CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement and Release of Claims is entered into by and between Plaintiff Oliver Montes De Oca, individually and on behalf of all others similarly situated, and Defendants Construction Sales & Services, Inc. and Lord & Sons, Inc., and is approved as to form by their respective counsel of record, subject to the terms and conditions hereof and the Court's approval pursuant to California Rules of Court, rule 3.769, subdivisions (c), (d), and (e), and is made for the sole purpose of attempting to consummate settlement of the action on a class-wide basis, subject to the following terms and conditions. If the Court does not enter an order granting final approval of this Agreement or the conditions precedent are not met for any reason, the Agreement is void and of no force and effect whatsoever.

A. Definitions

1. "Action" or "Lawsuit" refers to the case entitled *Montes De Oca v. Construction Sales & Services, Inc. and Lord & Sons, Inc.*, Case No. 37-2024-00018708-CU-OE-CTL, pending in San Diego County.

2. "Aggrieved Employees" include all persons who are or were employed by Defendants in California and classified as non-exempt employees at any time from October 16, 2024, through the Court's entry of an order preliminarily approving the parties' settlement agreement.

3. "Agreement," "Settlement Agreement," "Settlement," or "Stipulation" shall mean this Class Action and PAGA Settlement Agreement and Release of Claims, including any attached Exhibits.

4. "Class Claims" or "Released Class Claims" means all claims that each participating Class Member had or may have had during the Class Period against the Released Parties that were asserted, could have been asserted, or arise out of or relate to the facts alleged in Plaintiff's Complaint. The Released Class Claims include, without limitation, claims under California Labor Code sections 201, 202, 203, 204, 206, 210, 216, 226, *et seq*., 226.3, 226.7, 432, 510, 512, 516, 558, 558.5, 1174, 1174.5 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2698, 2800-2802 et seq., as well as the applicable provisions of IWC Wage Order including but not

limited to No. 9 2001, No. 5-2001, and Business and Professions Code section 17200 et seq. This release further includes all claims based on alleged violations of these statutes, wage orders, regulations, or any other provision of law that were or could have been pleaded based on the facts alleged in the Action, including claims for (1) failure to provide compliant meal periods; (2) failure to provide compliant rest periods; (3) failure to provide accurate itemized wage statements; (4) waiting time penalties; (5) unfair competition; (6) failure to pay minimum wages; (7) failure to pay all overtime wages; (8) failure to reimburse business expenses; (9) failure to provide recovery periods; and (10) failure to pay vacation wages.

5. "Class Counsel" refers to Mehrdad Bokhour of Bokhour Law Group, P.C. and Joshua Falakassa of Falakassa Law, P.C.

6. "Class Data" means a complete list of all Settlement Class Members that Defendants will diligently and in good faith compile from its records and provide to the Settlement Administrator on one spreadsheet and shall include the Settlement Class Members' full names; last known addresses; telephone numbers; Social Security Numbers; dates of employment and/or number of Workweeks as non-exempt or hourly employees of Defendants during the Class Period and the PAGA Period for each Settlement Class Member.

7. "Class Period" and "Class Release Period" shall mean April 22, 2020 through the date of preliminary approval of the parties' settlement agreement by the Court.

8. "Class Representative" or "Plaintiff" refers to Oliver Montes De Oca.

9. "Complaint" refers to the First Amended Complaint filed in the San Diego County Superior Court action entitled *Oliver Montes De Oca v. Construction Sales & Services, Inc.*, Case No. 37-2024-00018708-CU-OE-CTL.

10. "Court" means the California Superior Court, County of San Diego, or any Court of competent jurisdiction.

11. "Defendants" refers to Construction Sales & Services, Inc. and Lord & Sons, Inc.

12. "Defendants' Counsel" or "Defense Counsel" refers to Linh T. Hua and Victoria Carthorn of Gordon Rees Scully Mansukhani LLP.

13. "Effective Date" The term "Effective Date" means the latter of (a) the Court's final

approval of the settlement if no objections by or on behalf of Class Members have been filed and not withdrawn; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.

14. "Final" means that the Settlement has been granted "Final Approval" by the Court and the "Effective Date" has occurred.

15. "Final Approval" refers to the order of the Court granting final approval of this Settlement Agreement and entering a judgment approving this Settlement on substantially the same terms provided herein or as may be modified by subsequent agreement of the Parties or order of the Court.

16. "Final Settlement Class" and "Final Settlement Class Member" refer to all persons who are or were previously employed by Defendants in California classified as a non-exempt employee during the Class Period, and who do not opt out of the Settlement.

17. "Individual Settlement Amount" shall have the meaning ascribed to it in Paragraph 47(d) below.

18. "Net Settlement Amount" shall have the meaning ascribed to it in Paragraph 47(c) below.

19. "Notice" means the notice of the proposed class and PAGA settlement and the setting of a Final Approval Hearing that will be sent to the Settlement Class Members.

20. "Notice Response Deadline" is 45 calendar days from the date the Notice is mailed to the Settlement Class Members.

21. "Objecting Settlement Class Member" means a Settlement Class Member, other than Plaintiff, who submits a valid and timely objection to the terms of this Agreement with respect to the Class Claims pursuant to Paragraph 70(a) below.

22. "PAGA" shall refer to the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698-2699.5.

23. "PAGA Claims" or "Released PAGA Claims" means all claims for civil penalties pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code §§ 2698–2699.6, that were alleged or reasonably could have been alleged based on the facts,

transactions, or allegations set forth in the PAGA Notice arising during the PAGA Period.

24. "PAGA Notice" shall refer to the notices sent by Plaintiff, by and through counsel, to the LWDA and Defendants, alleging that Defendants engaged in violations of the California Labor Code and California Wage Order(s).

25. "PAGA Period" and "PAGA Release Period" shall mean October 16, 2024, through the Court's entry of an order preliminarily approving the parties' settlement agreement.

26. "Participating Class Member" means any and all Settlement Class Members who do not opt out of the settlement of the Class Claims by timely submitting valid Requests for Exclusion.

27. "Parties" or "Settling Parties" means Plaintiff, the Settlement Class Members, the Aggrieved Employees, and Defendants, collectively.

28. "Preliminary Approval Date" means the date the Court preliminarily approves the Settlement Agreement and the exhibits thereto and enters the Preliminary Approval Order.

29. "Preliminary Approval Order" means the judicial Order to be entered by the Court, upon the application or motion of the Plaintiff, preliminarily approving this Settlement and providing for the issuance of the Notice to the Settlement Class Members, an opportunity to opt out of settlement of the Class Claims, an opportunity to submit timely objections to the terms of this Settlement related to the Class Claims, and setting a hearing on the fairness of the terms of Settlement, including approval of attorneys' fees and costs.

30. "QSF" means the Qualified Settlement Fund set up by the Settlement Administrator for the benefit of the Final Settlement Class, and from which the settlement payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue Code Section 468.

31. "Release" shall mean the release and discharge of the Class Claims by Plaintiff and all of the Participating Class Members and the release and discharge of the PAGA Claims by Plaintiff and all of the Aggrieved Employees.

32. "Released Parties" shall refer to Construction Sales & Services, Inc. and Lord & Sons, Inc., and their agents, officers, employees, directors, owners, shareholders, subsidiaries,

DBAs, affiliates, assigns, employees, and predecessor, successor, and parent companies.

33. "Request for Exclusion" shall have the meaning ascribed to it in Paragraph 70(a) below.

34. "Service Payment" or "Service Award" means the amounts approved by the Court to be paid to the Class Representative in addition to their Individual Settlement Amounts as Participating Class Members.

35. "Settlement Administration Costs" means the actual and direct fees and expenses reasonably incurred by the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, due diligence, reporting and remittance obligations, distributing the Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs shall be paid from the Settlement Amount.

36. "Settlement Administrator" means and refers to Phoenix Class Action Administration Solutions, which will provide the Notice to the Class Members and perform all duties relating to the administration of the Settlement as described in this Agreement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs shall be paid from the Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement.

37. "Settlement Amount" or "Gross Settlement Amount" shall have the meaning ascribed to it in Paragraph 49(a) below.

38. "Settlement Class Member" or "Class Member" refers to individual members of the Settlement Class.

39. "Settlement Class" and "Settlement Class Members" refer to all persons who are or were employed by Defendants in California and classified as non-exempt employees during the Class Period, excluding any individuals who previously executed a severance agreement with Defendants that included a general release of claims.

40. "Workweeks" for each Settlement Class Member and Aggrieved Employee means any workweek during the Class Period and/or the PAGA Period, as applicable, in which the Settlement Class Member and/or Aggrieved Employee was employed by Defendants as a non-exempt employee in California and worked at least one shift during the workweek for or on behalf of Defendants for which a prior release of claims has not been signed. Workweeks will be calculated based on the Defendants' business records. This information shall be treated as confidential. Workweeks of Non-Participating Class Members will not be included in the total number of Workweeks that are reported to the Settlement Administrator to calculate and distribute Individual Settlement Payments to Participating Class Members. The number of full workweeks that a Participating Class Member was on a leave of absence, sick time, or vacation during the Class Period shall be excluded from the total number of Workweeks.

B. General Terms

41. On or about April 22, 2024, Plaintiff filed this action as a class action against Defendant Construction Sales and Service, Inc., doing business as Lord and Sons, asserting claims in this Court, including claims for (1) meal period violations; (2) rest period violations; (3) wage statement violations; (4) waiting time penalties; and (5) unfair competition in violation of California Business and Professions Code sections 17200 through 17210.

42. On February 19, 2026, Plaintiff filed an Amended Complaint to add Lord and Sons, Inc. as a defendant and asserted additional claims, including failure to pay all hours worked, minimum wage violations, overtime violations, failure to provide recovery periods, failure to reimburse necessary business expenses, failure to pay vacation wages, violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 226, et seq., 226.3, 226.7, 432, 510, 512, 516, 558, 558.5, 1174, 1174.5 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2698, 2800-2802, as well as claims for civil penalties under the Private Attorneys General Act.

43. Defendants deny all of Plaintiff's claims and allegations, deny any liability whatsoever, and further contend that the Action is not suitable for class certification and/or representative treatment.

44. The Class Representative believes he can proceed with his class, and the

representative claims that the Action is meritorious and that class certification is appropriate.

45. The Parties have thoroughly investigated the facts of the Action. This includes conducting an extensive exchange of informal discovery, including Defendants' written policies and practices, and producing payroll and timekeeping records for Settlement Class Members and Aggrieved Employees. Class Counsel is both knowledgeable about and has done extensive research with respect to the applicable law and potential defenses to the claims of the Settlement Class Members and Aggrieved Employees. Class Counsel has diligently investigated the Class Members' claims against Defendants. Based on the foregoing data and their own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the consideration and on the terms outlined in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Settlement Class Members and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendants, and numerous potential appellate issues.

46. On October 28, 2025, the Parties participated in a full day mediation before Tagore Subramanian, Esq., a highly experienced class action mediator. Following the mediation and the issuance of a mediator's proposal, the Parties reached a settlement.

47. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement shall be construed as an admission by Defendants of any wrongdoing or violation of any statute or law or liability on the claims or allegations in the Action.

48. <u>Stipulation for Class Certification and Representative Treatment</u>. For settlement purposes only, Defendants will stipulate that the Settlement Class Members described herein who do not Request Exclusion from the Settlement Class may be conditionally certified as a settlement class and that the Aggrieved Employees are appropriate for representative treatment for settlement purposes. This stipulation to certification and representative treatment is in no way an admission that class action certification and/or representative treatment is proper and shall not be admissible in this or any other action except for enforcing this Agreement. Should, for whatever reason, the

Court fail to issue Final Approval, the Parties' stipulation to class certification and representative treatment 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 class certification and/or representative treatment would be appropriate in a non-settlement context. Defendants expressly reserve their right and declare that they will continue to oppose class certification, representative treatment, and the substantive merits of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves his rights and declares that he will continue to pursue class certification, representative treatment, and a trial should the Court fail to issue Final Approval.

C. Terms of Settlement

49. The financial terms of the Settlement are as follows:

(a) Settlement Amount: The Parties agree to settle this Action for Four Hundred Seventy-Five Thousand Dollars ($475,000) ("the Settlement Amount"). The Settlement Amount is the maximum amount that will be paid by the Defendants and includes Individual Settlement Amounts, attorneys' fees of Class Counsel, costs and expenses, the Service Payment to the Class Representative, all Settlement Administration Costs, and payment to the Labor Workforce Development Agency (LWDA) for PAGA penalties. Defendants shall separately pay the employer's share of applicable payroll taxes.

(b) This Settlement and the GSA were negotiated based on the Parties' estimate that the total number of Workweeks will not exceed 16,500. For purposes of this provision, "Workweeks" means the sum of (a) workweeks for Class Members who did not sign arbitration agreements and (b) PAGA pay periods for all Aggrieved Employees. If the total number of Workweeks exceeds 18,150, Defendants may elect either (1) to pay for the Workweeks in excess of 18,150 at the applicable pro rata rate, or (2) to limit the Class Period so that it ends on the date the total number of Workweeks is not greater than 18,150.

(c) Net Settlement Amount: The "Net Settlement Amount" is defined as the Settlement Amount less attorneys' fees and litigation costs as approved and awarded by the Court, the Service Payments to Class Representative as approved and awarded by the Court, the Settlement Administration Costs, as approved and awarded by the Court, and the Ten Thousand

Dollars ($10,000.00) allocated to payment for PAGA penalties as described in paragraph 49(d) below. If the Court reduces the attorneys' fees and litigation costs or Service Awards, Settlement Administration Costs, or increases or decreases the amount allocated to PAGA penalties, the Net Settlement Sum shall be increased or decreased accordingly. Any Court order awarding less than the below allocations of the Settlement Amount shall not be grounds to rescind the Settlement Agreement or otherwise void the Settlement.

(d) Individual Settlement Amounts for the Settlement Class: The Settlement Administrator will use the Class Data provided by Defendants to calculate each Participating Class Member's and Aggrieved Employee's Individual Settlement Amounts based on the following formula:

i. PAGA Amount: $10,000 of the Gross Settlement Amount has been designated to the PAGA claims. Thirty-five percent (35%) of the $10,000, or $3,500, shall be paid to Aggrieved Employees. Each Aggrieved Employee shall receive a portion of the $3,500 proportionate to the number of pay periods worked by the Aggrieved Employees during the PAGA Period compared to the total number of pay periods worked by all Aggrieved Employees during the PAGA Period. Aggrieved Employees shall have their settlement amount for the Released PAGA claims paid one hundred percent (100%) as civil penalties for which no taxes will be withheld and for which the Settlement Administrator will issue a Form 1099.

ii. Class Amount: The Net Settlement Amount shall be allocated to each Participating Class Member based on their proportionate Workweeks during the Class Period. This is determined by multiplying the Net Settlement Amount by a fraction, the numerator of which is the Participating Class Member's total Workweeks during the Class Period, and the denominator of which is the total Workweeks by all Participating Class Members during the Class Period. If there are any timely submitted Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Amounts for each Participating Class Member so that the amount distributed to Participating Class Members equals 100% of the Net Settlement Amount allocated toward Released Class Claims.

(e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts will be allocated for tax purposes based on the allegations in the Action as follows: twenty five percent (25%) will be paid as wages subject to withholding of all applicable local, state, and federal taxes; and seventy five percent (75%) will be paid as interest and as civil penalties from which no taxes will be withheld. The Settlement Administrator will issue to each Participating Class Member an Internal Revenue Service Form W-2 and comparable state forms concerning the wage allocation and a Form 1099 concerning the civil penalties and interest allocations.

(f) Service Payments to Class Representative: The amount awarded to the Class Representative as Service Payment will be set by the Court in its discretion, not to exceed $10,000. Defendants agree not to oppose this request. The Service Payment to the Class Representative will be paid from the Gross Settlement Amount. The Class Representative will be issued an IRS Form 1099 in connection with this payment. Plaintiff shall be solely and legally responsible for paying any and all applicable taxes on this payment. The Parties agree that any amount awarded by the Court as the Service Payments to Plaintiff less than the requested amount shall not be a basis for Plaintiff or Class Counsel to void this Stipulation. Should the Court approve a lesser amount for the Service Payment, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members. In the event of any appeal of the amount of the service awards (if any) approved by the Court, if, after the exhaustion of any such appellate review, additional amounts not awarded to the Class Representative shall be added to the Net Settlement Amount to be distributed to the Participating Class Members.

(g) Class Counsel's Attorneys' Fees and Costs: Defendants agree not to oppose a request by Class Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of the Settlement Amount, plus reasonable litigation costs not to exceed $25,000 ("Attorneys' Fees and Costs Award"). For purposes of this Settlement, Defendants agree not to oppose any contention by Class Counsel that attorneys' fees should be based on the common fund theory. The Attorneys' Fees and Costs Award shall be paid from the Gross Settlement Amount, and except for this award, Defendants shall have no further obligation to pay any attorneys' fees, costs, or expenses to Class Counsel. Should the Court approve a lesser amount than is sought by Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to the Participating Class Members. Any Court order awarding less than the amount sought by Class Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the Settlement. As part of the Final Approval motion, Plaintiff and or Class Counsel will file a motion requesting that the Court award the Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days before the Final Approval Hearing. In the event of any appeal of the amount of the awards of attorneys' fees and costs (if any) approved by the Court, final funding and administration of the portion of the attorneys' fees and/or costs award in dispute will be segregated and stayed pending the exhaustion of appellate review. If, after the exhaustion of any such appellate review, additional amounts not awarded to as attorneys' fees and costs shall be added to the Net Settlement Amount to be distributed to the Participating Class Members and/or Aggrieved Employees. The Settlement Administrator shall issue to Class Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs awarded by the Court. Class Counsel agrees that any allocation of fees between or among Class Counsel and any other attorney representing or claiming to represent the Class Members shall be the sole responsibility of Class Counsel.

(h) Settlement Administration Costs: The fees and other charges of the Settlement Administrator in connection with its administration of the Settlement, including, but not limited to, providing Class Notice, locating Class Members, processing requests for exclusion and objections, distributing the portion of the PAGA Penalties payable to the LWDA, distributing the portion of the PAGA Penalties payable to the Aggrieved Employees, and administering and distributing Individual Class Payments and related tax forms to the Participating Class Members, that is, and will be paid from the Gross Settlement Amount, not to exceed $7,000, subject to Court approval, unless except for a showing of good cause and approved by all Parties and the Court.

(i) PAGA Penalties: The Parties agree that $10,000 is allocated to PAGA Penalties and will be paid from the Gross Settlement Amount, subject to Court approval. Of this amount, $6,500 (65%) shall be paid to the LWDA in satisfaction of Plaintiff's claims for civil penalties under the PAGA, and $3,500 (35%) will be included in the Individual Settlement Amounts, payable to the Aggrieved Employees as set forth in Paragraph 47(d)(i).

(j) Tax Liability: Class Counsel, Defendants, and Defendants' Counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel, Defendants, or Defendants' Counsel in this regard. Plaintiff and Final Settlement Class Members understand and agree that they will be solely responsible for paying any taxes and penalties assessed on their respective Settlement Amounts described herein. Income tax withholding will also be made pursuant to applicable federal, state, and/or local withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law are changed after the date of this Agreement, the processes set forth in this Section may be modified to bring Defendants into compliance with any such changes.

50. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under no circumstances will any portion of the Settlement Amount revert to Defendants. Final Settlement Class Members will not have to make a claim to receive an Individual Settlement Amount. In the form of Individual Settlement Amounts, Distributions will be made directly to each Final Settlement Class Member. The Settlement Administrator shall be responsible for accurately and timely reporting any remittance obligations with respect to unclaimed funds as a result of a Final Settlement Class Member not cashing an Individual Settlement Amount by the check-cashing deadline, as set forth herein.

51. Class Counsel and Plaintiff believe that the Settlement is fair, reasonable, and adequate and will so represent the same to the Court.

D. Release by Plaintiff and the Final Settlement Class

52. Upon the Effective Date of this Settlement, Plaintiff and each Participating Class Member, for themselves and their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and Representative, will forever completely release and discharge the Released Parties from the Released Class Claims for the

Class Release Period.

53. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

54. Upon the Effective Date of this Settlement, Plaintiff, Aggrieved Employees, and the LWDA will forever completely release and discharge the Released Parties from the Released PAGA Claims for the PAGA Release Period.

55. Plaintiff and the LWDA will be deemed to have made the foregoing Release as if by manually signing it.

56. Plaintiff and Defendants intend that the Settlement described in this Agreement will release and preclude any claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on, arising out of, and/or related to any and all of the Released Class Claims. The Settlement Class Members shall be notified in the Notice. This paragraph does not apply to any Settlement Class Member who timely and validly opts out of the Settlement for purposes of Class Claims. Aggrieved Employees may not opt-out of the PAGA Released Claims.

57. Plaintiff and Defendants intend that the Settlement described in this Agreement will release and preclude any claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Aggrieved Employees and the LWDA to obtain a recovery based on, arising out of, and/or related to any and all of the Released PAGA Claims. The Aggrieved Employees and the LWDA shall be notified in the Notice.

58. Class Representative, on behalf of himself and the Participating Settlement Class Members, acknowledges and agrees that the claims for unpaid wages and unreimbursed expenses in the Action, inaccurate wage statements, and untimely payment of wages in the Action, are disputed and that the payments set forth herein constitute payment of all sums allegedly due to them. Class Representative, on behalf of himself and the Participating Settlement Class Members, acknowledge and agree that California Labor Code Section 206.5 does not apply to the Parties hereto. Section 206.5 provides in pertinent part as follows:

An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned unless payment of those wages has been made.

E. <u>General Release by Plaintiff</u>

59. With the exception of Plaintiff's claims that cannot be released as matter of law, such as claims for workers' compensation, and in addition to Class Representative release of the Released Class Claims and Released PAGA Claims, as discussed in Paragraphs 50 and 52 above, Class Representative does hereby, for himself and for his respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and Representative, forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) including violations of California Labor Code sections 201, 202, 203, 204, 206, 208, 210, 214, 216, 218.5, 218.6, 221, 226 et seq., 226(a), 226(e), 226.2, 226.3, 226.7, 226.8, 227.3, 351, 432, 510, 512, 516, 558, 558.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1198.5, 2698, 2751, and 2800 through 2802, as well as the applicable provisions of IWC Wage Order including but not limited to No. 9 2001, No. 5-2001, Business and Professions Code section 17200 et seq., as well as claims for civil penalties under the Private Attorneys General Act of any nature whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or relating to Class Representative's employment with Defendants or the remuneration for or termination of such employment (collectively, the "Class Representative' Claims").

60. Class Representative expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, understanding and

acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

> 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.

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Class Representative and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Class Representative knew of, as well as all claims that they do not know or suspect to exist in their favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such Class Representative's claims.

F. <u>Interim Stay of Proceedings</u>

61. Pending completion of all prerequisites necessary to effectuate this Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action except such as are necessary to effectuate the Settlement, including amending the Complaint.

G. <u>Notice Process</u>

62. <u>Appointment of Settlement Administrator</u>. The Parties have agreed to the appointment of the Settlement Administrator to perform the duties of a settlement administrator, including mailing the Notice, using standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any claims or opt-out requests, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Amounts, drafting and mailing the settlement checks to Final Settlement Class Members, issuing Forms W-2 and 1099, reporting to taxing authorities, due diligence, reporting and remittance obligations, and performing such other tasks as set forth

herein or as the Parties mutually agree or that the Court orders.

63. Disputes Regarding Settlement Administration. Any and all disputes relating to the administration of the Settlement by the Settlement Administrator (except for disputes regarding Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement until Plaintiff notifies the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Before presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity of Court intervention. The Settlement Administrator shall also be responsible for issuing to Plaintiff, Final Settlement Class Members, and Class Counsel any Forms W-2, Forms 1099, or other Tax Forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

64. Class Data. Within thirty (30) days after the Preliminary Approval Order entry, Defendants shall provide the Class Data to the Settlement Administrator. The Settlement Administrator will check the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. The Class Data provided to the Settlement Administrator will not be provided to Class Counsel, and it will remain confidential; it shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone except as required by applicable tax authorities, pursuant to Defendants' express written consent, or by order of the Court.

65. Notice. The Notice, as approved by the Court, shall be sent by the Settlement Administrator to the Settlement Class Members by first-class mail, in English, within fourteen (14) calendar days following the Settlement Administrator's receipt of the Class Data. The Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Settlement Class Members if any notices are returned.

66. Returned Notices. The Settlement Administrator will take steps to ensure that the Notice is received by all Settlement Class Members, including using the National Change of

Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update mailing addresses. Notices will be re-mailed to any Settlement Class Member for whom an updated address is located within ten (10) calendar days following the Settlement Administrator's learning of the failed mailing and receipt of the updated address. The Notice shall be identical to the original Notice, except that it shall notify the Settlement Class Member that the exclusion (opt-out) request or objection must be returned by the later of the Notice Response Deadline or fifteen (15) days after remailing the Notice.

67. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if an envelope has not been returned within thirty (30) days of the mailing the Settlement Class Member received the Notice. All Settlement Class Members are deemed to have received proper notice and due process upon the Settlement Administrator's completion of mailing requirements in this Agreement.

68. Disputes Regarding Class Data. Settlement Class Members are deemed to participate in the Settlement unless they opt out. The Notice will inform Settlement Class Members of their estimated Individual Settlement Amount and the number of Workweeks during the Class Period and the PAGA Period. Settlement Class Members may dispute their Workweeks if they believe they were employed more workweeks in the Class Period in California than the Defendants' records show by timely submitting evidence to the Settlement Administrator. Defendants' records will be presumed determinative absent reliable evidence to rebut the Defendants' records, but the Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and provide the evidence submitted to the Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's actual number of Workweeks and estimated Individual Settlement Amount. If Class Counsel and Defense Counsel cannot agree, they agree to submit the dispute to the Court to render a final decision. Settlement Class Members will have until the Notice Response Deadline to dispute Workweeks, object, or opt out, unless extended by the Court. If the Settlement Administrator increases the number of Workweeks for any Settlement Class Member, then the Settlement Administrator will recalculate the Participating Class Members' Individual Settlement

Amounts; accordingly, in no event will Defendants be required to increase the Gross Settlement Amount.

69. Declaration of Due Diligence. The Settlement Administrator shall provide counsel for the Parties, at least twenty-five (25) days before the final approval hearing, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice.

70. Settlement Class Members' Rights. Each Settlement Class Member will be fully advised of the Settlement, the ability to object to the provisions in the Settlement related to the Class Claims, and the ability to opt out or request exclusion from the Class Claims provisions of the Settlement. The Notice will inform the Settlement Class Members of the Court-established deadlines for filing objections or requesting exclusion from the Class Claims provisions of the Settlement in accordance with the following guidelines:

(a) Requests for Exclusion from Participating in Settlement Class. Any Settlement Class Member, other than Plaintiff, may request to be excluded from the Participating Settlement Class by submitting a "Request for Exclusion" to the Settlement Administrator, postmarked on or before the Notice Response Deadline. The Request for Exclusion should be stated in words to this effect:

> I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE MONTES DE OCA V. CONSTRUCTION SALES & SERVICES, INC. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT.

Any Request for Exclusion must include the full name, address, telephone number, last four digits of the social security number or date of birth, and signature of the Settlement Class Member requesting exclusion. The Request for Exclusion must be timely returned by mail to the Settlement Administrator at the specified address. Any such Request must be made in accordance with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked by the Notice Response Deadline unless the Parties agree in writing. Any Settlement Class Member who timely requests exclusion in compliance with these requirements: (i) will not have any rights under this Agreement with respect to the Class Claims, including the right to object, appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this Agreement with respect to Class Claims; and (iii) will not be bound by this Agreement, or the Judgment, with respect to the Class Claims.

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

(c) Objections to Settlement of Class Claims. Only Participating Settlement Class Member, other than Plaintiff, may object to the terms of this Agreement with respect to the Class Claims and may appear at the Final Approval Hearing and object whether or not they have filed a written objection as outlined herein. To object, a Settlement Class Member shall inform the Settlement Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice Response Deadline at the address set forth in the Notice. Such objection shall include the full name, address, telephone number, dates of employment with Defendants of the Objecting Settlement Class Member, the case name and number, the basis for the objection. The Settlement Administrator shall provide objections, if any, to Class Counsel and Defense Counsel within three (3) days of receipt, and the Settlement Administrator shall attach the same to its declaration of due diligence filed with the Court before the Final Approval Hearing. Any Participating Class Member who files an objection remains eligible to receive monetary compensation from the Settlement. Plaintiff and Defendants shall not be responsible for any fees, costs, or expenses incurred by any Class Member and/or their counsel related to any objections to the Settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment under Code of Civil Procedure section 663. Settlement Class Members and Aggrieved Employees may not object to or opt out of the Settlement with respect to the PAGA Released Claims.

(d) Failure to Object. Any Settlement Class Member who desires to object with respect to the Class Claims but fails to submit a written objection timely waives any right to object and will be foreclosed from making any objection to this Settlement. Any Settlement Class Member who does not timely and properly become a party of record by intervening or filing a motion to vacate the judgment waives any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, motion for new trial, a motion under California Code of Civil Procedure section 473, and extraordinary writs.

(e) Responses to Objections. Counsel for the Parties may file a response to any objections submitted by Objecting Settlement Class Members before the date of the Final Approval Hearing.

71. Settlement Class Members will have until the Notice Response Deadline to object or submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement Administrator shall disclose jointly to Class Counsel and Defendants' counsel what objections or Requests for Exclusion were timely submitted every week and upon the request of Class Counsel or Defense Counsel.

72. Funding of the Settlement Amount. Defendants shall make a one-time deposit into the QSF of the Settlement Amount, as described in Paragraph 47(a), that is necessary to make all payments required under this Settlement within thirty (30) days after Final Approval, and Defendants shall separately pay its share of employer payroll taxes as calculated and directed by the Settlement Administrator.

73. Qualified Settlement Fund. The Qualified Settlement Fund shall be established at a federally insured bank acceptable to the Defendants and the Settlement Administrator.

74. Distribution of Funds. No later than seven (7) calendar days after the deposit of the payment into the QSF, the Settlement Administrator will mail the payments to the Participating Class Members, the payment for the attorneys' fees and costs to Class Counsel, any Service Payment to the Class Representative, the payment to the LWDA for PAGA penalties, and

will pay itself the Settlement Administration Costs.

75. Deadline for Cashing Settlement Checks. Final Settlement Class Members shall have 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks. If any Final Settlement Class Member's check is not cashed within that period, the check will be void, and a stop payment will be issued. All unclaimed funds shall revert to *cy pres* recipient Legal Aid at Work. The release will be binding upon all Final Settlement Class Members who do not cash their checks within the 180-day period. If any settlement check is returned to the Settlement Administrator within 180 days of mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned settlement check, perform a skip trace to locate the individual. If a new address is located by these means, the Administrator will have ten (10) business days to re-issue the check and notify Defense Counsel and Class Counsel that a re-issued check has been sent. Neither the Defendants, defense counsel, Class Counsel, Plaintiff, or settlement administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event that a Final Settlement Class Member notifies the Settlement Administrator that they believe that a settlement check has been lost or stolen, the Settlement Administrator shall immediately stop payment on such check. If the check-in question has not been negotiated before the stop payment order, the Settlement Administrator will issue a replacement check.

76. No person shall have any claim against Defendants, Defendants' Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on mailings, distributions, payments, or reports made in accordance with or pursuant to this Agreement. This provision does not, however, prevent a Party from seeking enforcement of this Agreement.

77. Without prejudice to any other remedies, the Settlement Administrator shall agree to be responsible for any breach of its obligations (whether committed by the Settlement Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from and against all liabilities, claims, causes of action, costs and expenses (including legal fees and expenses) arising out of any breach committed by the Settlement Administrator or its agents.

H. <u>Duties of the Parties Prior to the Court's Approval</u>

78. Upon completion of the execution of this Settlement Agreement, Plaintiff will move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order, accomplishing the following:

(a) Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members and a hearing on fees, costs, and the Service Payment;

(b) Approving as to form and content of the proposed Notice;

(c) Directing the mailing of the Notice by first class mail to the Settlement Class Members;

(d) Preliminarily approving this Settlement; and

(e) Preliminarily certifying the class for purposes of this Settlement.

Plaintiff's counsel shall provide a draft of the motion for preliminary approval of the settlement to Defendants' counsel for review and comment prior to filing it. Good faith efforts will be made to have the preliminary approval hearing within 60 days of execution of this Settlement Agreement.

79. <u>Reallocation of Settlement Proceeds</u>. In the event the Court fails, on its first hearing, to approve this Agreement because the amount of the PAGA penalties is not adequate, then the Parties shall cooperate in good faith to reallocate the total settlement proceeds within this Agreement, to try to achieve Final Approval of the Agreement upon any subsequent Court hearings.

I. <u>Duties of the Parties Following Court's Final Approval</u>

80. In connection with the Final Approval Hearing provided for in this Settlement Agreement, Class Counsel shall submit a proposed Final Approval Order:

(a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;

(b) Approving Class Counsel's application for an award of attorneys' fees and reimbursement of litigation costs and expenses, the Service Payment to the Class Representative, and the payment to the Settlement Administrator for costs of administering the settlement; and

(c) Entering judgment approving the settlement, thereby permanently barring all Participating Class Members from prosecuting any Released Class Claims against any of the Released Parties and permanently barring all Aggrieved Employees and the LWDA from prosecuting any Released PAGA Claims against any of the Released Parties.

J. Voiding the Agreement

81. If the Court fails or refuses to issue the Final Approval Order or fails to approve any material condition of this Settlement Agreement that affects a fundamental change of the Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to all Parties herein at the option of either Party. Reduction of the amount of attorney's fees and/or costs sought or Class Representative award sought shall not be considered a failure to approve a material condition.

82. If ten percent (10%) or more of the Settlement Class Members timely submit a Request for Exclusion, Defendants shall have the option of terminating or modifying this Agreement without prejudice to its pre-settlement positions and defenses in the Action. If Defendants exercise such option under this paragraph, it shall be relieved of any obligation to pay the Settlement Amount or any other obligations from the Settlement by giving notice to Plaintiff's Counsel and the Settlement Administrator within ten (10) days of being notified by the Settlement Administrator of a 10% or greater opt-out rate. In such an event, the Parties shall be restored to their respective positions in all respects as though the contemplated settlement never occurred. In the event of such termination, no party may use the fact that the Parties agreed to settle or the terms provided herein as an admission, as evidence, or for any other purpose, including, without limitation, to prove any liability or the amount of any sum allegedly owed by any Party. All parties and counsel shall not encourage opt-outs or objections to this Agreement. The parties agree not to solicit opt-outs, directly or indirectly, through any means.

83. If the Settlement is voided or fails for any reason, Plaintiff and Defendants will have no further obligations under the Settlement, including any obligation by Defendants to pay the Settlement Amount or any amounts that otherwise would have been owed under this

Settlement.

84. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement Administrator shall be borne equally by Defendants and Plaintiff unless otherwise specified in this Agreement.

85. Invalidation. Invalidation of any material portion of this Agreement shall invalidate the Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining provisions of the Settlement are to remain in full force and effect.

86. Stay on Appeal. If a timely appeal from the approval of the Settlement and judgment, the judgment shall be stayed, and Defendants shall not be obligated to fund the Gross Settlement Amount or take any other actions required by this Agreement until all appeal rights have been exhausted by operation of law.

K. <u>Other Terms</u>

87. <u>Full and Complete Defense.</u> Any Released Party may plead this Agreement as a full and complete defense to and may be used as the basis for an injunction against any action, suit, or other proceeding that has been or may be instituted, prosecuted, or attempted, asserting any Released Claim.

88. <u>Waiver</u>. The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

89. <u>Parties' Authority</u>. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

90. <u>Mutual Full Cooperation</u>. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to the execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after executing this Settlement

Agreement, Class Counsel shall, with the assistance and cooperation of Defendants and Defendants' Counsel, take all necessary steps to secure the Court's preliminary and final approval of the settlement and the final entry of judgment.

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

92. No Admission. Defendants deny any and all liability to Plaintiff and/or any Settlement Class Member or Aggrieved Employee under PAGA in this Action as to any and all causes of action that were asserted, or that might have been asserted in this Action. Nonetheless, Defendants wish to settle and compromise the matters at issue in the Complaint to avoid further substantial expense and the inconvenience and distraction of protracted and burdensome litigation. Defendants also have taken into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the defenses that they have asserted or could assert against Plaintiff, have determined that it is desirable and beneficial that Plaintiff's claims be settled in the manner and upon the terms and conditions set forth in this Agreement.

93. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part of this Settlement Agreement is for settlement purposes only, and if, for any reason, the settlement is not approved, the stipulation will be of no force or effect.

94. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing:

To the Settlement Class Members and Aggrieved Employees:

Mehrdad Bokhour *mehrdad@bokhourlaw.com* 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067 Tel: (310) 975-1493; Fax: (310) 675-0861	Joshua Falakassa *josh@falakassalaw.com* 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067 Tel: (818) 456-6168; Fax: (888) 505-0868

To Defendants:

Linh T. Hua *lhua@grsm.com* Victoria Carthorn *vcarthorn@grsm.com* **GORDON REES SCULLY MANSUKHANI, LLP** 633 West Fifth Street, 52nd Floor Los Angeles, CA 90071

95. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party because of the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendants expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

96. Captions and Interpretations. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

97. Modification. This Settlement Agreement may not be changed, altered, or modified except in writing and signed by the Parties hereto and approved by the Court. This

Settlement Agreement may not be discharged except by performance in accordance with its terms or by writing signed by all of the Parties hereto.

98. Dispute Resolution. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendants agree to seek the help of the mediator identified in this Agreement to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their attorneys' fees and costs. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendants.

99. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil Procedure section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations of this Agreement.

100. Enforceability. Pursuant to California Evidence Code section 1123(a) and (b), this Agreement is intended by the Parties to be and shall be, enforceable, binding, and admissible in a court of law.

101. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced, and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

102. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

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

104. Signatures of all class members are unnecessary to be Binding. It is agreed that because the members of the Settlement Class are numerous, it is impossible or impractical to have each Final Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases provided herein, and such shall have the same force and effect as if each Final Settlement Class Member executed this Settlement Agreement.

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

Signatures on the next page.

APPROVAL AND EXECUTION BY PARTIES:

Dated: 3/3/2026

CLASS REPRESENTATIVE:

Signed by:

Oliver

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Oliver Montes De Oca

Dated: ________________

DEFENDANTS:

CONSTRUCTION SALES & SERVICES, INC. AND LORD & SONS, INC.

____

By: ______________________________

Its: ______________________________

or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

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Signatures on the next page.

APPROVAL AND EXECUTION BY PARTIES:

Dated: ________________ **CLASS REPRESENTATIVE:**

____
Oliver Montes De Oca

Dated: March 6, 2026 **DEFENDANTS:**

CONSTRUCTION SALES & SERVICES, INC. AND LORD & SONS, INC.

DocuSigned by:

Allen Spielberger

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By: Allen Spielberger

Its: CEO

APPROVED AS TO FORM ONLY:

CLASS COUNSEL

Dated: 3/3/2026 ______________

FALAKASSA LAW, P.C.

DocuSigned by:
Joshua Falakassa
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____
Joshua Falakassa
Attorneys for Plaintiff

Dated: 3/3/2026 ______________

BOKHOUR LAW GROUP, P.C.

Signed by:
MEHRDAD BOKHOUR
D8D3643F271940F...
____
Mehrdad Bokhour
Attorneys for Plaintiff

Dated: ______________

DEFENDANTS' COUNSEL:

GORDON REES SCULLY MANSUKHANI LLP

____
Linh T. Hua
Victoria Carthorn
Attorneys for Defendants,
Construction Sales & Services, Inc. and Lord & Sons, Inc.

APPROVED AS TO FORM ONLY:

CLASS COUNSEL

Dated: ______________ **FALAKASSA LAW, P.C.**

____
Joshua Falakassa
Attorneys for Plaintiff

Dated: ______________ **BOKHOUR LAW GROUP, P.C.**

____
Mehrdad Bokhour
Attorneys for Plaintiff

Dated: March 6, 2026 **DEFENDANTS' COUNSEL:**

GORDON REES SCULLY MANSUKHANI LLP

____
Linh T. Hua
Victoria Carthorn
Attorneys for Defendants,
Construction Sales & Services, Inc. and Lord & Sons, Inc.