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Attorneys for Plaintiff and the Putative Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SHASTA

DONALD MANION, on behalf of himself
and all others similarly situated,

Plaintiff,

v.

HAT CREEK CONSTRUCTION &
MATERIALS, INC., a California
Corporation; and DOES 1-50, inclusive.

Defendants.

CASE NO.: 24CV-0205505

Assigned to the Hon. Ryan H. Birss

**DECLARATION OF MEHRDAD
BOKHOUR IN SUPPORT OF
PLAINTIFF'S MOTION FOR FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT**

Hearing:

Date: July 13, 2026

Time: 8:30 a.m.

Dept.: 64

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1. I am an attorney at law, duly licensed to practice before all the Courts of the State of California, and I am the principal of Bokhour Law Group, P.C., co-counsel with Joshua Falakassa of Falakassa Law, P.C., as attorney of record for Plaintiff Donald Manion and the Settlement Class. As such, I am familiar with the file in this matter, and if called as a witness, I could and would competently testify to the following facts of my own personal knowledge.

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DECLARATION OF MEHRDAD BOKHOUR ISO PLAINTIFF'S MOTION FOR FINAL APPROVAL

1 2017 through 2022 and as a “Super Lawyer” in 2023 through 2026. This distinction is reserved
2 for the top 2.5% of lawyers in the practice area. I have also been recognized by TopVerdicts.com
3 for achieving several of the top wage-and-hour class-action settlements and PAGA actions in
4 California.

5 8. I have attended numerous Continuing Legal Education courses on employee
6 advocacy.

7 9. My firm has the experience, resources, and means necessary to allow us to
8 provide adequate representation to all Settlement Class Members in this Action.

9 10. Currently, my firm is acting as co-counsel in at least twenty-five wage and hour
10 class actions.

11 11. Class Counsel are respected members of the California Bar with strong records
12 of vigorous and effective advocacy for their clients, and they are experienced in handling
13 complex class action litigation. Both Class Counsel and Plaintiff were prepared to litigate the
14 claims in this action, but they strongly and unequivocally support the proposed Settlement as
15 being in the best interest of the Settlement Class based on the circumstances referenced herein.

16 12. In the opinion of Class Counsel, the recovery for each Settlement Class Member
17 is well within the acceptable range for this type of action. This Settlement is also favorable, as
18 the Settlement Class will promptly receive compensation rather than face the uncertainties
19 inherent in further litigation and the years-long wait for this action to be tried. It is also telling
20 that the Settlement Class has overwhelmingly supported the Settlement on the terms set forth
21 in the Settlement Agreement. No Settlement Class Member has objected to the class-wide
22 Settlement obtained in this matter, and only one Settlement Class Member requested exclusion,
23 and no objections were submitted. Based on all considerations, this Settlement is highly
24 favorable and is in the best interests of the Settlement Class.

25 13. In sum, all relevant factors support final approval of the Settlement. The parties
26 negotiated at arm's length under the supervision of an experienced and well-respected mediator.
27 Class Counsel also investigated, discovered, and analyzed class claims extensively. Moreover,
28 Class Counsel, experienced class action litigators, strongly believe that this Settlement provides

1 an excellent result for the Settlement Class. Lastly, the fact that no objections were filed
2 requesting denial of final approval and no one requested exclusion from the Settlement weighs
3 strongly in favor of approving the Settlement. For these reasons, this Court should conclude
4 that under the circumstances of this case, the proposed Settlement is fair, adequate, and well
5 within the range of reasonableness.

6 **The Proposed Enhancement Award to Plaintiff as Class Representative is Reasonable**

7 14. Plaintiff and Class Counsel request that the Court finally approve a Class
8 Representative Service Payment of \$10,000 for the time, effort, and risks he undertook in
9 participating in this Action. Because a named plaintiff is an essential ingredient of any class
10 action, a service payment is appropriate to induce individuals to step forward and assume the
11 burdens and obligations of representing the settlement class. In deciding the amount of service
12 payment for a class representative, relevant factors include the actions the plaintiff has taken to
13 protect the interests of the settlement class, the degree to which the settlement class has
14 benefited from those actions, and the amount of time and effort the plaintiff expended in
15 pursuing the action.

16 15. In the instant case, Plaintiff assisted Class Counsel on many occasions with
17 investigating and prosecuting this action. Plaintiff provided many documents and relevant
18 information to Class Counsel, spent numerous hours educating Class Counsel on the inner
19 workings of Defendant's operations and timekeeping practices, and made herself available for
20 mediation. The amount sought for the Class Representative aligns with service payments in
21 similar wage-and-hour class actions. In Class Counsel's experience, service payments in wage
22 and hour actions typically range from \$5,000 to \$40,000. Further, Defendant supports the
23 requested Class Representative Service Payment of \$10,000 to Plaintiff.

24 16. As such, the service payment requested is intended to compensate Plaintiff for
25 her critical role in this case and the substantial time, effort, and risks he undertook to help secure
26 the result obtained on behalf of the Settlement Class. The Class Representative Service Payment
27 requested is well-deserved and warranted.

The Requested Attorneys' Fees and Costs are Fair, Reasonable, and Appropriate

17. Class Counsel's application for an award of Attorneys' Fees in an amount of approximately 33.33% of the Settlement Amount on behalf of the Settlement Class is reasonable and fair. The requested fee falls at the lower end of the Ninth Circuit's historical benchmark for attorneys' fees, 20% to 40% of a common fund. It is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a contingent basis.

18. For Class Counsel, the fees here were wholly contingent in nature, and the case presented far more risk than the usual contingent fee case. There was the prospect of the enormous costs inherent in class-action litigation and a long battle with the corporate Defendant. That prospect has become a reality in trial courts and the Court of Appeal in other wage-and-hour class actions. Class Counsel risked not only a great deal of time but also a great deal of expense to ensure the successful litigation of this action on behalf of all Settlement Class Members. Based upon the foregoing, Class Counsel respectfully requests that the Court award Attorneys' Fees in the amount of \$733,333.33 and costs incurred in the amount of \$22,624.45.

Class Counsel will collectively work approximately 141 hours on this case. Class Counsel's hourly rate, in this case for Mehrdad Bokhour, is \$750 per hour, and my co-counsel, Joshua Falakassa, worked approximately 166.5 hours on this case at an hourly rate of \$725 per hour. Accordingly, this results in a total lodestar amount of \$251,587.50, summarized in the following table and the declaration of Class Counsel. The hourly rates above are comparable to those of other attorneys with equal or similar experience. The requested fee represents a 1.53 multiplier applied to the combined lodestar, which is well within the range courts regularly approve.

Attorney	Experience	Hourly Rate	Hours	Total Lodestar
Mehrdad Bokhour	13 years	\$750	74.5 ¹	\$55,875

¹ Includes an estimated 10 hours of additional work preparing for and attending the hearing (inclusive of finalizing and filing the motion, appearing at the hearing, addressing the Court's questions/concerns, submitting revised documents, responding to class members who are anxious to receive their check, and so on), as well as 10 hours in anticipated work to be performed after the final approval, working with counsel, administrator, and Class Members (which includes up to 1.5 years of case management relating to ensuring timely payment from Defendant, reviewing the calculations, checks are timely mailed, responding to class members questions about the timing of checks/missing checks/lost checks and remailings, working with the administrator regarding uncashed checks and remailings,

Joshua Falakassa	12 years	\$725	66.5	\$48,212.50
Total Lodestar				\$104,087.50

19. The ultimate result was far from certain. When this case was taken on a contingency fee basis, the firm agreed to assume responsibility for all litigation costs. In the course of this Action, Class Counsel paid all costs, including filing fees, court costs, research fees, and mediation costs. There was never a guarantee that we would recoup those expenditures.

20. It has been my experience that the benchmark for an attorney's fee award in California state cases is one-third of a common fund. Here, Class Counsel requests 33.33% of the Settlement Amount.

21. The fee is warranted because of the results achieved for the Settlement Class Members, both in terms of the immediate cash settlement and the fact that the Settlement Class Members resoundingly supported the Settlement. Defendant does not oppose this fee request.

22. The following are the itemized litigation costs (actually incurred) for the above-referenced matter:

(1)	LWDA Filing Fee	\$75
(2)	Mediation	\$9,784.05
(3)	Filing Fees	\$4,958.75
(4)	Service of Process	\$151
(5)	CourtCall	\$216
	Total	\$15,185.30

23. The LWDA's confirmation of receipt of this settlement and motion for final approval are attached hereto as **Exhibit "A."**

24. A true and correct copy of the Settlement Agreement is attached as **Exhibit "B."**

25. Plaintiff and the Class Members are all individuals who are or were employed by Defendant as non-exempt hourly employees in California between July 12, 2020, and October 21, 2025. The primary claims, which Defendant disputes, involve allegations that the Class Members were not paid all wages owed due to Defendant's timekeeping practices. Additionally, Plaintiff alleges claims for failure to pay all wages, non-compliant meal and rest periods, wage statement violations, waiting time penalties, and associated PAGA penalties.

assisting with the Administrator's declarations regarding payments and uncashed checks, potentially filing an amended judgment, appearing at the final disbursement hearing and/or submitting paperwork related thereto.

1 26. The proposed Settlement was the product of arm's length negotiations, including
2 a full day mediation before experienced class action mediator Marc Feder, Esq.

3 27. Plaintiff and Class Counsel have diligently investigated the claims raised in this
4 litigation and, after taking into account the disputed factual and legal issues involved in this
5 action, the risks attending further prosecution, and the benefits to be received pursuant to the
6 compromise and settlement of the Action as set forth in the Settlement, concluded that the
7 Settlement terms are fair, reasonable, and in the best interest of the Settlement Class.

8 28. As the Settlement Agreement reveals, there is no preferential treatment for any
9 segment of the Settlement Class, as the Settlement is designed to fairly and adequately
10 compensate all Settlement Class Members. Pursuant to California Rules of Court Rule 3.769(b),
11 the parties have disclosed the agreed-upon and proposed Attorneys' Fees, which are well within
12 the range of reasonableness for matters of this nature.

13 29. As set forth at the time of preliminary approval, Class Counsel's investigation into
14 the facts and merits of the wage and hour claims alleged included analyzing substantial amounts
15 of information, correspondence, documents, timekeeping and pay data, policies and procedures,
16 and evidence relating to the class size and the commonality of the claims. During this process,
17 Plaintiff and Class Counsel investigated the potential claims of similarly situated employees and
18 researched Defendant's defenses. Finally, Class Counsel synthesized and analyzed information
19 provided by Defendant as to the total Settlement Class Members, the number of current and
20 former employees, and the number of employees who worked during various time periods and
21 prepared comprehensive damages calculations regarding the wage and hour claims at issue.

22 30. In light of the uncertainties of protracted litigation, this negotiated Settlement
23 reflects the best practicable recovery for the Settlement Class. While the total Settlement amount
24 is, of course, a compromise figure, the potential risks and opportunities for both parties were
25 weighed, resulting in a fair and equitable Settlement. Based upon detailed data obtained through
26 discovery and information exchanges and factoring in claim certification and liability
27 probabilities, Class Counsel formulated detailed damages models to evaluate the claims in
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1 preparation for mediation and reach a realistic and reasonable resolution. Of course, Defendant
2 denies that any damages should be assessed and denies all of the value assessed by Plaintiff.

3 31. Moreover, as further detailed in Plaintiff's Motion for Preliminary Approval of
4 Class Action Settlement, Defendant strongly disputed the merits of the case and the damages on
5 several grounds.

6 32. The Settlement should be approved, and judgment entered based on the
7 determination that the Settlement is fair, reasonable, adequate, and in the best interests of the
8 Settlement Class.

9 33. In compliance with California Rules of Professional Conduct section 1.5.1,
10 Plaintiff signed a fee split agreement that provides that fees will be allocated between Class
11 Counsel as follows: fifty percent (50%) to the Bokhour Law Group, P.C., and fifty percent (50%)
12 to Falakassa Law, P.C.

13 I declare under penalty of perjury under the laws of California that the foregoing is true
14 and correct, this 16th day of June 2026, at Los Angeles, California.

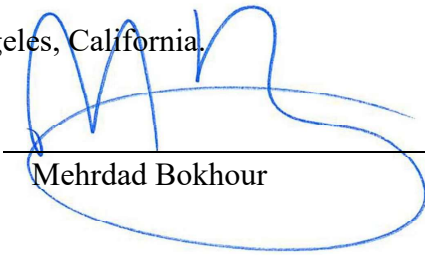
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EXHIBIT “A”

EXHIBIT “B”

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement and Release of Claims is entered into by and between Plaintiff Donald Manion, individually and on behalf of all others similarly situated, and Defendant Hat Creek Construction & Materials, Inc., and is approved as to form by their respective counsel of record, subject to the terms and conditions hereof and the Court’s approval.

A. Definitions

1. “Action” or “Lawsuit” refers to the case entitled *Manion v. Hat Creek Construction & Materials, Inc.*, Case No. 24CV-0205505, pending in Shasta County.

2. “Aggrieved Employees” include all persons who are or were employed by Defendant in California and classified as non-exempt or hourly employees at any time from May 6, 2023, through October 21, 2025.

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

4. “Class Claims” or “Released Class Claims” will include all claims, rights, demands, liabilities, and causes of action that were alleged, or that reasonably could have been alleged, arising out of or related to the facts, transactions, or allegations set forth in the operative complaint that arose during the Class Period, including but not limited to claims for: (1) failure to pay prevailing wages in violation of Labor Code §§ 1720 et seq.; (2) failure to pay minimum and overtime wages in violation of Labor Code §§ 510, 1194, 1197, and 1198, and applicable IWC Wage Orders; (3) failure to pay sick wages at the proper legal rate in violation of Labor Code § 246; (4) failure to provide compliant meal periods and pay meal period premiums in violation of Labor Code §§ 226.7 and 512, and applicable IWC Wage Orders; (5) failure to authorize and permit compliant rest periods and pay rest break premiums in violation of Labor Code §§ 226.7 and 516, and applicable IWC Wage Orders; (6) failure to pay all wages due during employment and at separation, including waiting time penalties, in violation of Labor Code §§ 201–204; (7) failure to provide complete and accurate itemized wage statements in violation of

Labor Code §§ 226 and 226.3; (8) failure to reimburse necessary business expenses in violation of Labor Code §§ 2802–2804; (9) unfair, deceptive, fraudulent, or otherwise unlawful business practices in violation of California Business & Professions Code §§ 17200–17210; (10) statutory penalties pursuant to the Private Attorneys General Act, Labor Code §§ 2698–2699.6; and (11) all related claims for liquidated damages, restitution, penalties, interest, attorneys’ fees, and costs.

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

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

7. “Class Period” and “Class Release Period” shall mean July 12, 2020, through October 21, 2025.

8. “Class Representative” or “Plaintiff” refers to Donald Manion.

9. “Complaint” refers to the First Amended Complaint filed in the Shasta County Superior Court action entitled *Manion v. Hat Creek Construction & Materials, Inc.*, Case No. 24CV-02055052.

10. “Court” means the California Superior Court, County of Shasta, or any Court of competent jurisdiction.

11. “Defendant” refers to Hat Creek Construction & Materials, Inc.

12. “Defendant’s Counsel” or “Defense Counsel” refers to Benjamin L. Kennedy of Carr, Kennedy, Peterson & Frost.

13. “Effective Date” The term “Effective Date” means the latter of (a) the Court’s final approval of the settlement if no objections by or on behalf of Class Members have been filed and not withdrawn; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed. “Final”

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

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

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

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

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

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

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

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

21. “Objecting Settlement Class Member” means a Settlement Class Member, other than Plaintiff, who submits a valid and timely objection to the terms of this Agreement with respect to the Class Claims pursuant to Paragraph 68(a) below.

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

23. “PAGA Claims” or “Released PAGA Claims” means all claims for civil penalties pursuant to the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2698–2699.6, that were alleged or reasonably could have been alleged based on the facts, transactions, or allegations set forth in the operative complaint, arising during the PAGA Period.

24. “PAGA Notice” shall refer to the notice sent by Plaintiff, by and through counsel, on or about May 6, 2024, to the LWDA and Defendant, alleging that Defendant engaged in violations of the California Labor Code and California Wage Order(s).

25. “PAGA Period” and “PAGA Release Period” shall mean May 6, 2023, through October 21, 2025.

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

27. “Parties” or “Settling Parties” means Plaintiff, the Settlement Class Members, the Aggrieved Employees, and Defendant, collectively.

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

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

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

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

32. “Released Parties” shall refer to Hat Creek Construction & Materials, Inc., and its former, present, and future owners, parents, 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, and/or legal representatives.

33. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 68(a) below.

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

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

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

37. “Settlement Amount” or “Gross Settlement Amount” shall have the meaning ascribed to it in Paragraph 47(a) below.

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

39. “Settlement Class” and “Settlement Class Members” refer to all persons who are or were employed by Defendant in California and classified as non-exempt employees during the Class Period, excluding any individuals who previously executed a severance agreement with

1 Defendant that included a general release of claims.

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

13 **B. General Terms**

14 41. On or about July 12, 2024, Plaintiff filed a civil action against Defendant in the
15 Court asserting claims under the California Labor Code Private Attorneys General Act of 2004
16 (“PAGA”) and related class allegations. The operative complaint alleges, among other things: (1)
17 failure to pay prevailing, minimum, and overtime wages; (2) failure to pay sick pay at the proper
18 rate; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6)
19 waiting time penalties; (7) failure to reimburse necessary business expenses; and (8) unfair
20 competition in violation of California Business and Professions Code §§ 17200–17210.
21 Defendant denies all of Plaintiff’s claims and allegations, denies any liability whatsoever, and
22 further contends that the Action is not suitable for class certification and/or representative
23 treatment.

24 42. The Class Representative believes he can proceed with their class, and the
25 representative claims that the Action is meritorious and that class certification is appropriate.

26 43. The Parties have thoroughly investigated the facts of the Action. This includes
27 conducting an extensive exchange of informal discovery, including Defendant’s written policies
28 and practices, and producing payroll and timekeeping records for Settlement Class Members and

1 Aggrieved Employees. Class Counsel is both knowledgeable about and has done extensive
2 research with respect to the applicable law and potential defenses to the claims of the Settlement
3 Class Members and Aggrieved Employees. Class Counsel has diligently investigated the Class
4 Members' claims against Defendant. Based on the foregoing data and their own independent
5 investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendant
6 for the consideration and on the terms outlined in this Settlement Agreement is fair, reasonable,
7 and adequate and is in the best interest of the Settlement Class Members and Aggrieved
8 Employees in light of all known facts and circumstances, including the risk of significant delay
9 and uncertainty associated with litigation, various defenses asserted by Defendant, and numerous
10 potential appellate issues.

11 44. On August 21, 2025, the Parties participated in mediation before Marc Feder, Esq.,
12 a highly experienced class action mediator. After a full-day mediation and the issuance of a
13 mediator's proposal, the Parties reached a settlement.

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

18 46. Stipulation for Class Certification and Representative Treatment. For settlement
19 purposes only, Defendant will stipulate that the Settlement Class Members described herein who
20 do not Request Exclusion from the Settlement Class may be conditionally certified as a settlement
21 class and that the Aggrieved Employees are appropriate for representative treatment for settlement
22 purposes. This stipulation to certification and representative treatment is in no way an admission
23 that class action certification and/or representative treatment is proper and shall not be admissible
24 in this or any other action except for enforcing this Agreement. Should, for whatever reason, the
25 Court fail to issue Final Approval, the Parties' stipulation to class certification and representative
26 treatment as part of the Settlement shall become null and void *ab initio* and shall have no bearing
27 on and shall not be admissible in connection with the issue of whether or not class certification
28 and/or representative treatment would be appropriate in a non-settlement context. Defendant

expressly reserves its right and declares that it will continue to oppose class certification, representative treatment, and the substantive merits of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves their rights and declares that it will continue to pursue class certification, representative treatment, and a trial should the Court fail to issue Final Approval.

C. Terms of Settlement

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

(a) Settlement Amount: The Parties agree to settle this Action for Four Hundred Eighty Thousand Dollars (\$480,000) (“the Settlement Amount”). The Settlement Amount is the maximum amount that will be paid by the Defendant and includes Individual Settlement Amounts, attorneys’ fees of Class Counsel, costs and expenses, the Service Payment to the Class Representative, all Settlement Administration Costs, and payment to the Labor Workforce Development Agency (LWDA) for PAGA penalties. Defendant shall separately pay the employer’s share of applicable payroll taxes.

(b) This settlement is based on Defendant’s belief that there are approximately 20,800 workweeks at issue during the Class Period. If the total number of workweeks worked exceeds 22,880 (i.e., more than 10% above the estimated amount), then the Gross Settlement Amount shall be increased proportionally, at the rate of 1% for every 1% by which the total workweeks exceed the 22,880 threshold.

(c) Net Settlement Amount: The “Net Settlement Amount” is defined as the Settlement Amount less attorneys’ fees and litigation costs as approved and awarded by the Court, the Service Payments to Class Representative as approved and awarded by the Court, the Settlement Administration Costs, as approved and awarded by the Court, and the Ten Thousand Dollars (\$20,000.00) allocated to payment for PAGA penalties as described in paragraph 47(d) below. If the Court reduces the attorneys’ fees and litigation costs or Service Awards, Settlement Administration Costs, or increases or decreases the amount allocated to PAGA penalties, the Net Settlement Sum shall be increased or decreased accordingly. Any Court order awarding less than the below allocations of the Settlement Amount shall not be grounds to rescind the Settlement Agreement or otherwise void the Settlement.

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

i. PAGA Amount: \$20,000 of the Gross Settlement Amount has been designated to the PAGA claims. Thirty-five percent (25%) of the \$20,000, or \$5,000.00, shall be paid to Aggrieved Employees. Each Aggrieved Employee shall receive a portion of the \$5,000.00 proportionate to the number of Workweeks by the Aggrieved Employees during the PAGA Period compared to the total number of Workweeks by all Aggrieved Employees during the PAGA Period. Aggrieved Employees shall have their settlement amount for the Released PAGA claims paid one hundred percent (100%) as civil penalties for which no taxes will be withheld and for which the Settlement Administrator will issue a Form 1099.

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

(e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts will be allocated for tax purposes based on the allegations in the Action as follows: twenty five percent (15%) will be paid as wages subject to withholding of all applicable local, state, and federal taxes; and seventy five percent (85%) will be paid as interest and as civil penalties (pursuant to, e.g., California Labor Code sections 203, 226) from which no taxes will be withheld. The Settlement Administrator will issue to each Participating Class Member an Internal Revenue Service Form W-2 and comparable state forms concerning the wage allocation and a Form 1099

1 concerning the civil penalties and interest allocations.

2 (f) Service Payments to Class Representative: The amount awarded to the Class
3 Representative as Service Payments will be set by the Court in its discretion, not to exceed
4 \$10,000. Defendant agrees not to oppose this request. The Service Payments to Class
5 Representative will be paid from the Gross Settlement Amount. Class Representative will be
6 issued IRS Form 1099 in connection with this payment. Plaintiff shall be solely and legally
7 responsible for paying any and all applicable taxes on this payment. The Parties agree that any
8 amount awarded by the Court as the Service Payments to Plaintiff less than the requested amount
9 shall not be a basis for Plaintiff or Class Counsel to void this Stipulation. Should the Court
10 approve a lesser amount for the Service Payments, the difference shall be added to the Net
11 Settlement Amount to be distributed to the Participating Class Members. In the event of any
12 appeal of the amount of the service awards (if any) approved by the Court, if, after the exhaustion
13 of any such appellate review, additional amounts not awarded to the Class Representative shall
14 be added to the Net Settlement Amount to be distributed to the Participating Class Members.

15 (g) Class Counsel's Attorneys' Fees and Costs: Defendant agrees not to oppose a
16 request by Class Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of
17 the Settlement Amount, plus reasonable litigation costs not to exceed \$25,000 ("Attorneys' Fees
18 and Costs Award"). For purposes of this Settlement, Defendant agrees not to oppose any
19 contention by Class Counsel that attorneys' fees should be based on the common fund theory.
20 The Attorneys' Fees and Costs Award shall be paid from the Gross Settlement Amount, and
21 except for this award, Defendant shall have no further obligation to pay any attorneys' fees, costs,
22 or expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by
23 Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to
24 the Participating Class Members. Any Court order awarding less than the amount sought by Class
25 Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the
26 Settlement. In the event of any appeal of the amount of the awards of attorneys' fees and costs (if
27 any) approved by the Court, final funding and administration of the portion of the attorneys' fees
28 and/or costs award in dispute will be segregated and stayed pending the exhaustion of appellate

1 review. If, after the exhaustion of any such appellate review, additional amounts not awarded to
2 as attorneys' fees and costs shall be added to the Net Settlement Amount to be distributed to the
3 Participating Class Members and/or Aggrieved Employees. The Settlement Administrator shall
4 issue to Class Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs
5 awarded by the Court. Class Counsel agrees that any allocation of fees between or among Class
6 Counsel and any other attorney representing or claiming to represent the Class Members shall be
7 the sole responsibility of Class Counsel.

8 (h) Settlement Administration Costs: The fees and other charges of the Settlement
9 Administrator will be paid from the Gross Settlement Amount, not to exceed \$8,000, subject to
10 Court approval, unless approved by all Parties and the Court.

11 (i) PAGA Penalties: The Parties agree that \$20,000 is allocated to PAGA Penalties
12 and will be paid from the Gross Settlement Amount, subject to Court approval. Of this amount,
13 \$15,000.00 (75%) shall be paid to the LWDA in satisfaction of Plaintiff's claims for civil
14 penalties under the PAGA, and \$5,000.00 (25%) will be included in the Individual Settlement
15 Amounts, payable to the Aggrieved Employees as set forth in Paragraph 47(d).

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

28 48. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under

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

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

D. Release by Plaintiff and the Final Settlement Class

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

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

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

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

54. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on, arising out of, and/or related to any and all of the Released Class Claims. The Settlement Class Members shall be notified in the Notice. This paragraph does not apply to

any Settlement Class Member who timely and validly opts out of the Settlement for purposes of Class Claims.

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

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

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

E. General Release by Plaintiff

57. With the exception of Plaintiffs' claims that cannot be released as matter of law, such as claims for workers' compensation, and in addition to Class Representative release of the Released Class Claims and Released PAGA Claims, as discussed in Paragraphs 50 and 52 above, Class Representative does hereby, for himself and for his respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and Representative, forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary

damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or relating to Class Representative' employment with Defendant or the remuneration for or termination of such employment (collectively, the "Class Representative' Claims").

58. Class Representative expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

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

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

F. Interim Stay of Proceedings

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

G. Notice Process

60. Appointment of Settlement Administrator. The Parties have agreed to the

1 appointment of the Settlement Administrator to perform the duties of a settlement administrator,
2 including mailing the Notice, using standard devices to obtain forwarding addresses,
3 independently reviewing and verifying documentation associated with any claims or opt-out
4 requests, resolving any disputes regarding the calculation or application of the formula for
5 determining the Individual Settlement Amounts, drafting and mailing the settlement checks to
6 Final Settlement Class Members, issuing Forms W-2 and 1099, reporting to taxing authorities,
7 due diligence, reporting and remittance obligations, and performing such other tasks as set forth
8 herein or as the Parties mutually agree or that the Court orders.

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

21 62. Class Data. Within ten (10) business days after the Preliminary Approval Order
22 entry, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement
23 Administrator will check the Class Members' addresses against those on file with the U.S. Postal
24 Service's National Change of Address List. The Class Data provided to the Settlement
25 Administrator will not be provided to Class Counsel, and it will remain confidential; it shall be
26 used solely to administer the Settlement, and it will not be used or disclosed to anyone except as
27 required by applicable tax authorities, pursuant to Defendant's express written consent, or by
28 order of the Court.

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

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

65. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if an envelope has not been returned within thirty (30) days of the mailing the Settlement Class Member received the Notice.

66. Disputes Regarding Class Data. Settlement Class Members are deemed to participate in the Settlement unless they opt out. The Notice will inform Settlement Class Members of their estimated Individual Settlement Amount and the number of Workweeks during the Class Period and the PAGA Period. Settlement Class Members may dispute their Workweeks if they believe they were employed more workweeks in the Class Period in California than the Defendant's records show by timely submitting evidence to the Settlement Administrator. Defendant's records will be presumed determinative absent reliable evidence to rebut the Defendant's records, but the Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and provide the evidence submitted to the Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's actual number of Workweeks and estimated Individual Settlement Amount. If

1 Class Counsel and Defense Counsel cannot agree, they agree to submit the dispute to the Court
2 to render a final decision. Settlement Class Members will have until the Notice Response
3 Deadline to dispute Workweeks, object, or opt out, unless extended by the Court. If the Settlement
4 Administrator increases the number of Workweeks for any Settlement Class Member, then the
5 Settlement Administrator will recalculate the Participating Class Members' Individual Settlement
6 Amounts; accordingly, in no event will Defendant be required to increase the Gross Settlement
7 Amount.

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

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

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

22 "I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN
23 THE MANION V. HAT CREEK LAWSUIT. I UNDERSTAND THAT IF
24 I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL
25 NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE
26 CLASS CLAIMS IN THIS LAWSUIT.

26 Any Request for Exclusion must include the full name, address, telephone number, last
27 four digits of the social security number or date of birth, and signature of the Settlement Class
28 Member requesting exclusion. The Request for Exclusion must be returned by mail to the

1 Settlement Administrator at the specified address. Any such Request must be made in accordance
2 with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked
3 by the Notice Response Deadline unless the Parties agree in writing. Any Settlement Class
4 Member who timely requests exclusion in compliance with these requirements: (i) will not have
5 any rights under this Agreement with respect to the Class Claims, including the right to object,
6 appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this
7 Agreement with respect to Class Claims; and (iii) will not be bound by this Agreement, or the
8 Judgment, with respect to the Class Claims.

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

16 (c) Objections to Settlement of Class Claims. Any Settlement Class Member,
17 other than Plaintiff, may object to the terms of this Agreement with respect to the Class Claims
18 and may appear at the Final Approval Hearing and object whether or not they have filed a written
19 objection as outlined herein. To object, a Settlement Class Member shall inform the Settlement
20 Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice
21 Response Deadline at the address set forth in the Notice. Such objection shall include the full
22 name, address, telephone number, dates of employment with Defendant of the Objecting
23 Settlement Class Member, the case name and number, the basis for the objection. The Settlement
24 Administrator shall provide objections, if any, to Class Counsel and Defense Counsel within three
25 (3) days of receipt, and the Settlement Administrator shall attach the same to its declaration of
26 due diligence filed with the Court before the Final Approval Hearing. Any Participating Class
27 Member who files an objection remains eligible to receive monetary compensation from the
28 Settlement. Plaintiff and Defendant shall not be responsible for any fees, costs, or expenses

1 incurred by any Class Member and/or their counsel related to any objections to the Settlement.
2 Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right
3 to appeal is preserved by becoming a party of record by timely and properly intervening or filing
4 a motion to vacate the judgment under Code of Civil Procedure section 663. Settlement Class
5 Members and Aggrieved Employees may not object to or opt out of the Settlement with respect
6 to the PAGA Claims.

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

15 (e) Responses to Objections. Counsel for the Parties may file a response to any
16 objections submitted by Objecting Settlement Class Members at least five (5) court days before
17 the date of the Final Approval Hearing.

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

23 70. Funding of the Settlement Amount. Defendant shall make a one-time deposit into
24 the QSF of the Settlement Amount, as described in Paragraph 47(a), that is necessary to make all
25 payments required under this Settlement within seven (7) days after the Effective Date, and
26 Defendant shall separately pay its share of employer payroll taxes as calculated and directed by
27 the Settlement Administrator.

28 71. Qualified Settlement Fund. The Qualified Settlement Fund shall be established at

1 a federally insured bank acceptable to the Defendant and the Settlement Administrator.

2 72. Distribution of Funds. No later than seven (7) calendar days after the deposit of
3 the payment into the QSF, the Settlement Administrator will mail the payments to the
4 Participating Class Members, the payment for the attorneys' fees and costs to Class Counsel, any
5 Service Payment to the Class Representative, the payment to the LWDA for PAGA penalties, and
6 will pay itself the Settlement Administration Costs.

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

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

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

H. Duties of the Parties Prior to the Court's Approval

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

- (a) Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members and a hearing on fees, costs, and the Service Payment;
- (b) Approving as to form and content of the proposed Notice;
- (c) Directing the mailing of the Notice by first class mail to the Settlement Class Members;
- (d) Preliminarily approving this Settlement; and
- (e) Preliminarily certifying the class for purposes of this Settlement.

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

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

I. Duties of the Parties Following Court's Final Approval

78. In connection with the Final Approval Hearing provided for in this Settlement

Agreement, Class Counsel shall submit a proposed Final Approval Order:

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

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

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

Plaintiff's counsel shall provide drafts of the motion for final approval of the settlement and the proposed Final Approval Order to Defendant's counsel for review and comment prior to filing.

J. Voiding the Agreement

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

80. If ten percent (10%) or more of the Settlement Class Members timely submit a Request for Exclusion, Defendant shall have the option of terminating or modifying this Agreement without prejudice to its pre-settlement positions and defenses in the Action. If Defendant exercises such option under this paragraph, it shall be relieved of any obligation to pay the Settlement Amount or any other obligations from the Settlement by giving notice to Plaintiff's Counsel and the Settlement Administrator within ten (10) days of being notified by the Settlement Administrator of a 5% or greater opt-out rate. In such an event, the Parties shall be restored to their respective positions in all respects as though the contemplated settlement never occurred.

1 In the event of such termination, no party may use the fact that the Parties agreed to settle or the
2 terms provided herein as an admission, as evidence, or for any other purpose, including, without
3 limitation, to prove any liability or the amount of any sum allegedly owed by any Party. All
4 parties and counsel shall not encourage opt-outs or objections to this Agreement. The parties agree
5 not to solicit opt-outs, directly or indirectly, through any means.

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

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

13 **K. Other Terms**

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

18 84. Waiver. The waiver by one Party of any breach of this Agreement by another Party
19 shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

20 85. Parties' Authority. The signatories hereto represent that they are fully authorized
21 to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions
22 hereof.

23 86. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
24 accomplish the terms of this Settlement Agreement, including but not limited to the execution of
25 such documents and to take such other action as may reasonably be necessary to implement the
26 terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best
27 efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that
28 may become necessary by order of the Court or otherwise, to effectuate this Settlement

1 Agreement and the terms set forth herein. As soon as practicable after executing this Settlement
2 Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and
3 Defendant's Counsel, take all necessary steps to secure the Court's preliminary and final approval
4 of the settlement and the final entry of judgment.

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

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

18 89. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
19 Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be
20 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
21 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
22 Settlement Agreement with the intention of avoiding further disputes and litigation with the
23 attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and
24 it, along with all related documents such as the notices and motions for preliminary and final
25 approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of
26 Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to
27 approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for
28 class certification as part of this Settlement Agreement is for settlement purposes only, and if, for

any reason, the settlement is not approved, the stipulation will be of no force or effect.

90. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

To the Settlement Class Members and Aggrieved Employees:

Mehrdad Bokhour <i>mehrdad@bokhourlaw.com</i> 1901 Avenue of the Stars, Suite 920 Los Angeles, California 90067 Tel: (310) 975-1493; Fax: (310) 675-0861	Joshua Falakassa <i>josh@falakassalaw.com</i> 1901 Avenue of the Stars, Suite 920 Los Angeles, California 90067 Tel: (818) 456-6168; Fax: (888) 505-0868
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To Defendant:

Benjamin L. Kennedy <i>BKennedy@ckpf.com</i> 420 Redcliff Drive Redding, California 96002 Tel: (530) 222-2100
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91. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party because of the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

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

93. Modification. This Settlement Agreement may not be changed, altered, or modified except in writing and signed by the Parties hereto and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by writing signed by all of the Parties hereto.

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

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

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

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

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

99. Binding On Assigns. This Settlement Agreement shall be binding upon and inure

to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

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

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

APPROVAL AND EXECUTION BY PARTIES:

Dated: November^{5.00}, 2025

CLASS REPRESENTATIVE:

Signed by:

Donald Manion

4B3A400B6D48499...

Donald Manion

Dated: 11/7/2025

DEFENDANT:

HAT CREEK CONSTRUCTION & MATERIALS, INC.

DocuSigned by:

Perry Thompson

83B4DE871134453...

By: ☐rr☐☐☐☐☐☐☐☐

Its: ☐r☐☐☐☐☐

1 **APPROVED AS TO FORM:**

2 **CLASS COUNSEL**

3 Dated: November 5⁰⁰, 2025

4 **FALAKASSA LAW, P.C.**

5 DocuSigned by:

6 *Joshua Falakassa*

7 15A628B2C5A149C...

8 Joshua Falakassa
9 Attorneys for Plaintiff

10 Dated: November 5, 2025

11 **BOKHOUR LAW GROUP, P.C.**

12 *Mehrdad Bokhour*
13 Mehrdad Bokhour
14 Attorneys for Plaintiff

15 Dated: 11/13/2025

16 **DEFENDANT'S COUNSEL:**

17 **CARR, KENNEDY, PETERSON & FROST**

18 Signed by:

19 *Benjamin L. Kennedy*

20 9E291E75EF994C8...

21 Benjamin L. Kennedy
22 Attorneys for Defendant,
23 Hat Creek Construction & Materials, Inc.