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and RICK BAGLEY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

JOSE CANGAS, an individual and on behalf
of all others similarly situated,

Plaintiff,

v.

LMS REINFORCING STEEL USA, LP, a
Texas limited liability company; RICK
BAGLEY, an individual; and DOES 1
through 100, inclusive,

Defendants.

CASE NO.: CVRI2402136

Consolidated with No.: CVRI2403230

[Assigned for all purposes to Honorable
Harold W. Hopp in Dept. 1]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: April 17, 2024

Trial Date: None Set

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between plaintiff Jose Cangas (“Plaintiff”) and defendants LMS Reinforcing Steel USA, LP and
3 Rick Bagley (collectively, “Defendants”). The Agreement refers to Plaintiff and Defendants
4 collectively as “Parties,” or individually as “Party.”

5 This Settlement Agreement is subject to the approval of the Court, pursuant to California
6 Rules of Court, Rule 3.769(c), (d) and (e), and is made for the sole purpose of attempting to
7 consummate settlement of the Action on a class-wide basis subject to the following terms and
8 conditions. As detailed below, in the event the Court does not enter an order granting final
9 approval of the Class Settlement, as defined below, or the conditions precedent are not met for
10 any reason, this Agreement is void and of no force or effect whatsoever.

11 **1. DEFINITIONS**

12 1.1. “Action(s)” means the Plaintiff’s lawsuits alleging wage and hour violations against
13 Defendant, captioned *Jose Cangas v. LMS Reinforcing Steel USA, LP, et al.*, Case No.
14 CVRI2402136, initiated on April 17, 2024, consolidated with Plaintiff’s separate representative
15 action under PAGA, captioned *Jose Cangas v. LMS Reinforcing Steel USA, LP, et al.*, Case No.
16 CVRI2403230, initiated on November 6, 2024, and pending in Superior Court of the State of
17 California, County of Riverside.

18 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties
19 have agreed to appoint to administer the Settlement.

20 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
21 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
22 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
23 Preliminary Approval of the Settlement.

24 1.4. “Aggrieved Employee” means a person employed by Defendants in California as a non-
25 exempt, hourly-paid employee who worked for Defendants during the PAGA Period.

26 1.5. “Class” means all persons employed by Defendants in California as a non-exempt,
27 hourly-paid employee who worked for Defendants during the Class Period.
28

1.6. “Class Counsel” means David D. Bibiyan, Vedang J. Patel and Megan R. Lazar of Bibiyan Law Group, P.C.

1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.8. “Class Data” means Class Member identifying information in Defendant’s custody, possession, or control, including the Class Member’s (1) name; (2) last known address(es); (3) last known telephone number(s); (4) last known Social Security Number(s); and (5) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).

1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from June 22, 2023, through the date of Preliminary Approval of the settlement, subject to Paragraph 8.1 below.

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Riverside.

1.16. “Defendants” means named defendants LMS Reinforcing Steel USA, LP, and Rick

1 Bagley.

2 1.17. “Defense Counsel” means Vanessa Franco Chavez and Makala E. Reha of Klein,
3 DeNatale, Goldner.

4 1.18. “Effective Date” means the later of: (a) the Court enters a Judgment on its Order Granting
5 Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the
6 latest of the following occurrences: (i) five (5) calendar days after the period for filing any appeal,
7 writ or other appellate proceeding opposing the Final Approval has elapsed without any appeal, writ or
8 other appellate proceeding having been filed (*i.e.*, sixty-five (65) days from the date the court grants final
9 approval); or (ii) if any appeal, writ, or other appellate proceeding opposing Final Approval has been
10 filed, five (5) business days after any appeal, writ or other appellate proceeding opposing the Settlement
11 has been dismissed finally and conclusively with no right to pursue further remedies or relief. If the Court
12 declines to approve the Settlement, the entire Settlement is deemed void and unenforceable as if no
13 settlement of any claim was ever reached. In this regard, it is the intention of the Parties that the Settlement
14 shall not become effective until the Court’s order approving the Settlement is completely final and there
15 is no further recourse by an appellant or objector who seeks to contest the Settlement.

16 1.19. “Employer Taxes” means employer-funded taxes and contributions imposed on the wage
17 portions of the Individual Class Payments under the Federal Insurance Contributions Act, the
18 Federal Unemployment Tax Act, and any similar state and federal taxes and contributions
19 required of employers, such as for unemployment insurance.

20 1.20. “Employee’s Taxes and Required Withholding” means the employee’s share of any and
21 all applicable federal, state or local payroll taxes, including those collected under authority of the
22 FICA, FUTA, or SUTA on the portion of any Individual Class Payment that constitutes wages.
23 The Employee’s Taxes and Required Withholdings will be withheld from the Individual Class
24 Payments paid to Participating Class Members.

25 1.21. “Final Approval” means the Court’s order granting final approval of the Settlement.

26 1.22. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval
27 of the Settlement.

28 1.23. “Final Judgment” means the Judgment entered by the Court based upon the Final

Approval.

1.24. “Gross Settlement Amount” means \$225,000.00 (Two Hundred and Twenty-Five Thousand Dollars and Zero Cents) which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8.1, below, and any and all Employer Taxes. The Gross Settlement Amount will be used to pay Individual Class Payments, Employee’s Taxes and Required Withholdings, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administrator’s Expenses.

1.25. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period, less Employee’s Taxes and Required Withholdings.

1.26. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.27. “Judgment” means the judgment entered by the Court based upon Final Approval.

1.28. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.29. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.30. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.31. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.32. “Operative Class Complaint” means the operative class action complaint filed in the Class Action.

1.33. “Operative PAGA Complaint” means the operative PAGA complaint filed in the PAGA Action.

1.34. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.35. “PAGA Period” means the period from June 7, 2023, through the end of the Class Period.

1.36. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.37. “PAGA Notice” means plaintiff’s June 7, 2024, letter to defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

1.38. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,625.00) and the 75% to the LWDA (\$16,875.00) in settlement of PAGA claims.

1.39. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.40. “Plaintiff” means Jose Cangas, the named plaintiff in the Action.

1.41. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.42. “Preliminary Approval Order” means the proposed Order granting Preliminary Approval and Approval of PAGA Settlement.

1.43. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.44. “Released PAGA Claims” means the claims being released as described in Paragraph 5.4 below.

1.45. “Released Parties” means: Defendants, and each of their former, present and future owners, parents, affiliated corporations, partnerships, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, customers, insurers, legal representatives, and any other individuals, entities, successors, assigns who could be liable for any of the Released Claims.

1 1.46. “Request for Exclusion” means a Class Member’s submission of a written request to be
2 excluded from the Class Settlement signed by the Class Member.

3 1.47. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to
4 Class Members and Aggrieved Employees, and shall be the last date on which Class Members
5 may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the
6 Settlement. Class Members to whom Notice Packets are resent after having been returned
7 undeliverable to the Administrator shall have an additional 15 days beyond the Response
8 Deadline has expired.

9 1.48. “Settlement” means the disposition of the Action effected by this Agreement and the
10 Judgment.

11 1.49. “Workweek” means any week during which a Class Member worked for Defendants, for
12 at least one day during the Class Period.

13 2. RECITALS

14 2.1. On April 17, 2024, Plaintiff commenced this Action by filing a putative class action
15 complaint against Defendants for: (1) failure to pay overtime wages; (2) failure to pay minimum
16 wages; (3) failure to provide meal periods; (4) failure to provide rest periods, or compensation in
17 lieu thereof; (5) waiting time penalties; (6) wage statement violations; (7) failure to timely pay
18 wages; (8) failure to indemnify; (9) violation of labor code sections 227.3 and (10) unfair
19 competition (“Class Action”).

20 2.2. On June 7, 2024, Plaintiff filed with the LWDA and served on Defendants a notice under
21 Labor Code section 2699, et seq. seeking to represent other non-exempt employees against
22 Defendant for various Labor Code violations (“PAGA Notice”).

23 2.3. On June 11, 2024, after sixty-five (65) days had passed without any action by the LWDA
24 with respect to the Labor Code violations alleged in the PAGA Notice, Plaintiff filed a separate
25 representative action under PAGA against Defendants in the Superior Court of California,
26 County of Riverside, Case No. CVRI2403230, for the Labor Code violations set out in the PAGA
27 Notice (the “PAGA Action”).
28

1 2.4. Defendants deny the allegations in the Class Action and the PAGA Action, deny any
2 failures to comply with the laws identified in either the Class Action or PAGA Action and deny
3 any and all liability for the causes of action alleged. Defendants further deny that, for any purpose
4 other than settling this Action, these claims are not appropriate for class or representative
5 treatment.

6 2.5. On November 1, 2024, the Court ruled on Defendants' Motion to Consolidate Plaintiff's
7 Class and PAGA Lawsuits, ordering the Class Action and PAGA Action be consolidated for all
8 purposes with the Class Action designated as the lead case.

9 2.6. On June 5, 2025, the Court ruled on Defendant's Motion to Compel Arbitration, Including
10 Request to Stay Remainder of Case Pending Completion of Arbitration, issuing an order
11 compelling Plaintiff to arbitrate his individual claims and staying the litigation of the non-
12 individual PAGA claims to the extent not subject to arbitration; and lifting the stay on written
13 discovery relating to Plaintiff's non-individual PAGA claims. On August 18, 2025, the Court
14 ordered that if Defendants choose to file a motion for judgment on the pleadings, the motion is
15 also to be heard on September 24, 2025 on regular notice.

16 2.7. Thereafter, the Parties agreed to attend mediation, stipulating that the postponement of
17 arbitration, Defendants' motion for judgment on the pleadings, and formal discovery shall not
18 prejudice Defendants' right to proceed with arbitration or their motion after mediation, shall not
19 prejudice Plaintiff's right to pursue discovery thereafter, and shall not be construed as a waiver
20 of any rights, claims, or defenses by any Party.

21 2.8. On September 12, 2025, consistent with the Parties' agreement to mediate, the Court
22 issued an Order Re Stay Pending Mediation, postponing Defendants' deadline to file a motion
23 for judgment on the pleadings until a post-mediation Case Management Conference on March 9,
24 2026.

25 2.9. Solely for purposes of evaluating and facilitating settlement in connection with the
26 Parties' private mediation and settlement discussions—and exclusively under California
27 Evidence Code sections 1115–1128 (mediation confidentiality) and 1152 (settlement
28 negotiations), and any applicable mediation agreement or protective order—the Parties engaged

in limited, informal exchanges of information (the “Informal Discovery”) Prior to mediation Plaintiff obtained this Informal Discovery, consisting of: (1) a sampling of time and payroll records for putative Class Members during the Class Period; (2) class data points, including the number of putative Class Members and Workweeks during the Class Period, the number of Aggrieved Employees and Pay Periods during the PAGA Period; (3) Defendants’ wage and hour policy documents; and (4) all documents pertaining to Plaintiff available to Defendants, including Plaintiff’s personnel and payroll records.

2.10. Plaintiff’s investigation was sufficient to satisfy the criteria for Court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

2.11. On November 7, 2025, the Parties participated in an all-day mediation presided over by Tagore Subramaniam, Esquire. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action.

2.12. The Court has not granted class certification.

2.13. The Parties, Class Counsel, and Defense 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.

2.14. It is the Parties’ desire to fully, finally, and forever settle, compromise, and discharge all disputes and claims arising from or related to the allegations of this Action and that this Agreement set forth herein achieve the following: (1) an entry of an order approving the Settlement; (2) entry of judgment of the Action; (3) discharge of Released Parties fully from liability for any and all of the Released Claims; and (4) discharge of Defendant from liability for any and all claims arising out of the Action.

2.15. The Parties agree to cooperate and take all steps necessary and appropriate to consummate this settlement in accordance with the terms of this Agreement.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, Defendants promise to pay \$225,000.00 as the Gross Settlement Amount, unless increased

pursuant to Paragraph 8.1 of this Agreement, and to separately pay any and all Employer Taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiff: Class Representative Service Payment to Plaintiff of not more than \$7,500 in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiff is entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this Agreement, is currently estimated to be \$75,000.00 and a Class Counsel Litigation Expenses Payment of not more than \$30,000.00. Defendants will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will endeavor to file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment prior to the Final Approval Hearing. If the Court

1 approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses
2 Payment less than the amounts requested, the Administrator will allocate the remainder
3 to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel
4 or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel
5 Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator
6 will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using
7 one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for
8 taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation
9 Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from
10 any dispute or controversy regarding any division or sharing of any of these Payments.

11 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
12 \$6,500.00 except for a showing of good cause and as approved by the Court. To the
13 extent the Administration Expenses are less or the Court approves payment less than
14 \$6,500.00, the Administrator will retain the remainder in the Net Settlement Amount.

15 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated
16 by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
17 by all Participating Class Members during the Class Period and (b) multiplying the result
18 by each Participating Class Member's Workweeks.

19 3.2.4.1. Tax Allocation of Individual Class Payments. 10% of each Participating
20 Class Member's Individual Class Payment will be allocated to settlement of
21 wage claims (the "Wage Portion"). The Wage Portions are subject to tax
22 withholding and will be reported on an IRS W-2 Form. The Parties agree that
23 the Employee's Taxes and Required Withholdings with respect to the wage
24 portion of the Individual Class Payment will be withheld from the Individual
25 Class Payment. The 90% of each Participating Class Member's Individual Class
26 Payment will be allocated to settlement of claims for interest and penalties (the
27 "Non-Wage Portion"). The Non-Wage Portions are not subject to wage
28 withholdings and will be reported on IRS 1099 Forms. Participating Class

Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$22,500.00 to be paid from the Gross Settlement Amount, with 75% (\$16,875.00) allocated to the LWDA PAGA Payment and 25% (\$5,625.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$5,625.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records as of November 7, 2025, Defendants estimate there are 161 Class Members who collectively worked a total of 6,568 Workweeks, and 161 Aggrieved Employees who worked a total of 6,568 PAGA Pay Periods.

4.2. Class Data. Not later than 7 days after Defendant's receipt of the draft Motion for

1 Preliminary Approval of the Settlement, Defendant LMS Reinforcing Steel USA, LP will deliver
2 the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect
3 Class Members' privacy rights, the Administrator must maintain the Class Data in confidence,
4 use the Class Data only for purposes of this Settlement and for no other purpose, and restrict
5 access to the Class Data to Administrator employees who need access to the Class Data to effect
6 and perform under this Agreement. Class Counsel shall not receive a copy of the Class Data or
7 any content thereof. Pending the Order granting Final Approval, Defendant has a continuing duty
8 to immediately notify Class Counsel if it discovers that the Class Data omitted class member
9 identifying information and to provide corrected or updated Class Data as soon as reasonably
10 feasible and available to Defendant LMS Reinforcing Steel USA, LP. Without any extension of
11 the deadline by which Defendant LMS Reinforcing Steel USA, LP must send the Class Data to
12 the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith,
13 to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

14 4.3. Funding of Gross Settlement Amount. Defendant LMS Reinforcing Steel USA, LP shall
15 fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay
16 Defendant LMS Reinforcing Steel USA, LP's share of payroll taxes by transmitting the funds to
17 the Administrator no later than 14 days after the Effective Date. At least ten (10) days prior to
18 Defendant LMS Reinforcing Steel USA, LP's deadline for funding of the Gross Settlement
19 Amount, the Administrator shall calculate the total Employer Taxes due on the wage portion of
20 the Individual Class Payments and issue Defendant LMS Reinforcing Steel USA, LP instructions
21 and the amount of the Employer Taxes.

22 4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendant LMS
23 Reinforcing Steel USA, LP funds the Gross Settlement Amount, the Administrator will mail
24 checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA
25 Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class
26 Counsel Litigation Expenses Payment, and the Class Representative Service Payment.
27 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
28 Payment and the Class Representative Service Payment shall not precede disbursement of

1 Individual Class Payments, and the Individual PAGA Payments.

2 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
3 Individual PAGA Payments and send them to the Class Members via First Class U.S.
4 Mail, postage prepaid. The face of each check shall prominently state the date (not less
5 than 180 days after the date of mailing) when the check will be voided. The
6 Administrator will cancel all checks not cashed by the void date. The Administrator
7 will send checks for Individual Settlement Payments to all Participating Class Members
8 (including those for whom Class Notice was returned undelivered). The Administrator
9 will send checks for Individual PAGA Payments to all Aggrieved Employees including
10 Non-Participating Class Members who qualify as Aggrieved Employees (including
11 those for whom Class Notice was returned undelivered). The Administrator may send
12 Participating Class Members a single check combining the Individual Class Payment
13 and the Individual PAGA Payment. Before mailing any checks, the Settlement
14 Administrator must update the recipients' mailing addresses using the National Change
15 of Address Database.

16 4.4.2. The Administrator must conduct a Class Member Address Search for all other
17 Class Members whose checks are returned undelivered without USPS forwarding
18 address. Within 7 days of receiving a returned check the Administrator must re-mail
19 checks to the USPS forwarding address provided or to an address ascertained through
20 the Class Member Address Search. The Administrator need not take further steps to
21 deliver checks to Class Members whose re-mailed checks are returned as undelivered.
22 The Administrator shall promptly send a replacement check to any Class Member whose
23 original check was lost or misplaced, requested by the Class Member prior to the void
24 date.

25 4.4.3. For any Class Member whose Individual Class Payment check or Individual
26 PAGA Payment check is uncashed and cancelled after the void date, within ten (10)
27 days after the check void date, the Administrator shall transmit the funds represented by
28 such checks to the California State Controller's Office, Unclaimed Property Division in

1 the name of the Aggrieved Employee thereby leaving no unpaid residue pursuant to the
2 requirements of Code of Civil Procedure section 384.

3 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
4 not obligate Defendants to confer any additional benefits or make any additional
5 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
6 specified in this Agreement.

7 **5. RELEASE OF CLAIMS**

8 Effective upon entry of Judgment, the Order granting Final Approval of this Settlement,
9 and on the date when Defendant LMS Reinforcing Steel USA, LP fully funds the entire Gross
10 Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the
11 Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims
12 against all Released Parties as follows:

13 5.1. Plaintiff's Release. In exchange for payment of the Class Representative Service
14 Payment, Plaintiff and his respective former and present spouses, representatives, agents,
15 attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators,
16 guardians, personal representatives, successors, and assigns, whether individual, class,
17 representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and
18 hereby does generally, release, discharge, and agree to hold harmless the Released Parties from
19 any and all claims, charges, complaints, transactions, liabilities, obligations, promises,
20 agreements, controversies, damages, causes of action, suit, rights, demands, costs, losses, debts,
21 expenses (including attorneys fees or costs) or occurrences, known or unknown, at law or in
22 equity in which he may now have or may become aware of after the signing of this Agreement,
23 including, but not limited to: (a) arising out of or in any way connected with his employment
24 with Defendants, including the Released Claims, (b) all claims that were, or reasonably could
25 have been, alleged, based on the facts contained, in the Operative Class Complaint and (c) all
26 PAGA claims that were, or reasonably could have been, alleged based on facts contained in the
27 Operative PAGA Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and
28 released under Section 5.2 below, and (d) any and all transactions, occurrences, or matters

between the Parties occurring prior to the date this Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include, but is not limited to, any and all claims under: (a) the Americans with Disabilities Act; (b) Title VII of the Civil Rights Act of 1964; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981; (e) the Age Discrimination in Employment Act; (f) the Fair Labor Standards Act; (g) the Equal Pay Act; (h) the Employee Retirement Income Securities Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state, and local statutes, ordinances, regulations, rules, and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of emotional distress, negligent infliction of emotional distress, or damages under any other federal, state, or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences after signing this Agreement. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release only, Plaintiff being aware of California Civil Code section 1542, as well as any other statute or common law principles of a similar effect,

hereby forever expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, 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.

Plaintiff specifically acknowledges that he is aware of and familiar with the provisions of the above Civil Code section 1542. Plaintiff may hereafter discover facts in addition to or different from those which he now knows or believes to be true with respect to the subject matter of all the claims referenced herein, but agree that, upon the funding of the entire Gross Settlement Amount and Employer Taxes, Plaintiff shall and hereby does fully, finally, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery of existence of such different or additional facts, through the date on which this Agreement is fully executed.

5.2. Release by Participating Class Members: For the duration of the Class Period, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and do hereby forever release, discharge, and agree to hold harmless the Released Parties from all claims during the Class Period that were alleged, or reasonably could have been alleged, arising from or relating to the facts stated in the Operative Class Complaint and the claims asserted, investigated, or that could have been asserted in connection with the prosecution and resolution of the Action, including, but not limited to, any and all claims for: (1) failure to pay overtime wages, (2) failure to pay minimum wages, (3) failure to provide meal periods or pay meal period premiums in lieu thereof, (4) failure to provide rest periods or pay rest period premiums in lieu thereof, (5) waiting time penalties, (6) wage statement violations, (7)

1 failure to timely pay wages during employment and upon separation from employment, (8) failure
2 to indemnify, (9) violation of Labor Code section 227.3, and (10) unfair business practices,
3 including all related or derivative claims for penalties, interest, restitution, disgorgement,
4 injunctive or declaratory relief, attorneys' fees, and costs to the fullest extent permitted by law
5 ("Released Class Claims").

6 5.2.1. Except as set forth in Section 5.2 of this Agreement, Participating Class Members
7 do not release any other claims, including claims for vested benefits, wrongful
8 termination, violation of the Fair Employment and Housing Act, unemployment
9 insurance, disability, social security, workers' compensation, or claims based on facts
10 occurring outside the Class Period.

11 5.2.2. Each Participating Class Member will be bound to the release of the Released
12 Class Claims as a result of this Class Settlement and to the terms of the final Judgment
13 and the satisfaction of such Judgment.

14 5.2.3. Participating Class Members will be deemed to have acknowledged and agreed
15 that their claims for wages and/or penalties in the Action are disputed, and that their
16 Individual Class Payments constitute payment of all sums allegedly due to them.
17 Participating Class Members will be deemed to have acknowledged and agreed that
18 California Labor Code section 206.5 is not applicable to the Individual Class Payment.
19 That section provides in pertinent part as follows:

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

23 5.3. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved
24 Employees—including Plaintiff—are deemed to release, on behalf of themselves and their
25 respective former and present representatives, agents, attorneys, heirs, administrators, successors,
26 and assigns, the Released Parties from all claims, rights, demands, liabilities, and causes of action
27 for PAGA penalties that Aggrieved Employees have had, now have, or may have in the future
28 against the Released Parties, based on any acts or omissions occurring during the PAGA Period

and based on the PAGA Period facts pleaded in the Operative PAGA Complaint or the PAGA Notice, including, but not limited to, any and all claims for PAGA penalties pursuant to Wage Order 4-2001 and Labor Code §§ 96, 98.6, 200, 201, 201.3, 202, 203, 204, 210, 212, 213, 221, 223, 226, 226.3, 226.7, 227.3, 232, 232.5, 245, 246, 404, 432, 432.3, 432.5, 432.7, 432.8, 510, 511, 512, 558, 1102.5, 1174, 1174.5, 1182.12, 1194, 1197, 1197.1, 1197.5, 1198.5, 1527, 2699 et seq., 2802, 2810.3, 2810.5, 3366, 3457, 8397.4. Any Aggrieved Employees who submit a valid and timely Request for Exclusion are still entitled to their Individual PAGA Payment and have no right or ability to opt out of the portion of this Settlement releasing the Released PAGA Claims.

6. MOTION FOR PRELIMINARY APPROVAL

Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

6.1. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative

Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator.

6.2. Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator. Defense Counsel agrees to not oppose Class Counsel's Motion for Preliminary Approval so long as Defense Counsel has two (2) calendar days to review it before filing and it is consistent with this Settlement Agreement.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall use Defendant LMS Reinforcing Steel USA, LP's Employer Identification Number for purposes of calculating payroll

tax withholdings and providing reports state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

7.4. Notice to Class Members

7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel and Defense Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14 days after entry of the Preliminary Approval Order, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The Administrator will also post a copy of the Class Notice with Spanish Translation on its website at least until the date of the Final Approval Hearing. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3. Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. If the Class Data includes the phone number for any Class Member whose Class Notice is deemed undeliverable, the Administrator will attempt to reach the Class Member by telephone to verify his or her addresses. Outside this Section and Section 7.8.3, the Administrator

has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later. The Administrator shall not disclose any identifying information about such individuals to Class Counsel.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, e-mail, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, e-mailed, or postmarked by the Response Deadline.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it

1 fails to contain all the information specified in the Class Notice. The Administrator
2 shall accept any Request for Exclusion as valid if the Administrator can reasonably
3 ascertain the identity of the person as a Class Member and the Class Member's desire
4 to be excluded. The Administrator's determination shall be final and not appealable or
5 otherwise susceptible to challenge, though the Court may make a final determination of
6 any dispute. If the Administrator has reason to question the authenticity of a Request
7 for Exclusion, the Administrator may demand additional proof of the Class Member's
8 identity. The Administrator's determination of authenticity shall be final and not
9 appealable or otherwise susceptible to challenge, except by the Court. The
10 Administrator is only permitted to disclose the identity of Class Members to Class
11 Counsel if they have submitted valid Requests for Exclusion.

12 7.5.3. Every Class Member who does not submit a timely and valid Request for
13 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled
14 to all benefits and bound by all terms and conditions of the Settlement, including the
15 Participating Class Members' Releases of Released Class Claims under Paragraphs 5.2
16 and 5.3 of this Agreement, regardless of whether the Participating Class Member
17 actually receives the Class Notice or objects to the Settlement. The Administrator shall
18 not disclose any identifying information regarding Class Members who submitted
19 invalid Requests for Exclusion to Class Counsel.

20 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
21 Non-Participating Class Member and shall not receive an Individual Class Payment or
22 have the right to object to the class action components of the Settlement. Because future
23 PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
24 Participating Class Members who are Aggrieved Employees are deemed to release the
25 Released PAGA Claims identified in Paragraph 5.4 of this Agreement and are eligible
26 for an Individual PAGA Payment.

27 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after
28 the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose

Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, e-mail, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and redacted copies to Class Counsel and the Administrator's determination of the challenges. The Administrator will provide similar copies of challenges to Class Counsel after redacting Class Member identifying information, including but not limited to name, address, social security number, email address, and phone number.

7.7. Objections to Settlement

7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2. Participating Class Members may send written objections to the Administrator, by fax, e-mail, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-mailed).

7.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

1 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
2 performed or observed by the Administrator contained in this Agreement or otherwise.

3 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish
4 and maintain and use an internet website to post information of interest to Class
5 Members including the date, time and location for the Final Approval Hearing and
6 copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary
7 Approval, the Class Notice, the Motion for Final Approval, the Motion for Class
8 Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class
9 Representative Service Payment, the Final Approval and the Judgment. The
10 Administrator will also maintain and monitor an email address and a toll-free telephone
11 number to receive Class Member calls, faxes and emails. If Final Approval is granted,
12 the Administrator will post the above-listed information of interest for at least 180 days
13 after the date of mailing Individual Class Payments and Individual PAGA Payments.

14 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
15 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
16 Not later than 5 days after the expiration of the deadline for submitting Requests for
17 Exclusion, the Administrator shall email a list to (a) Class Counsel and Defense Counsel
18 containing the names and other identifying information of Class Members who have
19 timely submitted valid Requests for Exclusion (“Exclusion List”), along with copies of
20 all valid and timely Requests for Exclusions; (b) Defense Counsel containing the names
21 and other identifying information of Class Members who have submitted invalid
22 Requests for Exclusion, along with copies of all invalid or untimely Requests for
23 Exclusion from Settlement submitted.

24 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
25 reports to Class Counsel and Defense Counsel that, among other things, tally the number
26 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
27 Exclusion (whether valid or invalid) received, objections received, challenges to
28 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for

Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received. The Administrator must, on a weekly basis, provide Defense Counsel the names and identifying information of Class Members whose Class Notices have been returned as undeliverable for the purpose of determining if Defendants can provide any additional information to successfully mail the Class Notice.

7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5. Employer’s Share of Payroll Taxes. The Administrator shall handle all tax document preparation and reporting, including W-2 and/or 1099 Forms, and any other state and federal tax forms. The Administrator shall calculate the amount of the Employer’s Taxes and shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities in a timely manner.

7.8.6. Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

1 7.8.7. Posting of Final Judgment. Within 10 days after the Court has held a Final
2 Approval Hearing and entered the Judgment certifying the Class for settlement purposes
3 only and approving the Settlement, the Administrator will give notice of judgment to
4 Class Members pursuant to California Rules of Court, rule 3.771(b) by posting a copy
5 of said Judgment for sixty (60) calendar days on its website at a web address to be
6 included in the Class Notice.

7 7.8.8. Final Report by Settlement Administrator. Within 10 days after the Administrator
8 disburses all funds in the Gross Settlement Amount, the Administrator will provide
9 Class Counsel and Defense Counsel with a final report detailing its disbursements by
10 employee identification number only of all payments made under this Agreement. At
11 least 7 days before any deadline set by the Court, the Administrator will prepare, and
12 submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
13 Court attesting to its disbursement of all payments required under this Agreement. Class
14 Counsel is responsible for filing the Administrator's declaration in Court.

15 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

16 Based on its records, Defendant LMS Reinforcing Steel USA, LP estimate that, as of the
17 date of the Mediation, November 7, 2025, (1) there are 161 Class Members and 6,568 Total
18 Workweeks during the Class Period and (2) there are 161 Aggrieved Employees who worked
19 6,568 Pay Periods during the PAGA Period.

20 8.1. Increase in Workweeks. Defendant LMS Reinforcing Steel USA, LP represents that there
21 were approximately 6,568 Workweeks worked during the Class Period, through November 7,
22 2025. In the event the number of Workweeks worked by Class Members during the Class Period
23 increases by more than 10%, (*i.e.*, more than 656 Workweeks), then Defendant LMS Reinforcing
24 Steel USA, LP will have the option to (1) increase the Gross Settlement Amount proportionally
25 by the Workweeks in excess of 7,224 Workweeks multiplied by the Workweek Value; or (2)
26 modify the end date of the Class Period to reflect the date when 7,224 Workweeks has accrued
27 to avoid incurring the proportional increase to the Gross Settlement Amount. The Workweek
28 Value shall be calculated by dividing the originally agreed-upon Gross Settlement Amount by

6,568, which amounts to a Workweek Value of \$34.25. Thus, for example, should there be 8,000 Workweeks in the Class Period, then Defendant LMS Reinforcing Steel USA, LP may opt to end the Class Period on the date that Class Members reached 7,224 Workweeks or else the Gross Settlement Amount shall be increased by \$26,578 ((8,000 Workweeks – 7,224 Workweeks) x \$34.25 per workweek). Defendant LMS Reinforcing Steel USA, LP shall provide the Class Data to the administrator no later than 7 days after Defendant’s receipt of the draft Motion for Preliminary Approval of the Settlement. Defendant LMS Reinforcing Steel USA, LP shall make their election regarding the above no later than 7 days after receiving information from the Administrator regarding the number of Workweeks in the Class Data. Should Defendant LMS Reinforcing Steel USA, LP fail to make this election within the above timeframe, then option (1) shall automatically apply.

9. DEFENDANT’S RIGHT TO WITHDRAW.

If the number of valid Requests for Exclusion identified in the Exclusion List equals or exceeds 7% of the total of all Class Members, Defendant LMS Reinforcing Steel USA, LP may in its sole discretion, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that any Class Members for whom the Notice is deemed “undeliverable” by the Administrator are to be included as Participating Class Members. In the event the Court deems such individuals to be excluded from this Settlement and the resulting Judgment, Defendant LMS Reinforcing Steel USA, LP retains the right, in its sole discretion, to nullify the Settlement within ten (10) days after any such Court ruling if the total number of Class Members excluded from the Settlement (either by submitting valid Requests for Exclusion or by Court order) exceeds 5% of the Settlement Class. The Parties agree that, if Defendant LMS Reinforcing Steel USA, LP withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant LMS Reinforcing Steel USA, LP will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant LMS Reinforcing Steel USA, LP must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will

1 have no effect.

2 **10. MOTION FOR FINAL APPROVAL**

3 Prior to the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for
4 final approval of the Settlement that includes a request for approval of the PAGA settlement
5 under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed
6 Judgment (collectively “Motion for Final Approval”). Plaintiff shall endeavor to provide drafts
7 of these documents to Defense Counsel no later than two (2) calendar days prior to filing the
8 Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and
9 confer, and in good faith, to resolve any disagreements concerning the Motion for Final
10 Approval.

11 10.1. Response to Objections. Each Party retains the right to respond to any objection raised
12 by a Participating Class Member, including the right to file responsive documents in Court no
13 later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
14 by the Court.

15 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
16 Approval on any material change to the Settlement (including, but not limited to, the scope of
17 release to be granted by Class Members), the Parties will expeditiously work together in good
18 faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final
19 Approval. The Court’s decision to award less than the amounts requested for the Class
20 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
21 Expenses Payment, and/or Administrator Expenses Payment, shall not constitute a material
22 modification to the Agreement within the meaning of this paragraph.

23 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
24 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
25 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
26 and (iii) addressing such post-Judgment matters as are permitted by law.

27 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
28 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class

Counsel Litigation Expenses Payment reflected as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged

11. AMENDED JUDGMENT

If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS

12.1. No Effect on Employee Benefit Plans. Neither this Agreement nor any amounts paid under the Settlement will modify any previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus program sponsored by Defendant LMS Reinforcing Steel USA, LP. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under Defendant LMS Reinforcing Steel USA, LP's

1 sponsored benefit plans, policies or bonus programs. The payments made under the terms of this
2 Settlement shall not be applied retroactively, currently, or on a going forward basis, as salary,
3 earnings, wages, or any other form of compensation for the purposes of any of Defendant LMS
4 Reinforcing Steel USA, LP's benefit plan, policy or bonus program. Defendant LMS Reinforcing
5 Steel USA, LP retains the right to modify the language of its benefits plans, policies and bonus
6 programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement
7 are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as
8 defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting,
9 benefit accrual, or any other purpose, and that additional contributions or benefits are not required
10 by this Settlement. Defendant LMS Reinforcing Steel USA, LP does not consider the Individual
11 Class Payments "compensation" for purposes of determining eligibility for, or benefit accrual
12 within, any benefit plans, policies, or bonus programs, or any other plan sponsored by Defendant.

13 12.2. No Admission of Liability, Class Certification or Representative Manageability for Other
14 Purposes. This Agreement represents a compromise and settlement of highly disputed claims.
15 Nothing in this Agreement is intended or should be construed as an admission by Defendants of
16 any kind, including but not limited to any admission that any of the allegations in the Operative
17 Complaint have merit, that Defendants have any liability for any claims asserted, or that
18 Defendants waived the right to compel arbitration or enforce the Parties' arbitration agreement
19 in this Action, in any related proceeding, or as to any putative class member; nor should it be
20 intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have
21 merit. The Parties agree that class certification and representative treatment is for purposes of
22 this Settlement only, and that the Parties' settlement shall not constitute, in this or any other
23 proceeding, an admission of any kind by Defendants, including without limitation, that
24 certification of a class for trial purposes is or would be warranted, appropriate or proper; or that
25 Plaintiffs could establish any of the requisite elements for class treatment of any of the claims in
26 the Action. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter
27 Judgment, or the settlement is termination or otherwise rendered null and void, then certification
28 of the Class shall be automatically vacated, shall be void ab initio, of no force or effect, and shall

not constitute evidence or a binding determination that the requirements for certification of a class for trial purposes in this Action or in any other action which have been, are or can be, satisfied. Further, if the Parties' class and PAGA agreement is not finally approved or if it is terminated for any reason, the Parties agree they shall each revert to their respective positions immediately prior to mediation, pursuant to the Court's June 5, 2025 Order Re Defendants' Motion to Compel Arbitration and the Stipulated Order Re Stay Pending Mediation entered on September 12, 2025 including Defendants' right to arbitrate Plaintiff's individual claims and the stay of representative PAGA claims as set forth in the Court's orders. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement), and shall not be construed as limiting Defendants' right to seek enforcement of the Parties' arbitration agreement, or any other arbitration agreements applicable to the claims of the named Plaintiff or any putative class member, to the fullest extent permitted by law.

12.3. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Administrator and the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. This confidentiality clause extends to the parties' use of social media people often use to communicate during their daily lives, such as without limitation X (formerly Twitter), Facebook, blogs, Instagram, BlueSky, Truth Social, and the like. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and Defense Counsel

1 separately agree not to, directly or indirectly, initiate any conversation or other communication,
2 before the filing of the Motion for Preliminary Approval, with any third party regarding this
3 Agreement or the matters giving rise to this Agreement except to respond only that “the matter
4 was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s
5 communications with Class Members in accordance with Class Counsel’s ethical obligations
6 owed to Class Members.

7 12.4. No Solicitation. The Parties separately agree that they and their respective counsel and
8 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
9 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s
10 ability to communicate with Class Members in accordance with Class Counsel’s ethical
11 obligations owed to Class Members.

12 12.5. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
13 together with its attached exhibits shall constitute the entire agreement between the Parties
14 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
15 inducements made to or by any Party.

16 12.6. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
17 represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate
18 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
19 its terms, and to execute any other documents reasonably required to effectuate the terms of this
20 Agreement including any amendments to this Agreement.

21 12.7. Cooperation. The Parties and their counsel will cooperate with each other and use their
22 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
23 Settlement Agreement, submitting supplemental evidence and supplementing points and
24 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
25 or content of any document necessary to implement the Settlement, or on any modification of the
26 Agreement that may become necessary to implement the Settlement, the Parties will seek the
27 assistance of a mediator and/or the Court for resolution.

28 12.8. No Prior Assignments. The Parties separately represent and warrant that they have not

1 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
2 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
3 action, or right released and discharged by the Party in this Settlement.

4 12.9. No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are
5 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
6 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
7 Part 10, as amended) or otherwise.

8 12.10. Modification of Agreement. This Agreement, and all parts of it, may be amended,
9 modified, changed, or waived only by an express written instrument signed or agreed to by all
10 Parties or their representatives, and approved by the Court. Plaintiff and Defendants expressly
11 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
12 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
13 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
14 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
15 the use of signatures previously provided by the Parties.

16 12.11. Authority of Signatories. The respective signatories to the Agreement represent that they
17 are fully authorized to enter into this Agreement and bind the respective Parties to its terms and
18 conditions.

19 12.12. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
20 the benefit of, the successors of each of the Parties.

21 12.13. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
22 governed by and interpreted according to the internal laws of the state of California, without
23 regard to conflict of law principles.

24 12.14. Attorneys' Fees and Costs. Except as otherwise specifically provided for herein, each
25 party shall bear her or its own attorneys' fees, costs, and expenses, taxable or otherwise, incurred
26 by them or arising out of the Action and shall not seek reimbursement thereof from any other
27 party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the
28 prevailing party shall be entitled to recover her or its reasonable attorneys' fees and costs.

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

12.16. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement

12.17. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destruction, of Class Data.

12.18. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.19. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.20. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

BIBIYAN LAW GROUP, P.C.
David D. Bibiyan (SBN 287811)

david@tomorrowlaw.com
Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Megan R. Lazar (SBN 315007)
megan@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

To Defendants:

Vanessa F. Chavez, Esq.
Makala E. Reha, Esq.
KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIB & KIMBALL, LLP
10000 Stockdale Highway, Suite 200
Bakersfield, CA 93311
Telephone: (661) 395-1000
Facsimile: (661) 326-0418
vchavez@kleinlaw.com
mreha@kleinlaw.com

12.21. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.22. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

12.23. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

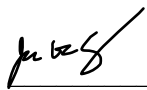
Facsimile: (661) 326-0418
vchavez@kleinlaw.com
mreha@kleinlaw.com

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IT IS SO AGREED:



03/09/2026

Plaintiff, JOSE CANGAS

For Defendant, LMS REINFORCING STEEL
USA, LP

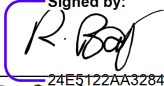
Defendant, RICK BAGLEY

1 **IT IS SO AGREED:**

2
3 Plaintiff, JOSE CANGAS

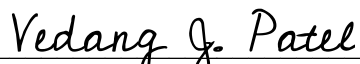


Michael Schutz, CFO
For Defendant, LMS REINFORCING STEEL
USA, LP

6 Signed by:


24E5122AA3284B0...
Defendant, RICK BAGLEY

11 **AGREED AS TO FORM ONLY:**

13 

David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff



Vanessa Franco Chayer
Makala E. Reha
Counsel for Defendants

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Exhibit A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE
FOR FINAL APPROVAL HEARING**

Jose Cangas v. LMS Reinforcing Steel USA, LP, et. al.

(County of Riverside, California Superior Court Case No. CVRI2402136, consolidated with CVRI2403230)

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund if the settlement is approved by the court.

Why Am I Receiving This Notice?

You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them. On [REDACTED], the Riverside County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement.

Defendant’s records show that you are a “Class Member” because you currently or previously worked for LMS Reinforcing Steel USA, LP in California as a non-exempt, hourly-paid employee at any time from June 22, 2023 through [Preliminary Approval Date] (“Class Period”) and/or you are an “Aggrieved Employee” if you were such an employee at any time from June 7, 2023 through [Preliminary Approval Date] (“PAGA Period”). LMS Reinforcing Steel USA, LP is referred to as “Defendant.”

What is This Case About?

Jose Cangas was a non-exempt, hourly paid employee of Defendant. He is the “Plaintiff” in this case and is suing on behalf of himself and Class Members for Defendant’s alleged failure to: (1) pay overtime wages, (2) pay minimum wages, (3) provide meal periods, (4) provide rest periods, (5) timely pay final wages, (6) provide adequate wage statements, (7) timely pay wages during employment, and (8) reimburse business expenses, (9) pay vacation wages. Plaintiff also seeks restitution for unfair business practices and penalties under California Labor Code Private Attorneys’ General Act (“PAGA”).

Defendant denies all the allegations made by Plaintiff and deny that they violated any laws.

The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

What Are My Rights and Options?

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Individual Class Payment (*i.e.*, your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Class Payment, as well as your Individual PAGA Payment if you are also an Aggrieved Employee. **In**

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above.

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all “Released Claims” he or she may have or had upon final approval of this Settlement and payment by Defendant to the Administrator.

Effective only upon the entry of an Order Granting Final Approval of the Settlement, entry of Judgment and payment by Defendant to the Administrator of the full Gross Settlement Amount and Employer Taxes necessary to effectuate the Settlement, Plaintiff and all Participating Class Members and Aggrieved Employees release the following claims, respectively:

Release by Participating Class Members: For the duration of the Class Period, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and do hereby forever release, discharge, and agree to hold harmless the Released Parties from all claims during the Class Period that were alleged, or reasonably could have been alleged, arising from or relating to the facts stated in the Operative Class Complaint and the claims asserted, investigated, or that could have been asserted in connection with the prosecution and resolution of the Action, including, but not limited to, any and all claims for: (1) failure to pay overtime wages, (2) failure to pay minimum wages, (3) failure to provide meal periods or pay meal period premiums in lieu thereof, (4) failure to provide rest periods or pay rest period premiums in lieu thereof, (5) waiting time penalties, (6) wage statement violations, (7) failure to timely pay wages during employment and upon separation from employment, (8) failure to indemnify, (9) violation of Labor Code section 227.3, and (10) unfair business practices, including all related or derivative claims for penalties, interest, restitution, disgorgement, injunctive or declaratory relief, attorneys’ fees, and costs to the fullest extent permitted by law (“Released Class Claims”)

Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved Employees—including Plaintiff—are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities, and causes of action for PAGA penalties that Aggrieved Employees have had, now have, or may have in the future against the Released Parties, based on any acts or omissions occurring during the PAGA Period and based on the PAGA Period facts pleaded in the Operative PAGA Complaint or the PAGA Notice, including, but not limited to, any and all claims for PAGA penalties pursuant to Wage Order 4-2001 and Labor Code §§ 96, 98.6, 200, 201, 201.3, 202, 203, 204, 210, 212, 213, 221, 223, 226, 226.3, 226.7, 227.3, 232, 232.5, 245, 246, 404, 432, 432.3, 432.5, 432.7, 432.8, 510, 511, 512, 558, 1102.5, 1174, 1174.5, 1182.12, 1194, 1197, 1197.1, 1197.5, 1198.5, 1527, 2699 et seq., 2802, 2810.3, 2810.5, 3366, 3457, 8397.4.

“Released Parties” means Defendants, and each of their former, present and future owners, parents, affiliated corporations, partnerships, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, customers, insurers, legal representatives, and any other individuals, entities, successors, assigns who could be liable for any of the Released Claims.

Option 2 – Opt Out of the Settlement

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

In order to opt out of the Settlement, the Class Member must timely submit by mail, an opt-out request to the Administrator by the Response Deadline. The opt-out request should state the Class Member's name, address, and email address or telephone number, and any statement standing for the proposition that you do not wish to participate in the settlement, or the following statement: "Please exclude me from the Settlement in the *Cangas v. LMS Reinforcing Steel USA, LP, et al.* matter." Sign, date and mail your written request for exclusion to the address below.

[Administrator Name]

[Mailing Address]

[e-mail address]

[fax number]

To be valid, your written request for exclusion must be mailed to the Administrator not later than [RESPONSE DEADLINE].

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, if you are Aggrieved Employee, you will still receive your Individual PAGA Payment and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Released Class Claims.

Option 3 – Submit an Objection to the Settlement

If you wish to object to the Settlement, you may submit an objection in writing by mail, stating why you object to the Settlement. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the Court overrules your objection, you will be bound by the Settlement and will receive your Individual Class Payment.

Your written objection must be mailed to the Administrator no later than [RESPONSE DEADLINE]. Even if you don't submit a written objection, you may appear at the Final Approval Hearing and provide a verbal objection before the Court.

Final Approval Hearing

You may, if you wish, appear at the Final Approval Hearing set for [REDACTED] at [REDACTED]:[REDACTED] a.m. in the Department 1 of the Riverside County Superior Court, located at 4050 Main Street, Riverside, California 92501, and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or video at [REDACTED]. You may also retain an attorney to represent you at the hearing at your own expense.

Summary of the Settlement Terms

Plaintiff and Defendant have agreed to settle this case on behalf of themselves and Class Members and Aggrieved Employees for the Gross Settlement Amount of **\$225,000.00**. The Gross Settlement Amount includes: (1) Administration Expenses Payment up to \$6,500.00 (2) a service award of up to \$7,500.00 to Jose Cangas for his time and effort in pursuing this case; (3) up to 1/3 of the Gross Settlement Amount in attorneys' fees which, unless escalated pursuant to the Settlement Agreement and subject to court approval, amounts to **\$75,000**; (4) up to

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

\$30,000.00 in litigation costs to Class Counsel, according to proof and subject to court approval; (5) PAGA penalties in the amount of \$22,500.00. Pursuant to the PAGA, seventy-five percent (75%) of the amount allocated toward PAGA penalties, or \$16,875.00, will be paid to the LWDA and twenty-five percent (25%), or \$5,625.00, will be distributed to Aggrieved Employees. After deducting these sums, approximately **\$82,500.00** will be available for distribution to Class Members (“Net Settlement Amount”).

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount based on the number of weeks worked by Class Members as non-exempt employees for Defendant in California during the Class Period. Specifically, Class Members’ payments will be calculated by (a) dividing the number of Workweeks by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member’s Workweeks. Otherwise stated, the formula for a Class Member is: (Individual’s Workweeks ÷ total Workweeks) x Net Settlement Amount. In addition, individuals who were employed by Defendant between June 7, 2023 through the end of the Class Period (*i.e.*, Aggrieved Employees) will receive a *pro rata* share of the \$5,625.00 allocated as PAGA penalties, whether or not they opt out, based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

What is my Estimated Settlement Share?

Defendant’s records indicate that you worked **[Workweeks]** Workweeks as a non-exempt employee in California during the Class Period and **[Pay Periods]** Pay Periods during the PAGA Period. Based on these records, your estimated payment as a Class Member would be **[\$Estimated Award]** and your estimated payment as an Aggrieved Employee would be **[\$Estimated Award]**.

Tax Reporting

Payments to Class Members as PAGA Payments shall be designated as penalties. All other payments to Class Members from the Net Settlement Amount shall be designated 10% as wages and 90% as penalties and interest. The Settlement Administrator will be responsible for issuing a form W-2 to each Class Member for the amount each receives for unpaid “wages” and any IRS Form 1099s required by law. This notice is not intended to provide legal or tax advice on your Settlement Share.

Your check will be valid for 180 days after issuance. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller’s Unclaimed Property Fund in the name of the Class Member thereby leaving no “unpaid residue” subject to the requirements of California Code of Civil Procedure Section 384, subd (b).

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Administrator at **[PHONE NUMBER]** or Class Counsel, whose information appears below:

BIBIYAN LAW GROUP, P.C.
David D. Bibiyan (SBN 287811)
david@tomorrowlaw.com

Questions? Contact the Settlement Administrator toll free at **[PHONE NUMBER]**

Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Megan R. Lazar (SBN 315007)
megan@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, CA 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

You may also visit the Settlement Administrator's website at [WEBSITE] to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Department 1 of the Riverside County Superior Court located 4050 Main Street, Riverside, CA 92501, during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://odyprodportal.kern.courts.ca.gov/portalprod>.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANTS, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.**

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]