

BOKHOUR LAW GROUP, P.C.

Mehrdad Bokhour, Esq. (CA Bar No. 285256)

mehrdad@bokhourlaw.com

1901 Avenue of the Stars, Suite 520

Los Angeles, California 90067

Tel: (310) 975-1493; Fax: (310) 675-0861

FALAKASSA LAW, P.C.

Joshua S. Falakassa, Esq. (CA Bar No. 295045)

josh@falakassalaw.com

1901 Avenue of the Stars, Suite 520

Los Angeles, California 90067

Tel: (818) 456-6168; Fax: (888) 505-0868

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

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

Date: January 26, 2026

Time: 9:00 a.m.

Dept.: 64

Complaint Filed: July 12, 2024

FAC Filed: February 11, 2025

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

2

3
4
5
6
7

8
9

10

11

12

13

14
15
16

17
18
19
20
21
22

23

24

25

26
27
28

1 20 others.

2 8. I have been selected as a “Super Lawyer Rising Star” in Employment Litigation during
3 the years 2017 through 2021, and in 2022-2025, I was selected as a “Super Lawyer,” a distinction
4 that is reserved for the top 2.5% of lawyers in the practice area.

5 9. I have also been recognized by TopVerdicts.com for achieving several of the top wage
6 and hour class and PAGA action settlements in California.

7 10. Through a contested but productive mediation, Plaintiff Donald Manion and
8 Defendant Hat Creek Construction & Materials, Inc. (“Defendant”) (collectively, the “Parties”)
9 entered into a Class Action and PAGA Settlement Agreement resolving the wage and hour claims
10 asserted in this action (the “Settlement Agreement”), which is attached hereto as Exhibit “A.” Subject
11 to Court approval, Defendant has agreed to pay a non reversionary gross settlement amount of
12 \$480,000. Settlement Class Members will receive their Individual Settlement Amounts automatically,
13 without the need to submit a claim form or take any affirmative action, unless they timely request
14 exclusion. As of mediation, the Settlement Class consists of approximately 309 non-exempt
15 employees who worked for Defendant in California during the Class Period. Based on the workweeks
16 allocation, the estimated average recovery is approximately **\$831** per Settlement Class Member, with
the highest estimated recovery of approximately **\$3,088**, depending on credited Workweeks.

17 11. Plaintiff seeks to represent a Settlement Class consisting of all persons who are or
18 were employed by Defendant in California and classified as non-exempt or hourly employees at any
19 time during the Class Period from July 12, 2020 through October 21, 2025, excluding individuals
20 who previously executed a severance agreement with a general release. The Aggrieved Employees
21 include all persons who are or were employed by Defendant in California and classified as non-
22 exempt or hourly employees from May 6, 2023, through October 21, 2025.

23 12. Under the terms of the Settlement Agreement, Defendant has agreed not to oppose an
24 application for attorneys fees not to exceed one third of the Gross Settlement Amount, litigation costs
25 not to exceed \$25,000, Settlement Administration Costs not to exceed \$8,000, PAGA penalties
26 totaling \$20,000 (of which \$15,000 will be paid to the Labor and Workforce Development Agency
27 and \$5,000 will be paid to Aggrieved Employees), and a Service Payment to Plaintiff not to exceed
28 \$10,000, all subject to Court approval. After these deductions, the Net Settlement Amount is

1 estimated to be approximately \$257,000 for distribution to Participating Class Members.

2 13. On July 12, 2024, Plaintiff Donald Manion filed this action against Defendant in this
3 Court, asserting claims under the California Labor Code and California Private Attorneys General
4 Act of 2004 (“PAGA”). On February 11, 2025, Plaintiff filed the operative First Amended Complaint.
5 The operative pleading alleges, among other things: (1) failure to pay prevailing, minimum, and
6 overtime wages; (2) failure to pay sick pay at the proper rate; (3) meal period violations; (4) rest
7 period violations; (5) wage statement violations; (6) waiting time penalties; (7) failure to reimburse
8 necessary business expenses; and (8) unfair competition in violation of Business and Professions
9 Code sections 17200 through 17210.

10 14. During Plaintiff’s investigation and throughout the litigation, Defendant denied
11 Plaintiff’s allegations and vowed to vigorously defend against them. Defendant retained counsel,
12 denied liability, and asserted various defenses. To explore resolution before protracted litigation, the
13 Parties agreed to private mediation. In preparation for mediation, the Parties engaged in an informal
14 discovery process and exchanged information regarding applicable policies and procedures, payroll
15 and timekeeping records, the size of the Settlement Class, compensation policies and practices, and
16 the potential value of the case. This exchange enabled Class Counsel and their expert to evaluate the
17 potential claims and extrapolate the data to the Settlement Class.

18 15. The Parties conducted a thorough investigation into the facts of the Action. This
19 included interviews with putative class members, investigation of Defendant and its operations and
20 pay practices, and the exchange of informal discovery, including written policies and a statistically
21 significant sampling of payroll and timekeeping records for Settlement Class Members and
22 Aggrieved Employees. Class Counsel is knowledgeable about the applicable law and potential
23 defenses and diligently investigated the claims asserted on behalf of the Settlement Class Members
24 and Aggrieved Employees.

25 16. Based on the foregoing and Class Counsel’s independent investigation and evaluation,
26 Class Counsel believes the settlement is fair, reasonable, and adequate and is in the best interests of
27 the Settlement Class Members and Aggrieved Employees, in light of all known facts and
28

1 circumstances, including the risk of significant delay and uncertainty associated with litigation,
2 Defendant's asserted defenses, and potential appellate issues.

3 17. On August 21, 2025, the Parties participated in mediation before Marc Feder, Esq., an
4 experienced class action mediator. After a full day mediation and the issuance of a mediator's
5 proposal, the Parties reached a settlement and memorialized the terms in a written Class Action and
6 PAGA Settlement Agreement.

7 18. Plaintiff alleged various wage and hour violations on behalf of the non-exempt
8 employees who worked for Defendant during the Class Period (i.e., Class Members).

9 19. First, Plaintiff alleged that Defendant failed to pay all prevailing wages at the
10 appropriate rate.

11 20. Next, Plaintiff alleged that Defendant's deficient meal and rest period policies and
12 practices failed to allow and permit Class Members to take timely and compliant meal periods or pay
13 premium pay in lieu thereof. Likewise, Plaintiff contended that the Class Members were not provided
14 with duty-free rest periods of at least ten (10) minutes for each four (4) hour work period, or major
15 fraction thereof, due to Defendant's operational requirements at the direction of their supervisors.

16 21. Plaintiff further alleged that Defendant failed to pay all final wages at separation of
17 employment and provide accurate itemized wage statements that comply with all requirements of
18 Labor Code Section 226.

19 22. Defendant contested and denied each of Plaintiff's material allegations on the merits
20 and as to the propriety of the class and PAGA representative action.

21 23. First, Defendant argued that it always paid employees the proper prevailing wages,
22 and for all hours worked. Defendant also argued that its timekeeping and pay practices/policies did
23 not result in any underpayment to Class Members. Defendant argued that even if there was any
24 underpayment, it did not constitute compensable time and, if any, resulted in de minimis damages.

25 24. Next, Defendant contended that, at all relevant times, its written meal and rest period
26 policies complied with California law. Defendant argued that, in practice, Class Members regularly
27 were permitted to be free of any duties during meal and rest periods and were not constrained due to
28 any operational or supervisory requirements. With regard to the failure to pay necessary business

1 expenses, Defendant argued that Class Members were not required to use their personal cell phones,
2 and that it adequately reimbursed them for necessary expenses pursuant to its reimbursement policy
3 and procedures.

4 25. Moreover, Defendant argued that claims for wage statement violations, waiting time
5 penalties, and PAGA penalties were derivative of other claims that it argued had no merit. Defendant
6 further contended that Plaintiff's waiting time penalty and wage statement claims based on the
7 underlying meal and rest period violations were unfounded and did not entitle Class Members to
8 pursue the derivative penalties under Labor Code sections 203 and 226.

9 26. Defendant also generally argued that a myriad of individualized inquiries would be
10 required to establish liability, including amongst other things, which employees, if any, took meal
11 periods of less than 30 minutes, why a particular employee took a meal period of less than 30 minutes
12 on a particular shift, and whether a particular employee remained under the control of Defendant
13 during rest periods.

14 27. Defendant further argued that Plaintiff and a substantial portion of the putative class
15 had executed arbitration agreements containing class and representative action waivers. Defendant
16 contended that these agreements barred class treatment of the asserted claims and required
17 individualized arbitration. Defendant maintained that enforcement of the arbitration agreements
18 would substantially limit or eliminate Plaintiff's ability to proceed on a class or representative basis
19 and would significantly reduce potential exposure.

20 28. First, Plaintiff alleged that Defendant failed to pay prevailing wages for work
21 performed on California public works projects, including failing to pay the applicable prevailing rate
22 for all hours worked, such as travel and preparation time, in violation of Labor Code sections 1720 et
23 seq., 1771, and 1774. Plaintiff contended that Defendant paid hourly rates substantially below the
24 prevailing total hourly rates published by the Department of Industrial Relations for the applicable
25 classifications and projects.

26 29. Defendant vigorously disputed these allegations, asserting that much of the work
27 performed by Class Members was not subject to the Prevailing Wage Law, that employees were
28 properly paid at the applicable prevailing wages, and that any alleged deficiencies were the result of

1 complex and evolving regulatory requirements governing public works projects rather than willful
2 misconduct. Defendant further contended that prevailing wage exposure was overstated and that
3 Plaintiff would face significant challenges proving liability, damages, and willfulness on a classwide
4 basis, particularly given variations in projects, job duties, classifications, and time periods.

5 30. During the investigation and mediation process, Class Counsel analyzed Defendant's
6 payroll and timekeeping data, prevailing wage determinations, and representative pay records. That
7 analysis suggested that any potential prevailing wage exposure was not significant, that establishing
8 liability and damages through trial would require extensive expert testimony, project-specific
9 analysis, and resolution of complex legal issues regarding coverage, compensable time, and
10 applicable rates.

11 31. Therefore in light of, Defendant's asserted defenses, Plaintiff discounted the
12 prevailing wage claims as any resulting damages were minimal and speculative. The settlement
13 reflects a negotiated resolution that accounts for the risk that Plaintiff might recover substantially less
14 than the estimated maximum exposure or potentially recover nothing at all after trial and appeal.

15 32. Plaintiff further alleged that, during the Class Period, Defendant maintained a uniform
16 timekeeping practice that required non-exempt employees to enter their time manually and to round
17 reported time to fifteen-minute increments or to scheduled start and end times, which Plaintiff
18 contended resulted in uncompensated pre-shift and post-shift work. Plaintiff alleged that employees
19 performed required tasks before and after their shifts, including equipment inspections, safety checks,
20 and clean-up and documentation activities, and that this work was not fully captured due to the
21 unlawful timekeeping practice. Plaintiff contended that any such policy must be neutral in practice
22 and may not result in a failure to pay employees for all time worked.

23 33. Defendant disputed that its timekeeping practices resulted in any underpayment.
24 Defendant argued that any rounding was lawful and neutral and that employees were paid for all
25 compensable time worked. Defendant further argued that any alleged off-the-clock time was not
26 required, was not performed as alleged, or was minimal to support liability or meaningful damages,
27 and that individualized inquiries would be necessary to determine what work, if any, was performed
28 outside recorded time and whether Defendant knew or should have known of any such work.

1 34. Plaintiff also alleged that Defendant automatically deducted thirty minutes for meal
2 periods regardless of whether a full and compliant meal period was taken, which Plaintiff contended
3 independently resulted in unpaid time. Defendant denied these allegations and maintained that its
4 meal period policies were lawful and that employees were authorized and permitted to take compliant
5 meal periods.

6 35. Based on available data, Plaintiff initially estimated damages from the alleged
7 rounding and off-the-clock timekeeping practices to be approximately \$789,000, based on an
8 assumption of approximately 20 minutes of unpaid time per shift. However, for settlement valuation
9 purposes, Plaintiff applied a risk-adjusted discount of approximately 75% to account for Defendant's
10 defenses and the litigation risks associated with proving liability and damages on a classwide basis.
11 Therefore, Plaintiff valued this claim at approximately \$197,000.

12 36. With respect to Plaintiff's waiting time penalty claim, there were approximately 59
13 Class Members who separated from their employment with Defendant, and who worked an average
14 of 7.4 hours per day, during the relevant statutory period. As such, the maximum potential penalty
15 under Labor Code § 201 – 203 is \$399,453 (59 employees x 8 hours per day x average rate of \$28.2
16 x 30 days).

17 37. However, Defendant argued that it would defeat the waiting time penalty claim as to
18 Plaintiff's unpaid wage claim because Defendant would prevail on the merits of these claims and
19 because any failure to pay wages was not willful and occurred before the waiting time penalty liability
20 period. Further, Defendant contended that it complied with the law because it had an alleged facially
21 neutral pay policy/practice.

22 38. Therefore, Plaintiff applied a 30% discount to account for the risk of defeat at the class
23 certification stage and an additional discount of 25% for the risk of defeat at the summary judgment
24 stage or on the merits, resulting in the risk-adjusted value of \$201,324 for Plaintiff's waiting time
25 penalty claim.

26 39. With respect to Plaintiff's meal and rest period violation claims, the Class Members
27 worked 83,200 shifts during the Class Period. Based on an alleged 33% violation rate for the meal
28 period claims and an alleged 25% violation rate for the rest period claims, as extrapolated from the

1 pre-mediation sampling of Defendant's timekeeping and payroll records, the maximum potential
2 damages totalled approximately \$768,768 for the meal period claim and \$581,000 for the rest period
3 claim, respectively.

4 40. However, Defendant strongly opposed these claims, arguing that the claims fall
5 directly within the category of individualized issues, that its written policies and practices were
6 compliant with California law, and that the employees had ample latitude regarding when, where,
7 and how they took their meal and rest breaks. Defendant further contended that a substantial portion
8 of the putative class consisted of drivers whose meal and rest period claims were preempted under
9 applicable law. Therefore, Defendant asserted that a factfinder would have to determine for each
10 Class Member whether a break was missed and why, and whether any alleged noncompliance resulted
11 from the employee's own choice, because no liability would attach to Defendant under those
12 circumstances. Based on these arguments, Plaintiff believes there is a significant risk that the Court
13 would deny class certification on these meal period and rest break claims.

14 41. Defendant further argued that, even if certification were granted, it would defeat these
15 claims on the merits because Defendant utilized compliant policies and practices, and it would present
16 sufficient evidence that employees were properly provided with all required breaks or paid
17 compensation in lieu thereof. Moreover, Defendant argued that Plaintiff would be unable to present
18 sufficient evidence establishing the number of meal and rest period violations to allow a factfinder to
19 determine damages appropriately.

20 42. In light of these defenses and arguments, Plaintiff discounted Defendant's maximum
21 exposure by 75% for the risk of non-certification, and an additional 50% to account for Defendant's
22 defenses on the merits, to arrive at the risk-adjusted value of the meal period claims to be \$96,096
23 and the rest period claims to be \$72,625.

24 43. Plaintiff estimates that the maximum potential penalties for the derivative wage
25 statement claim are \$339,500 (based on approximately 6,790 allegedly violative wage statements
26 issued during the Class Period). In calculating Defendant's exposure, Plaintiff gave Defendant the
27 benefit of assuming Plaintiff could only obtain the "initial" wage statement penalty of \$50 per
28 violation. *Id.*, Lab. Code § 226(e) (providing for a \$50 penalty for "initial" violations); *Amaral v.*

1 *Cintas Corp.* No. 2, 163 Cal.App.4th 1157, 1207 (2008) (finding that “initial” violation rate applies
2 until the employer has been notified that it is violating a Labor Code provision.)

3 44. In response to Plaintiff’s wage statement violation claim, Defendant contended that its
4 wage statements fully complied with the law, that any alleged violations were not “knowing and
5 intentional,” and that Plaintiff could not establish that they or anyone else suffered “injury” because
6 of any alleged wage statement violations. Further, Defendant relied on its defenses to Plaintiff’s
7 underlying claims on the merits and to class certification.

8 45. As such, Plaintiff discounted the calculated maximum exposure by 30% for risk of
9 non-certification, and by an additional 50% for risk of being unsuccessful on the merits, to arrive at
10 an estimated total of \$118,825.

11 46. Plaintiff alleged that necessary business expenses were incurred by Plaintiff and Class
12 Members but were not reimbursed by Defendant. These necessary expenses included, but are not
13 limited to, costs associated with cellphone use and mileage for work purposes. Plaintiff calculated
14 Defendant’s maximum exposure under this theory of liability to be \$104,000 (\$20 unreimbursed
15 business expenses x 5,200 pay periods).

16 47. Defendant contended that Plaintiff and other Class Members never requested
17 reimbursement from Defendant, and thus, Defendant did not know and had no reason to know that
18 the alleged business-related expenses were incurred and not reimbursed. Defendant further contended
19 that this claim would raise individual issues that could not be certified, including whether employees
20 were required to use their personal cellphones for work-related purposes, and whether any given
21 employee applied for and received reimbursement. Defendant further contended that whether or not
22 an expense was necessary would depend, in part, on the reasonableness of the employee’s choice,
23 and whether or not an expense was incurred would have to be established by way of extensive
24 individual factual inquiry and/or statistical evidence. *Cochran v. Schwan’s Home Services, Inc.*
25 (2014) 228 Cal.App.4th 1137.

26 48. In light of these defenses and arguments, Plaintiff discounted Defendant’s maximum
27 exposure by 60% for the risk of non-certification, and an additional 40% to account for Defendant’s
28 defenses on the merits, to arrive at an estimated total of \$24,960.

1 49. Plaintiff also sought PAGA penalties for each violation for which they are available
2 and alleged that these penalties can be “stacked.” *See Gonzalez v. Corecivic of Tennessee, LLC*, No.
3 1:16-cv-01891-DAD-JLT, 2018 WL 4388425 (E.D. Cal. Sept. 12, 2018) (“‘stacking’ PAGA
4 penalties is not inappropriate under California law”). Assuming that a PAGA penalty is available in
5 the default amount of \$100 per pay period and is not reduced, the maximum potential PAGA penalty
6 would be \$200,000 for the pay periods in the PAGA period. *See* Cal. Lab. Code. § 2699(f)(2).

7 50. However, this maximum figure fails to account for numerous unresolved issues
8 regarding PAGA claims. First, it is unclear whether stacking is permissible and/or whether the court
9 would award penalties in such a way (especially for purely derivative penalties).

10 51. Second, the maximum figure fails to acknowledge that courts have wide latitude to
11 reduce the amount of civil penalties “based on the facts and circumstances of a particular case” and
12 if “to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”
13 Labor Code § 2699(h); *Cotter v. Lyft, Inc.*, 193 F. Supp. 3d 1030, 1037 (N.D. Cal. 2016) (noting in
14 the context of approving settlement that a reduction in PAGA penalties would be “appropriate” based
15 on the “unjust, arbitrary and oppressive, or confiscatory” factors because (i) the employer did not
16 “deliberately evad[e] a clear obligation to provide legally required pay and benefits to employees,”
17 (ii) the employer did not “negligently fail to learn about its obligations under the wage and hour
18 laws,” and (iii) the employer’s obligations were “genuinely unclear” because “there is no straight
19 answer to the question.”). Therefore, Plaintiff discounted the maximum figure to account for the
20 risk of losing on the merits and applied an additional discount to account for the possibility of this
21 Court reducing penalties to arrive at an estimated exposure of \$20,000.

22 52. In sum, when factoring in defenses and risks of ongoing litigation, Plaintiff estimates
23 the risk-adjusted class recovery as follows:

24	• Failure to Pay All Wages:	\$197,000
25	• Labor Code §§ 201 – 203 Claims:	\$201,324
26	• Meal Period Claims:	\$96,096
27	• Rest Break Claims:	\$72,625
28	• Wage Statement Claims:	\$118,825

- 1 • Reimbursement Claims: \$24,960
- 2 • PAGA Penalties \$20,000
- 3 • **Total Risk-Adjusted Penalties and Damages:** **\$730,830**

4 Given the realistic value of Plaintiff's claims, the \$480,000 Gross Settlement Amount is an
5 excellent result for the Class, considering that the Settlement Amount totals approximately 66% of
6 Plaintiff's risk-adjusted value of the case. Preliminary approval is appropriate since the Settlement
7 will provide significant monetary relief to the Class.

8 53. The Settlement was the product of extensive arm's length negotiations between
9 counsel and was facilitated by an experienced wage-and-hour class action mediator. Though cordial
10 and professional, the Settlement negotiations were adversarial and non-collusive in nature. The
11 Settlement reached is the product of substantial effort by the Parties and their counsel. Although
12 Plaintiff and Class Counsel believed that there was a possibility of certifying the claims, they
13 recognized the potential risk, expense, and complexity posed by litigation, such as unfavorable
14 decisions on class certification, summary judgment, at trial and/or on the damages awarded, and/or
15 on an appeal that can take several more years to litigate. In addition, if Defendant prevailed on any
16 of its defenses, the Class Members may not have received any substantial monetary recovery.

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

25 55. Class Counsel brought to bear a great deal of collective experience in negotiating the
26 settlement of this case. As detailed herein, Class Counsel engaged in necessary informal discovery,
27 investigation, sampling, and expert evaluation, making it possible to exercise informed judgment
28 throughout the settlement process, including significant document review (e.g., documents pertaining

1 to Defendant's policies and procedures, personnel documents, wage statements, time records, among
2 others) and conducted an extensive analysis and extrapolation of the sampling of class-wide data
3 provided by Defendant.

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

10 57. Class Counsel and Defendant's counsel fully endorse the terms and conditions of the
11 Settlement as set forth in the above-mentioned Settlement Agreement.

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

16 59. Plaintiff seeks a Service Payment not exceeding \$10,000, which we believe is fair and
17 warranted. Plaintiff agreed to come forward to effectuate a policy and practice change that benefitted
18 all other Class Members and to recover unpaid wages and penalties. Plaintiff assumed significant risk
19 in bringing this litigation; namely, had he lost, he would have been ordered to pay the Defendant's
20 costs.

21 60. Plaintiff provided invaluable assistance to the investigation and prosecution of this
22 case, including providing factual background for the class action complaint and PAGA letter;
23 reviewing the litigation documents; providing information and documentation about Defendant's
24 policies and practices; participating in phone calls to discuss litigation and settlement strategy; and
25 reviewing the settlement documents. Plaintiff agreed to participate in this case with no guarantee of
26 personal benefit. Plaintiff's comprehensive declaration setting forth all of the reasons why he believes
27 that the Service Payment should be approved has been filed herewith.

28 61. As set forth above, I have handled upwards of 250 class and representative actions,

1 have been appointed as class counsel and have successfully litigated and resolved several class
2 actions, and many others remain pending.

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

7 63. It is our experience that attorneys' fee awards of one-third of a common fund
8 settlement are the standard in California. Once the Court grants preliminary approval of the
9 Settlement Agreement and the Notice Packet is disseminated, Class Counsel will submit a request for
10 attorneys' fees and costs with its final approval motion. Defendant does not oppose this fee request.
11 The fee is further warranted because it is within the range of reasonableness and will be based on the
12 actual amount incurred at the time of final approval.

13 64. Subject to the Court's approval, the parties stipulated that Phoenix Class Action
14 Administration Solutions serve as the Settlement Administrator. Phoenix is experienced in
15 administering class action settlements and will not charge more than \$8,000.00 to administer this
16 class action Settlement.

17 65. Attached hereto as **Exhibit "B"** is the Class Notice subject to Court approval.

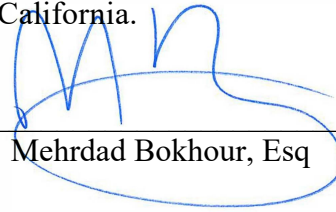
18 66. Plaintiff has concurrently submitted the Settlement to the LWDA in accordance with
19 Labor Code section 2699(1)(2). The proof of submission is attached hereto as **Exhibit "C."**

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

24 68. The proposed Notice Packet and proposed plan for the Settlement Administrator to
25 mail the Notice Packet to the last known address of all Class Members complies with all California
26 Rule of Court requirements, Rule 3.769 and Rule 3.766. The contents of the proposed Notice Packet
27 include (1) the material terms of the Settlement; (2) the proposed attorneys' fees and costs and the
28 Settlement Administration Costs; (3) details about the final fairness hearing and how Class Members

1 may elect to exclude themselves or make an objection; and (4) how Class Members can obtain
2 additional information.

3 I declare under penalty of perjury under the laws of California that the foregoing is true and
4 correct on this 31st of December 2025, at Los Angeles, California.

5
6 By: 

Mehrdad Bokhour, Esq

EXHIBIT "A"

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

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

5 **C. Terms of Settlement**

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

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

14 (b) This settlement is based on Defendant’s belief that there are approximately 20,800
15 workweeks at issue during the Class Period. If the total number of workweeks worked exceeds
16 22,880 (i.e., more than 10% above the estimated amount), then the Gross Settlement Amount
17 shall be increased proportionally, at the rate of 1% for every 1% by which the total workweeks
18 exceed the 22,880 threshold.

19 (c) Net Settlement Amount: The “Net Settlement Amount” is defined as the
20 Settlement Amount less attorneys’ fees and litigation costs as approved and awarded by the Court,
21 the Service Payments to Class Representative as approved and awarded by the Court, the
22 Settlement Administration Costs, as approved and awarded by the Court, and the Ten Thousand
23 Dollars (\$20,000.00) allocated to payment for PAGA penalties as described in paragraph 47(d)
24 below. If the Court reduces the attorneys’ fees and litigation costs or Service Awards, Settlement
25 Administration Costs, or increases or decreases the amount allocated to PAGA penalties, the Net
26 Settlement Sum shall be increased or decreased accordingly. Any Court order awarding less than
27 the below allocations of the Settlement Amount shall not be grounds to rescind the Settlement
28 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

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

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

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

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

23 **F. Interim Stay of Proceedings**

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

27 **G. Notice Process**

28 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

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

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

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

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

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
--	--

To Defendant:

Benjamin L. Kennedy <i>BKennedy@ckpf.com</i> 420 Redcliff Drive Redding, California 96002 Tel: (530) 222-2100

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.

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

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

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

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

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

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

28 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☐id☐☐

1 **APPROVED AS TO FORM:**

2 **CLASS COUNSEL**

3 Dated: November^{5.00}____, 2025

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

5 DocuSigned by:

6 *Joshua Falakassa*

7 15A628B2C5A149C...

8 Joshua Falakassa
9 Attorneys for Plaintiff

10 Dated: November____, 2025

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

12 Mehrdad Bokhour
13 Attorneys for Plaintiff

14 Dated: 11/13/2025

15 **DEFENDANT'S COUNSEL:**

16 **CARR, KENNEDY, PETERSON & FROST**

17 Signed by:

18 *Benjamin L. Kennedy*

19 9E291E75EF994C8...

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

EXHIBIT "B"

adNOTICE OF SETTLEMENT OF CLASS ACTION

Donald Manion v. Hat Creek Construction & Materials, Inc.
Superior Court of the State of California, County of Shasta
Case No. 24CV-0205505
LWDA Case No. LWDA-CM- 1026656-24

To: All current and former non-exempt employees employed by Hat Creek Construction & Materials, Inc., (the “Company”) in California at any time between July 12, 2020, through October 21, 2025 (the “Class”) and all current and former non-exempt employees employed by Hat Creek Construction & Materials, Inc., at any time between May 6, 2023, through October 21, 2025 (the “Aggrieved Employees”):

THIS NOTICE is about a proposed settlement of a class action lawsuit, and an announcement of a court hearing that you may choose to attend. Your rights may be affected by the legal proceedings in this action. The Court will conduct a hearing on [REDACTED], 2026 to address whether the proposed settlement should be approved (“Final Approval Hearing”). You may be entitled to receive payment under the terms of this class action settlement contained in the Settlement Agreement, which documents the terms of the settlement that the Court has preliminarily approved (the “Settlement”).

[IDENTIFYING INFORMATION]

You have been identified as a Class Member in the above lawsuit. Under the terms of the proposed settlement, you are estimated to receive approximately **\$INSERT AMOUNT** as your share of the Net Settlement Amount should the Court approve the Settlement. Please note that this is only an estimate. Your actual share of the Net Settlement Amount may be more or less than this estimate. Your estimate is based on the number of weeks you performed any work for the Company (referenced herein as “Workweeks” or Weeks Worked”) in California between July 12, 2020, through October 21, 2025 (the “Class Period”).

Additionally, the lawsuit seeks civil penalties under the California Private Attorney General Act (“PAGA”) for all current and former hourly, non-exempt employees who were employed by the Company in California at any time from May 6, 2023, through October 21, 2025 (the “PAGA Period”), who are referred to as “Aggrieved Employees.”

Your options and eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT (SEE SECTION VIII FOR MORE DETAILS)	
DO NOTHING	Receive a settlement payment and give up your right to sue on the Released Claims described in Section III. This settlement does <u>not</u> require a claims process to receive a payment. Therefore, there is <u>no</u> claim form for you to complete should you wish to receive payment. You are automatically included and eligible to receive a payment once the Court approves the settlement.
EXCLUDE YOURSELF	You may “opt-out” of any connection with this case including any right to a settlement payment. If you choose to opt-out, you must submit a Request for Exclusion by [REDACTED], 2026 (see Section VI). All persons who validly and timely opt-out of the Settlement will <u>not</u> receive any settlement payment and will preserve Released Claims described in Section IV subject to applicable statutes of limitations, except that Settlement Class Members who worked during the PAGA Period are nevertheless bound by the release of the PAGA claims.

OBJECT	Write to the Court and Settlement Administrator about why you do not like the Settlement by completing and submitting an Objection by [REDACTED], 2025 (see Section VI) or make an objection at the Final Approval Hearing.
GO TO A HEARING	Ask to speak in Court about the terms of the Settlement. The next scheduled hearing is the Final Approval Hearing on [REDACTED].

I. Why should I read this Notice?

The Court has granted preliminary approval of a proposed settlement (the “Settlement”) in *Donald Manion v. Hat Creek Construction & Materials, Inc.*, Shasta County Superior Court Case No. 24CV-0205505, (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

The Company’s records show that you were employed in California as a non-exempt employee (meaning you were paid hourly or otherwise eligible for overtime pay) at some point between July 12, 2020, through October 21, 2025 (“Class Period”). The Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you were employed by the Company as a non-exempt employee in California during the Class Period, you are automatically included in the Settlement and do not need to take any further action to receive a payment.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the proposed Settlement, and to discuss your rights and options in connection with the Lawsuit and the Settlement.

II. What is this lawsuit about?

On or about July 12, 2024, Plaintiff Donald Manion filed a PAGA Representative Action Complaint: Civil Penalties Under the Private Attorneys General Act (agency Code § 2698 et seq.). Subsequently, the complaint was amended as a Class Action Complaint in the Court against Defendant, including causes of action asserting: (1) failure to pay all prevailing wages; (2) failure to pay all minimum wages; (3) failure to pay all overtime wages, (4) failure to pay missed meal period premiums, (5) failure to provide rest periods; (6) failure to pay sick time; (7) wage statement violations, (8) waiting time penalties, (9) failure to reimburse necessary business expenses; & (10) unfair competition, and (11) PAGA Penalties.

The Company denies these allegations and contends that it has done nothing wrong. The Company denies that it owes any wages, expenses, restitution, penalties, or other damages. Accordingly, this Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of the Company, both of which expressly deny any and all liability.

The Court has not ruled on the merits of Plaintiff’s claims. And, by approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, the Company and Plaintiff have concluded that it is in their respective best interests and the interests of the Settlement Class to settle the Lawsuit on the terms summarized in this Notice. After extensive discovery and providing information to Class Counsel, the Settlement was reached following an arm’s length mediation.

The Class Representatives and Class Counsel support this Settlement. Among the reasons for their support are the defenses to liability potentially available to the Company, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by the Company, this Settlement will not affect your employment. California law strictly prohibits unlawful retaliation. Further, the Company will not take any adverse action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member’s participation or decision not to participate in this Settlement. If a Class Member does not participate, his/her share will be paid to those who do participate.

III. Who are the attorneys representing Plaintiff and the Class Members?	
Mehrdad Bokhour Bokhour Law Group, P.C. <i>mehrdad@bokhourlaw.com</i> 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067 Tel: (310) 975-1493; Fax: (310) 675-0861	Joshua S. Falakassa Falakassa Law, P.C. <i>josh@falakassalaw.com</i> 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067 Tel: (818) 456-6168; Fax: (888) 505-0868
IV. What are the terms of the Settlement?	

On [PA DATE], the Court certified a class, for settlement purposes only, of all non-exempt employees employed by the Company in California between July 12, 2020, through October 21, 2025 (the “Settlement Class”). Individuals who do not opt out of the Settlement Class, pursuant to the procedures set forth in this Notice, (“Class Members”) will be mailed Settlement checks and in exchange be bound by the Settlement and release of Released Claims.

Without admitting any wrongdoing, the Company has agreed to pay \$480,000.00 (the “Settlement Amount”) in U.S. dollars to fully resolve all claims in the Lawsuit, which includes payments for Individual Settlement Payments to eligible Class Members, attorneys’ fees and costs, payments to the California Labor and Workforce Development Agency (“LWDA”) and PAGA aggrieved employees, and Settlement Administration Costs, Class Representative Service Payments.

The Parties agreed to the following payments from the Settlement Amount:

Settlement Administration Costs. The Court has approved Phoenix Class Action Administration Solutions, (“Phoenix”) to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, a maximum of \$ 8,000 will be paid from the Settlement Amount to pay the Settlement Administration Costs.

Penalties to the LWDA. \$20,000 is allocated to PAGA Penalties and will be paid from the Gross Settlement Amount, subject to Court approval. Of this amount, \$15,000 (75%) shall be paid to the LWDA in satisfaction of Plaintiff’s claims for civil penalties under the PAGA, and \$5,000 (25%) will be included in the Individual Settlement Amounts, payable to the Aggrieved Employees.

The PAGA Period means May 6, 2023, through October 21, 2025.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their pro rata share of the PAGA Amount, based on the number of Workweeks during which each Aggrieved Employee worked during the PAGA Period relative to the total number of Workweeks Worked by all Aggrieved Employees during the PAGA Period.

Service Payment to Settlement Class Representatives. Class Counsel will ask the Court to award Class Representatives a Service Payment in the amount up to \$10,000 to Plaintiff (\$10,000 total) to compensate for his service and extra work provided on behalf of the Class Members. The Class Representatives also

may receive a share of the Settlement as a Class Member. Service payment will be **requested and subject to Court approval**, not guaranteed.

Attorneys' Fees and Expenses. Class Counsel, which includes two law firms (Falakassa Law, P.C. and Bokhour Law Group, P.C.), have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third (33.33%) of the common fund Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through finalization of the Settlement. Class Counsel also will ask for reimbursement of up to \$25,000 for the costs Class Counsel incurred in connection with the Lawsuit. Attorney's Fees will be **requested and subject to Court approval**, not guaranteed.

Calculation of Individual Settlement Payments to Class Members. The Net Settlement Amount for class claims will total approximately \$ _____. Compensable workweeks will be all Workweeks Worked by the Settlement Class Members during the Class Period at the Company in California. The dollars per compensable Workweek will be calculated by dividing the Net Settlement Amount to the participating Workweeks (excluding any excluded workweeks) by all Settlement Class Members to determine a per workweek value ("Workweek Value"). The Workweek Value will be multiplied by the number of Workweeks Worked by each Settlement Class Member during the Class Period to determine the class payment distribution, prior to legal deductions, for each Settlement Class Member. If any individual in the Settlement Class opts-out of the Settlement, his/her Individual Settlement Amount will be distributed to all Participating Class Members (i.e., those who do not opt-out). Similarly, the PAGA payment will be determined by dividing the \$20,000 PAGA payment by the total Workweeks of all PAGA aggrieved employees to determine a PAGA Pay Period Value. This PAGA Pay Period Value will be multiplied by the number of Workweeks by each PAGA aggrieved employee to determine the PAGA payment for each PAGA aggrieved employee. Currently, your projected class payment is \$ _____ and your projected PAGA payment is \$ _____.

For each Settlement Class Member, the Weeks Worked at the Company during the Class Period will be calculated from Company's records. The Company's records indicate that you worked for **[TOTAL WORKWEEKS]** Workweeks in California during the Class Period of July 12, 2020, through October 21, 2025. If you disagree with this number, you may submit by mail evidence to the Settlement Administrator on or before _____, 2026, with documentation to establish the number of weeks you claim to have actually worked for the Company in California between July 12, 2020, through October 21, 2025 (excluding any excluded workweeks). **DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.** The Parties and Administrator will evaluate the evidence submitted by the Settlement Class member and discuss in good faith how many Workweeks should be credited to each Settlement Class member. If the Parties are unable to agree, the Settlement Administrator will render a final decision.

Payments to Class Members. After the Court grants Final Approval of the Settlement, Judgment is entered, and the time to file an appeal has expired, settlement checks will be mailed to all participating Class Members who did not timely request to be excluded. Participating Class Members will have 180 days from the issuance of the last check to cash all of the checks. If any Class Member fails to timely cash a settlement check, a stop payment will be placed on the check and the unclaimed funds will be paid to the California State Controller's Office in the name of the Class Member, so that the Class Member can attempt to collect the funds at a later date.

Allocation and Taxes. 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 concerning the civil penalties and interest allocations.

Release. Once the Court approves the proposed Settlement, enters Judgment and the Company funds the Settlement Amount, then the Settlement Agreement will bind all participating Class Members who have not opted out of the Settlement, and will bar them from bringing certain claims against the Company as described below. Specifically, after Final Approval by the Court, the Settlement Class Members, for themselves and for their respective agents, spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, predecessors, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, will forever completely release and discharge the Defendant, each of them, and each of their parent, subsidiary, and affiliated entities, and each of their predecessors, successors, and assigns, and each of their former and present directors, officers, shareholders, owners, members, employees, investors, attorneys, insurers, agents, and representatives, as well as any alleged joint employer of Plaintiff, the Settlement Class Members, and the Allegedly Aggrieved Employees of all claims that were pled in the First Amended Complaint and all claims that reasonably could have been alleged in the First Amended Complaint based on the facts alleged therein, or that arise from, are attributable to, or are related to the facts asserted therein, except the claim under the PAGA, including claims

(1) failure to pay all prevailing wages; (2) failure to pay all minimum wages; (3) failure to pay all overtime wages, (4) failure to pay missed meal period premiums, (5) failure to provide rest periods; (6) failure to pay sick time; (7) wage statement violations, (8) waiting time penalties, (9) failure to reimburse necessary business expenses; & (10) unfair competition, and (11) PAGA Penalties. These released claims and damages are hereinafter referred to as “Released Claims.” The time period governing these **Released Class Claims shall be at any time from** July 12, 2020, through October 21, 2025 (“Release Period”). Any Settlement Class Member who timely requests exclusion in compliance with these requirements will not be bound by this Release, except that Settlement Class Members who worked during the PAGA Period are nevertheless bound by the release of the PAGA claims.

Likewise, the “PAGA Claims” or “Released PAGA Claims” shall include any and all claims for civil and statutory penalties pursuant to PAGA based on the allegations stated in the PAGA Notice and that were or that reasonably could have been pled in the First Amended Complaint, as defined above, based on the facts alleged therein, including claims for claims (1) failure to pay all prevailing wages; (2) failure to pay all minimum wages; (3) failure to pay all overtime wages, (4) failure to pay missed meal period premiums, (5) failure to provide rest periods; (6) failure to pay sick time; (7) wage statement violations, (8) waiting time penalties, (9) failure to reimburse necessary business expenses; & (10) unfair competition, and (11) PAGA Penalties. The time period governing these **Released PAGA Claims shall be at any time from** May 6, 2023, through October 21, 2025.

Waiver of Labor Code Section 206.5(e). Class Members who do not opt out will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Lawsuit are disputed, and that the Individual Settlement Payments constitute payment of all sums allegedly due to them. Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual Settlement Payments. That section provides in pertinent part as follows:

“No employer shall 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 such wages has been made.”

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

V. How can I claim money from the settlement?

You are automatically included as a Settlement Class Member to receive an Individual Settlement Payment, provided that you do not exercise your right to opt-out as explained below, and do not have to take any further action. It is the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or an Individual Settlement Amount.

VI. What other options do I have?

- A. **Do Nothing and Participate in the Settlement.** Under the Settlement, you will automatically receive an Individual Settlement Payment unless you exclude yourself from the settlement by following the exclusion procedure set forth below. If you disagree with the number of Weeks Worked, as described in this Notice, you may dispute the allocation of the Settlement without excluding yourself or objecting, as described below.

If you are a current employee, your decision as to whether or not to participate in this Settlement will not be considered by the Company and the Company will not take any adverse employment action against you based on your participation in the Settlement.

- B. **Exclude Yourself from the Settlement.** If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a “Request for Exclusion from the Class Action Settlement” letter/card postmarked no later than [REDACTED], 2026 with your full name, address, telephone number, last four digits of your social security number or your date of birth, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE DONALD MANION V. HAT CREEK CONSTRUCTION & MATERIALS, INC., LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator, [ADDRESS], postmarked no later than [REDACTED], 2026. Any person who files a timely Request for Exclusion from the Class Action Settlement, upon receipt: (1) will not have any rights under this Settlement, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive any payments under this Settlement; and (3) will not be bound by this Settlement, or the Judgment, except that Settlement Class Members who worked during the PAGA Period are nevertheless bound by the release of the PAGA claims.

- C. **Object to Settlement.** You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the proposed Settlement, or any portion of it, you may submit a written objection stating your full name, address, telephone number, dates of employment with the Company of the Objecting Settlement Class Member, the case name and number, the basis for the objection. Objections can be in writing and must be mailed to the Settlement Administrator, [ADDRESS], by no later than [REDACTED], 2026 for your objection to be considered. **You need not object to the Settlement if you only dispute the number of Weeks Worked. The Settlement Administrator and ultimately the Court will determine the validity of your dispute.**

If the Court rejects your objection, if you want to preserve your rights to appeal from judgment, including all rights to any post-judgment proceedings and appellate proceeding, then you must timely and properly become a party of records in this case by intervening or filing a motion to vacate the judgment. Please

consult with an attorney to ensure you understand the proper procedure and timing to become a party of record by intervening in the action or filing a motion to vacate the judgment.

Any class member may appear at the Final Approval Hearing to make an oral objection whether or not any written objection or notice of appearance has been provided.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for _____, 2026, at 8:30 a.m. in Department 64 of the Shasta County Superior Court, located at 1515 Court Street, Redding, California 96001. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before _____, 2026. All objections or other correspondence must state the name and number of the case. If you wish to appear at the Final Approval Hearing, please contact Class Counsel or the Settlement Administrator in advance of the scheduled hearing to ensure that the hearing has not been continued by the Court.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as participating Class Members who do not object. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

VII. What is the effect of the settlement?

Released Rights and Claims. The Settlement is intended to settle all claims against the Released Parties that were asserted or could have been asserted in the Lawsuit regarding the alleged violations of wage and hour laws. If you were employed by the Company in California at any time during the Class Period and do not elect to exclude yourself from the Settlement Class, you will be deemed to have entered into this Release and to have released the above-described Released Claims. If the Settlement is not approved by the Court or does not become final for some other reason, the Lawsuit may continue, and the releases will not take effect.

VIII. What is the next step?

The Court will hold a Final Approval Hearing regarding the adequacy, reasonableness, and fairness of the Settlement, Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, and the Service Payments to the Class Representatives on _____, 2026 at **8:30 a.m.** in Department 65 of the Shasta Clara County Superior Court, located at 1515 Court Street, Redding, California 96001.

You may also consult the Superior Court website to access documents by going to (<https://portal.shasta.courts.ca.gov/PortalPROD/Home/Dashboard/29>) and entering the Case Number for the Action, Case No. 24CV-0205505.

To confirm the date and location of the hearing, please visit the Court website below and enter the case number: 24CV-0205505.

<https://portal.shasta.courts.ca.gov/PortalPROD/Home/Dashboard/29>

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

IX. How can I get additional information?
--

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Stipulation for Class Action Settlement and Release of Claims (the Settlement Agreement) at Office of the Clerk, Shasta Clara County Superior Court, located at 1515 Court Street, Redding, California 96001, during regular court hours. You may also contact Class Counsel or the Settlement Administrator using the contact information listed above for more information.

Class Members are encouraged to appear remotely via CourtCall or Zoom by contacting the Judicial Assistant in Department 64 for further instructions.

The Settlement Administrator will also post a copy of the final judgment on its website, which can be accessed at the following URL:

**PLEASE DO NOT CALL OR WRITE THE COURT
FOR INFORMATION ABOUT THIS SETTLEMENT**

EXHIBIT "C"