, costs, and time involved in further litigation, trial, and possible appeals.

5. What Are the Terms of the Proposed Settlement?

Defendant has agreed to pay a total of Five Hundred and Seventy-Four Thousand and Five Hundred Dollars and Zero Cents (\$574,500.00) (the “Settlement Amount”) to settle this case. This money will be divided among all Class Members. It will also be used to pay approximately \$191,500 in Plaintiff’s lawyers’ fees and a reasonable amount for Plaintiff’s lawyers’ costs of litigation to be determined by the Court, a payment in the amount of \$10,000.00 to the State of California Labor Workforce Development Agency for its share of penalties under PAGA, payment to the Plaintiff in the amount of \$10,000 for his service to the Class, and payment not to exceed \$8,000 to the Settlement Administrator for calculating and distributing payments.

6. How Much Will My Settlement Payment Be?

Individual Settlement Payments to Class Members will be determined by comparing the number of weeks that you worked as a non-exempt employee of Defendant in California during the Class Period to the total number of weeks worked by all Class Members during the Class Period.

In addition, Individual PAGA Payments to PAGA Members will be determined by comparing the number of weeks that you worked as a non-exempt employee of Defendant in California between December 12, 2022, and **[PA DATE]** (the “PAGA Period”) to the total number of weeks worked by all PAGA Members during the PAGA Period.

More detail on the formula for determining each Class Member’s share and each PAGA Member’s share has been provided to the Court and can be obtained from Class Counsel.

Based on Defendant’s records, you worked ____ workweeks **during the Class Period** and ____ workweeks **during the PAGA Period**.

Based on this data, your *estimated* settlement payment is shown in the chart below. This is just an estimate. Your final share will be determined by the Settlement Administrator.

Member	Time credited as a Class Member and PAGA Member	Your Estimated Share
Class Member	____ WORKWEEKS (During Class Period)	\$INSERT (Individual Settlement Payment)
PAGA Member	____ PAY PERIODS (During PAGA Period)	\$INSERT (Individual PAGA Payment)

For tax reporting purposes, 33% of the Individual Settlement Payment to Class Members will be assigned to wages, which are subject to legally required state and federal withholdings and deductions, reported on a form W-2, 34% to penalties, reported on an IRS Form 1099, and 34% to interest, fees, and other non-wage damages, reported on an IRS Form 1099, with no withholding taken. All Individual PAGA Payments will be allocated as 100% penalties and interest and PAGA Members will be issued an IRS Form 1099 for their Individual PAGA Payment.

7. When Will I Receive My Payment and What Do I Have To Do?

Class Members who do not opt out will be sent their Individual Settlement Payments and Individual PAGA Payments after final court approval of the settlement and after all rights to appeal or review are exhausted or any appeal or review has been resolved in favor of the settlement.

Class Members who opt out of the settlement but who qualify as a PAGA Member, or for those who never were Class Members but are a PAGA Member, your Individual PAGA Payment will be sent within 52 days after final court approval of the settlement and after all rights to appeal or review are exhausted or any appeal or review has been resolved in favor of the settlement.

You must cash your check within 180 days of when the check is issued. The check will be void after 180 days, and the settlement provides that money will be distributed to the State Controller's Office, Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Member.

8. What if I Dispute the Information on My Workweeks?

If you believe the information shown above regarding your workweeks is incorrect, you may challenge it with any documents or other supporting evidence sent to the Settlement Administrator. Any challenge must be postmarked by no later than **[THE RESPONSE DEADLINE]**.

The Settlement Administrator will presume that Defendant's records are correct but may change its calculations of your workweeks after considering your evidence. The Settlement Administrator's decision on your time worked is final and binding, meaning that it cannot be appealed.

9. What Are My Legal Rights and Options Under the Settlement?

Do Nothing	If you do nothing, you will receive a payment under the settlement if the Court finally approves the settlement. You will release all claims covered by the settlement. You do not have to do anything to receive a payment.
Exclude Yourself or "Opt Out"	If you do <u>not</u> wish to participate in the settlement or give up your right to sue on the Released Claims (described in Section 15 below), you may "opt-out" of the settlement of the class claims. If you choose to opt-out, you must submit a Request for Exclusion by [REDACTED], 2025 (see Section 12 for details on how to opt-out). If you opt-out, you will no longer be a Class Member, and you (1) will <u>not</u> receive an Individual Settlement Payment, (2) will <u>not</u> give up your right to sue on the Released Claims, and (3) will be barred from filing an objection to the settlement. You cannot opt-out of the PAGA portion of the proposed Settlement. If the settlement receives final approval from the court, Defendant must pay Individual PAGA Payments to all PAGA Members and the PAGA Members must give up their rights to pursue Released Claims that arose under PAGA during the PAGA Period.

Object to the Settlement	Any Class Member who does not request to be excluded from the settlement may object to the settlement. If you wish to object, you can do so in writing by stating the basis for your objection(s) or you may appear at the Final Fairness Hearing to object in person. All written objections must include: (1) the objector's full name, telephone number, address, last four digits of his or her Social Security number, and signature; (2) the case name and number; and (3) a written statement of all grounds for the objection accompanied by any legal support for such objection. To object, you <u>must</u> prepare and complete your objection, <u>sign it</u> and submit it to the Settlement Administrator. Alternatively, a Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. If the Court rejects your objection, you will be bound by the terms of the settlement, including the Released Claims, unless you have submitted a timely request to be excluded. But, Class Members who also qualify as PAGA Members cannot exclude themselves from the release of PAGA claims during the PAGA Period.
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10. What if I Have Questions?

If you have questions, please contact the lawyers for the Class Members or the Settlement Administrator. The Plaintiff's and Class Members' lawyers are:

Mehrdad Bokhour, Esq.
Bokhour Law Group, P.C.
1901 Avenue of the Stars, Suite 920
Los Angeles, CA 90067

Joshua S. Falakassa, Esq.
Falakassa Law, P.C.
1901 Avenue of the Stars, Suite 920
Los Angeles, CA 90067

DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THE SETTLEMENT OR THE CLAIM PROCESS.

11. Who Is the Settlement Administrator?

The Settlement Administrator is a company hired by the Plaintiff and Defendant to administer the settlement. The Settlement Administrator's contact information is:

Settlement Administrator
Phoenix Cass Action Administration Solutions Mailing Address Telephone Number

The Settlement Administrator's duties include processing challenges, objections and exclusions, making payments to the Class Members and PAGA Members, tax reporting, and getting answers to any questions you may have. The costs of administering the settlement, which are estimated not to exceed \$8,000, will be deducted from the gross settlement amount.

12. How Do I Opt-Out of the Class Settlement?

You will be treated as a Participating Class Member, participating fully in the settlement, unless you complete and send to the Settlement Administrator a letter/card postmarked no later than [REDACTED], 2025 with your full name, address, telephone number, last four digits of your social security number, your date of birth, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE PETERSEN V. GOLD BOND BUILDING PRODUCTS, LLC LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT.”

Complete and send the Request for Exclusion directly to the Settlement Administrator at the address in Section 11 above, postmarked on or before **DATE**, 2025.

Any person who submits a valid and timely Request for Exclusion (1) will not receive an Individual Settlement Payment, (2) will not give up his/her right to sue on the Released Claims, and (3) will be barred from filing an objection to the settlement.

You cannot opt-out of the PAGA portion of the Settlement. If the settlement receives final approval from the court, Defendant must pay Individual PAGA Payments to all PAGA Members and the PAGA Members must give up their rights to pursue Released Claims that arose under PAGA during the PAGA Period.

13. How Will the Lawyers and the Representative for the Class Be Paid?

The lawyers for Plaintiff will request Court approval for payment of attorneys’ fees of up to \$191,500 plus reimbursement of actual reasonable litigation costs. The Court decides whether or not to award attorneys’ fees. The attorneys’ fees are for legal services provided, and to be provided, to Plaintiff and the Class.

The lawyers for Plaintiff will also ask the Court to approve a class representative service award of \$10,000 to Plaintiff, for his time and willingness to accept the risks of bringing this case. This award would be in addition to the amount he is owed under the settlement as a Class Member and PAGA Member.

14. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

A Final Fairness Hearing will be held on [REDACTED], at 8:30 a.m., in the Courtroom of Judge Edward G. Weil, of the Contra Costa County Superior Court, Department 30, located at 725 Court Street, Martinez, CA 94553, to determine whether the proposed settlement is fair, reasonable, and adequate. The hearing may be continued without further notice.

You do not need to appear at this hearing unless you wish to object to the settlement. If you have sent a written objection, you may appear at the hearing if you choose to do so.

Class members may appear at the final approval hearing in person or remotely using the Microsoft Teams link for Department 4. Instructions for appearing remotely are provided at [REDACTED] and should be reviewed in advance. Class members who wish to appear remotely are encouraged to contact class counsel at least three days before the hearing if possible, so that potential technology or audibility issues can be avoided or minimized.

15. What Is Being Released as Part of the Settlement?

If the Court gives the settlement final approval, the Class Members who have not opted out will fully release the Released Parties (described below), and each of them, of and from any and all Released Claims arising out of employment with Defendant in California in a non-exempt position which arose at any time up through and including the date of Preliminary Approval. The “Released Claims” means all claims, debts, liabilities, demands, actions, or causes of action under state, federal or local law, whether statutory, common law or administrative, that were asserted or that reasonably could have been asserted based on the facts alleged in the operative complaint and/or PAGA Notice Letter in the action, including but not limited to all state and/or federal wage and hour claims, failure to pay all wages due, including minimum wages, straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and interest; the calculation of the regular rate of pay; failure to provide meal periods; failure to provide rest periods; failure to pay proper meal period penalties; failure to pay proper rest period penalties; payment for all hours worked, including off-the-clock work; failure to provide accurate itemized wage statements; failure to comply with wage reporting; failure to reimburse business expenses; failure to timely pay all wages during employment; failure to timely pay all wages due at separation of employment; failure to provide one day’s rest in a seven-day workweek; failure to maintain accurate records, including payroll records; failure to provide written notice at the time of hiring under California Labor Code Section 2810.5, unfair business practices; penalties, including but not limited to recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting-time penalties; interest; attorneys’ fees and costs; and including and not limited to, all claims arising under the California Labor Code (including but not limited to Sections 201-204, 206, 210, 218, 218.5, 218.6, 226, 226.3, 226.7, 256, 510, 512, 551, 552, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2698 *et seq.*, and 2699 *et seq.*); the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 (“PAGA”); California Business and Professions Code Section 17200, *et seq.*; 8 CCR Sections 11040, 11070, 11080, and 11140; and California Code of Civil Procedure, including but not limited to Section 1021.5; and the Fair Labor Standards Act, 29 U.S.C. Section 201, *et seq.* Class members who cash their settlement checks will be deemed to have opted into the action for purposes of the FLSA and will thereby release and waive any of their claims under the FLSA. Class Members who cash their settlement checks will be deemed to have opted into the action for purposes of the FLSA and will thereby release and waive any of their claims under the FLSA. This release is limited to claims arising during the Class Period and PAGA Period as defined in this Agreement, and only as to Class Members and Aggrieved Employees, respectively. This release excludes the release of claims not permitted by law.

Further, if the Court gives the settlement final approval, Plaintiff, the LWDA, and each and all PAGA Members, on behalf of themselves and their heirs, successors, assigns, and/or agents, and each of them, will be deemed to have fully and finally released and discharged the Released Parties, and each of them, of any and all Released Claims arising out of employment with Defendant in California in a non-exempt position which arose at any time up through and including the date of the Preliminary Approval Order that have been or may be asserted under PAGA seeking civil penalties.

In addition to releasing the claims just mentioned against Defendant, Class Members who do not opt out, and PAGA Members, will also release claims against each of the Released Parties. The “Released Parties” means Gold Bond Building Products, LLC and its parents, subsidiaries, and affiliates including all of their former and present directors, officers, employees, shareholders, owners, members, attorneys, insurers, and assigns.

16. Can I Be Retaliated Against for Participating in the Settlement?

The law prohibits Defendant from retaliating against employees for exercising their rights under the law. Therefore, Defendant cannot and will not fire you, demote you, harass you, classify you as ineligible for rehire, or retaliate against you in any other way because you choose to participate, or not participate, in the settlement.

17. Getting More Information about the Settlement

This Notice contains a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed “Settlement Agreement” which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the Contra Costa Superior Court, located at 725 Court Street, Martinez, CA 94553. You may also contact the Settlement Administrator by phone at [NUMBER] or Counsel for the Class, Bokhour Law Group, P.C., at (310) 975-1493 or Falakassa Law, P.C. at (818) 456-6168. Please do not telephone the Court for information about this settlement or the claims process.

IMPORTANT:

- 1. If you move or change your address, send the Settlement Administrator your new address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Settlement Payment.**
- 2. It is strongly recommended that you keep a copy of any challenge, request for exclusion and/or objection that you submit, and proof of timely mailing and/or faxing, until after the Final Approval hearing.**

EXHIBIT “C”