

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

ELVIRA RAMIREZ, individually and on
behalf of others similarly situated,

Plaintiff,

vs.

SOUTH BAY SAND BLASTING AND
TANK CLEANING, INC., a California
corporation; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: 37-2022-00000539-CU-OE-CTL

JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT

Complaint filed: January 5, 2022

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Elvira Ramirez, individually and on behalf of the Settlement Class, and Defendant South Bay Sand Blasting and Tank Cleaning, Inc.

DEFINITIONS

1. “Action” means the court action, entitled “*Ramirez v. South Bay Sand Blasting and Tank Cleaning, Inc.*,” Case No. 37-2022-00000539-CU-OE-CTL, pending before the San Diego County Superior Court.

2. “Agreement” or “Settlement Agreement” means this Joint Stipulation of Class Action and PAGA Settlement.

3. “Aggrieved Employees” means all current and former hourly-paid, non-exempt employees who were employed by Defendant in the State of California at any time during the PAGA Period.

4. “Class” or “Class Members” means all current and former hourly-paid, non-exempt employees of Defendant who were employed by Defendant in the State of California at any time during the Class Period.

5. “Class Counsel” means Protection Law Group, LLP.

6. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys’ fees not to exceed one-third (1/3) of the Gross Settlement Amount, i.e. Sixty Six Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$66,666.67) and the reimbursement costs and expenses associated with the litigation and settlement of the Action, not to exceed Twenty Thousand Dollars (\$20,000.00), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs and expenses in the amount set forth above.

7. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator

1 within fourteen (14) calendar days after Preliminary Approval of this Settlement. The Class List
2 will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class
3 Member's: (1) full name; (2) last known home address; (3) last known telephone number; (4)
4 social security number; (5) start and end dates of active employment as a non-exempt employee
5 of Defendant in the State of California; (6) total Workweeks worked by each Class Member during
6 the Class Period; (7) total PAGA Pay Periods worked by each Aggrieved Employee during the
7 PAGA Period and (8) any other information requested by the Settlement Administrator in order to
8 effectuate the terms of the Settlement.

9 8. "Class Period" means the period from January 5, 2018, through May 13, 2024,
10 unless shortened pursuant to Paragraph 45 below.

11 9. "Class Representative" means Plaintiff Elvira Ramirez in her capacity as
12 representative of the Participating Class Members and Aggrieved Employees.

13 10. "Class Representative Incentive Payment" means the amount that the Court
14 authorizes to be paid to Plaintiff Elvira Ramirez, in addition to her Individual Settlement Payment,
15 in recognition of the efforts and risks she has taken in assisting with the prosecution of the Action
16 and in exchange for the General Release of her claims as provided herein.

17 11. "Court" means the Superior Court of the State of California for the County of San
18 Diego.

19 12. "Defendant" means South Bay Sand Blasting and Tank Cleaning, Inc.

20 13. "Defense Counsel" means John T. Egley and Ellen Connelly Cohen of Call &
21 Jensen, APC.

22 14. "Effective Date" means the later of the following: (a) if no timely Objections are
23 filed or if all Objections are withdrawn, the date upon which the Court enters Judgment on its order
24 granting Final Approval; (b) if an Objection is filed and not withdrawn, the day after the deadline
25 for filing an appeal and no such appeal being filed (c) if any timely appeals are filed, the date of
26 the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the
27 Settlement. It is the Parties' intent that the Settlement shall not become effective until the Judgment
28

on the order granting Final Approval has become completely final, and there is no timely recourse by an appellant or intervenor who seeks to contest the Settlement.

15. “Final Approval” or “Final Approval Order” means the Court entering an order granting final approval of the Settlement Agreement.

16. “Gross Settlement Amount” means the sum of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00). The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will return to Defendant.

17. “Individual Class Payment” means the amount payable from the Net Settlement Amount to each Participating Class Member according to the formula set forth in Paragraph 53 below. Participating Class Members will not be required to submit any claim form as a condition of receiving an Individual Class Payment. Individual Class Payments shall be paid by a Settlement check made payable to Participating Class Members.

18. “Individual PAGA Payment” means each Aggrieved Employee’s pro rata share of the 35% of PAGA Penalties (i.e., pro rata share of Three Thousand Five Hundred Dollars and Zero Cents (\$3,500.00)), paid from the Gross Settlement Amount and calculated according to the formula set forth in Paragraph 51 below. Aggrieved Employees will not be required to submit any claim form as a condition of receiving an Individual PAGA Payment. The Individual PAGA Payment may be combined with the Individual Class Payment in a single check.

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

20. “LWDA” means the California Labor and Workforce Development Agency.

21. “LWDA PAGA Payment” means Six Thousand Five Hundred Dollars and Zero Cents (\$6,500.00), which represents 65% of the PAGA Penalties to be paid to the LWDA from the Gross Settlement Amount.

22. “Net Settlement Amount” means the funds available for payments to Participating Class Members, which shall be the amount remaining after the following amounts are deducted from the Gross Settlement Amount: (1) Class Counsel’s Fees, (2) Class Counsel’s Costs, (3)

Settlement Administration Costs, (4) the Class Representative Incentive Payment to Plaintiff, and (5) PAGA Penalties.

23. “Notice” means the Notice of Class Action and PAGA Settlement in a form substantially similar to the form attached hereto as **Exhibit A**, that will be mailed to Class Members’ last known addresses and which will provide Class Members with information regarding the Action and information regarding the Settlement of the Action.

24. “Objection” means a Participating Class Member’s valid and timely written Objection to the class action component of the Settlement. For an Objection to be valid, it must include: (a) the objector’s full name, address, telephone number, last four digits of the objector’s social security number or employee ID number and (b) the name of the Action and case number; and (c) a written statement of all grounds for the Objection accompanied by legal support, if any, for such Objection.

25. “PAGA” means the Private Attorneys General Act of 2004, California Labor Code section 2698 et seq.

26. “PAGA Notice” means Plaintiff’s letter to the LWDA and Defendant providing notice of Plaintiff’s claims for civil penalties pursuant to California Labor Code section 2699.3, subdivision (a), which Plaintiff agrees to file in connection with this Settlement.

27. “PAGA Pay Period” means any pay period during the PAGA Period in which an Aggrieved Employee recorded any hours worked. PAGA Pay Periods during which an Aggrieved Employee was employed but did not record any hours can be excluded from this calculation.

28. “PAGA Penalties” means Ten Thousand Dollars and Zero Cents (\$10,000.00), which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% (i.e., \$3,500.00) to the Aggrieved Employees on a pro rata basis and 65% (\$6,500.00) to the LWDA, in settlement of PAGA claims.

29. “PAGA Period” means the period from May 13, 2023, to May 13, 2024.

30. “Participating Class Members” means all Class Members who do not submit valid and timely Requests for Exclusion from the class action component of the Settlement.

31. “Parties” means Plaintiff and Defendant, collectively, and “Party” shall mean either Plaintiff or Defendant, individually.

32. “Plaintiff” means Elvira Ramirez.

33. “Preliminary Approval” means the Court order granting preliminary approval of the Settlement Agreement.

34. “Released Class Claims” or “Class Release” means claims, rights, demands, liabilities, and causes of actions that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint in the Action, including factual claims regarding Defendant's alleged: (i) failure to pay all regular wages, minimum wages, and overtime wages due (California Labor Code sections 221, 510, 1194, 1194.2, 1197, 1197.1, 1198); (ii) failure to provide meal periods or compensation in lieu thereof (California Labor Code sections 226.7, 512); (iii) failure to provide rest periods or compensation in lieu thereof (California Labor Code section 226.7); (iv) failure to pay wages timely at time of termination or resignation (California Labor Code sections 201, 202, 203); (v) failure to provide timely pay wages during employment (California Labor Code sections 204, 210); (vi) failure to provide complete, accurate wage statements (California Labor Code section 226); (vii) failure to reimburse necessary business expenses (California Labor Code sections 2800, 2802); (viii) collecting wages previously paid (California Labor Code section 221); (ix) failure to properly maintain employment records (California Labor Code section 1174); and (x) unfair business practices (California Business and Professions Code section 17200 et seq.) and all damages, liquidated damages, interest, statutory penalties, attorneys’ fees, costs, and other amounts recoverable based on the aforementioned, to the extent permissible. This release shall apply to claims arising during the Class Period.

35. “Released PAGA Claims” or “PAGA Release” means claims for PAGA civil penalties that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint and Plaintiff’s PAGA Notice in the Action, including claims for PAGA civil penalties based on Defendant’s alleged: (i) failure to pay all regular wages, minimum wages, and overtime wages due (California Labor Code sections 221, 510, 1194, 1194.2, 1197, 1197.1, 1198); (ii) failure to provide meal periods or compensation in lieu thereof (California Labor Code

sections 226.7, 512); (iii) failure to provide rest periods or compensation in lieu thereof (California Labor Code section 226.7); (iv) failure to pay wages timely at time of termination or resignation (California Labor Code sections 201, 202, 203); (v) failure to provide timely pay wages during employment (California Labor Code sections 204, 210); (vi) failure to provide complete, accurate wage statements (California Labor Code section 226); (vii) failure to reimburse necessary business expenses (California Labor Code sections 2800, 2802); (viii) collecting wages previously paid (California Labor Code section 221); and (ix) failure to properly maintain employment records (California Labor Code section 1174). This release shall apply to claims for PAGA civil penalties arising during the PAGA Period.

36. “Released Parties” means Defendant South Bay Sand Blasting and Tank Cleaning, Inc. and its past, present and/or future, direct and/or indirect, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, and each of their owners, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, and administrators, and any other individual or entity that could be jointly liable with Defendant for the claims asserted in the Action.

37. “Request for Exclusion” means a valid and timely written statement submitted by a Class Member requesting to be excluded from the class action component of the Settlement. To be effective, the Request for Exclusion must contain (a) the Class Member’s name, address, telephone number, and the last four digits of the Class Member’s Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims. To be effective, the Request for Exclusion must be post-marked by the Response Deadline and received by the Settlement Administrator.

38. “Response Deadline” means the date sixty (60) days after the Settlement Administrator mails Notice to Class Members and the last date on which Class Members may submit Requests for Exclusion, written Objections to the Settlement, or Workweek/PAGA Pay Period disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion, written Objections, or Workweek/PAGA Pay Period disputes

will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the Response Deadline.

39. “Settlement” means the disposition of the Action pursuant to this Agreement.

40. “Settlement Administration Costs” mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating/confirming the Class Member Workweeks and PAGA Pay Periods from the information contained in the Class List, calculating each Participating Class Member’s Individual Class Payment and Individual PAGA Payment, tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. Settlement Administration Costs are estimated not to exceed Nine Thousand Nine Hundred and Ninety Dollars and Zero Cents (\$9,990.00).

41. “Settlement Administrator” means Apex Settlement Administrators.

42. “Workweek” shall mean any calendar week (i.e. a week beginning on Sunday and ending on Saturday) in which a Class Member worked at least one (1) day in an hourly, non-exempt position during the Class Period. Workweeks during which a Class Member was employed but did not record any hours can be excluded from this calculation.

TERMS OF AGREEMENT

43. Amendment to Add PAGA Claim. As part of the Settlement, the Parties stipulate to Plaintiff’s filing a PAGA Notice and First Amended Complaint in the Action to add a PAGA claim.

44. Settlement Consideration: Defendant shall fund the Gross Settlement Amount and all applicable employer-side payroll taxes according to the schedule set forth in Paragraph 46

below following Final Approval by the Court and the occurrence of the Effective Date. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Class Payments, the Class Representative Incentive Payment, Class Counsel's Fees and Costs, the Settlement Administration Costs, and PAGA Penalties, as specified in this Agreement. Except for any employer-side taxes due on the Individual Class Payments, Defendant shall not be required to pay more than the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendant.

45. Potential Change to End of Class Period: Defendant has estimated that there are approximately 57,000 Workweeks during the Class Period. Should the actual number of Workweeks in the Class Period increase by more than ten percent (10%) (i.e. by more than 5,700 Workweeks, for a total of more than 62,700 Workweeks actually worked), the end of the Class Period shall cut off on the date the Workweeks worked by the Class exceed 62,700. In the event the Class Period is cut off earlier than May 13, 2024, the Parties shall notify the Court of the amended Class Period, update the class list, and amend the Notice prior to Notice being sent to the Class.

46. Funding of the Gross Settlement Amount: Defendant will fund the Gross Settlement Amount in three (3) installments as follows: (1) Within thirty (30) calendar days of the Effective Date of the Settlement, Defendant will fund and deposit one-half (1/2) of the Gross Settlement Amount (i.e., \$100,000.00) and all applicable employer-side payroll taxes into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8 digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than seven (7) calendar days after the Effective Date; (2) Defendant shall make the second installment payment comprising twenty-five percent (25%) of the Gross Settlement Amount (i.e., \$50,000.00) within six (6) months after the first installment payment; and (3) Defendant shall make the third and final installment payment comprising the remaining twenty-five percent (25%) of the Gross Settlement Amount (i.e., \$50,000.00) within six (6) months after the second installment payment.

1 47. Distribution of the Gross Settlement Amount: Within fourteen (14) calendar days
2 of Defendant's complete funding of the Settlement, the Settlement Administrator will issue
3 payments in the amount approved by the Court for: (a) the Individual Class Payments and
4 Individual PAGA Payments; (b) the LWDA Payment; (c) the Class Representative Incentive
5 Payment; (d) Class Counsel's Fees and Costs; and (e) Settlement Administration Costs.

6 48. Class Counsel's Fees and Costs: Defendant agrees not to oppose any application or
7 motion by Class Counsel for attorneys' fees of not more than Sixty Six Thousand Six Hundred
8 Sixty Six Dollars and Sixty Seven Cents (\$66,666.67) plus the reimbursement of costs and
9 expenses associated with the litigation and settlement of the Action, in an amount not to exceed
10 Twenty Thousand Dollars and Zero Cents (\$20,000.00), both of which will be paid from the Gross
11 Settlement Amount. This Settlement is not contingent upon the Court awarding Class Counsel any
12 particular amount in Fees and Costs. Any portion of the requested Fees or Costs that is not awarded
13 to the Class Counsel shall be reallocated to the Net Settlement Amount and distributed to
14 Participating Class Members as provided in this Agreement. The Settlement Administrator will
15 pay Class Counsel's Fees and Costs using one or more IRS 1099 Forms. Class Counsel assumes
16 full responsibility and liability for taxes owed on Class Counsel's Fees and Costs, and holds
17 Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy
18 regarding any division or sharing of any of Class Counsel's Fees and Costs.

19 49. Class Representative Incentive Payment: Defendant agrees not to oppose or object
20 to any application or motion by Plaintiff for a Class Representative Incentive Payment of Five
21 Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff Elvira Ramirez. The Class
22 Representative Incentive Payment is in exchange for the General Release of the Plaintiff's
23 individual claims and for her time, effort and risk in bringing and prosecuting the Action. This
24 Settlement is not contingent upon the Court awarding Plaintiff any particular amount as a Class
25 Representative Incentive Payment. Any portion of the requested Class Representative Incentive
26 Payment that is not awarded to Plaintiff shall be reallocated to the Net Settlement Amount and
27 distributed to Participating Class Members as provided in this Agreement. The Settlement
28 Administrator will pay the Class Representative Incentive Payment using IRS Form 1099. Plaintiff

will be solely and legally responsible to pay any and all applicable taxes on the Class Representative Incentive Payment and shall hold Released Parties harmless from any claim or liability for taxes, penalties, or interest arising as a result of payment of the Class Representative Incentive Payment.

50. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs are estimated not to exceed Nine Thousand Nine Hundred and Ninety Dollars and Zero Cents (\$9,990.00).

51. PAGA Penalties:

a) The Parties request that the Court approve Ten Thousand Dollars and Zero Cents (\$10,000.00) in PAGA Penalties to be paid from the Gross Settlement Amount, with 65% (i.e., Six Thousand Five Hundred Dollars and Zero Cents (\$6,500.00)) paid to the LWDA and 35% (i.e., Three Thousand Five Hundred Dollars and Zero Cents (\$3,500.00)) paid to the Aggrieved Employees according to the formula set forth in Paragraph 51(b) below. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will remit 65% of the approved amount to the LWDA and 35% of the approved amount to Aggrieved Employees according to the formula set forth in Paragraph 51(b) below. The remainder shall be allocated to the Net Settlement Amount.

b) Calculation of Individual PAGA Payments: The Settlement Administrator will calculate each Aggrieved Employee's Individual PAGA Payment by dividing (i) the number of PAGA Pay Periods worked by the Aggrieved Employee during the PAGA Period by (ii) the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, resulting in a "PAGA Payment Ratio" for each Aggrieved Employee. The PAGA Payment Ratio will then be multiplied by \$3,500.00 (the 35% of PAGA Penalties allocated for distribution to Aggrieved Employees) to calculate each Aggrieved Employee's Individual PAGA Payment.

c) Tax Allocation of Individual PAGA Payments: For tax purposes, Individual PAGA Payments will be allocated 100% as penalties and interest, and will be reported by the

Settlement Administrator on an IRS Form 1099. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

52. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount will be used to pay Participating Class Members' Individual Class Payments in accordance with the formula set forth in Paragraph 53(a) below. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount:	\$	200,000.00
Class Representative Incentive Payment:	\$	5,000.00
Class Counsel's Fees:	\$	66,666.67
Class Counsel's Costs:	\$	20,000.00
PAGA Penalties	\$	10,000.00
Settlement Administration Costs:	\$	9,990.00
Estimated Net Settlement Amount	\$	88,343.33

53. Individual Class Payment Calculations: Individual Class Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the formula set forth herein:

a) Calculation of Individual Class Payments: The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the "Class Payment Ratio" for each Participating Class Member. Each Participating Class Member's Class Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Participating Class Member's estimated share of the Net Settlement Amount. A Participating Class Member's Individual Class Payment may be combined with the Individual PAGA Payment (if any) in a single check.

b) Tax Allocation of Individual Class Payments: For tax purposes, Individual Class Payments will be allocated as follows: twenty percent (20%) of each Individual

1 Class Payment will be allocated as wages, and eighty percent (80%) shall be allocated as interest
2 and penalties. The portion of the Individual Class Payment allocated to wages are subject to
3 withholding and will be reported by the Settlement Administrator on an IRS Form W-2. The
4 remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement
5 Administrator. Participating Class Members assume full responsibility and liability for any
6 employee taxes owed on their Individual Class Payments.

7 54. No Credit Toward Benefit Plans: The Individual Class Payments and Individual
8 PAGA Payments made to Participating Class Members under this Settlement, as well as any other
9 payments made pursuant to this Settlement Agreement, will not be utilized to calculate any
10 additional benefits under any benefit plans to which any Class Members may be eligible, including,
11 but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation
12 plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention
13 that this Settlement Agreement will not affect any rights, contributions, or amounts to which any
14 Class Members may be entitled under any benefit plans.

15 55. Settlement Administration Process: The Parties agree to cooperate in the
16 administration of the Settlement and to make all reasonable efforts to control and minimize the
17 costs and expenses incurred in administration of the Settlement. The Settlement Administrator will
18 provide the following services:

- 19 a) Establish and maintain a Qualified Settlement Fund.
- 20 b) Calculate the Individual Class Payment and Individual PAGA Payment (if
21 any) each Participating Class Member is eligible to receive.
- 22 c) Print and mail the Notice.
- 23 d) Conduct additional address searches for mailed Notices that are returned as
24 undeliverable.
- 25 e) Process Requests for Exclusion, field inquiries from Class Members, and
26 resolve Workweeks/PAGA Pay Periods disputes.
- 27 f) Print and issue and issue checks for Individual Class Payments and
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Individual PAGA Payments , prepare IRS W2 and 1099 Tax Forms and any other filings required by any governmental taxing authority, and remit payroll taxes by applicable deadlines.

- g) Provide declarations and/or other information to the Court as requested by the Parties and/or the Court regarding the settlement administration process.
- h) Provide weekly status reports to counsel for the Parties.
- i) Post a notice of final judgment online at Settlement Administrator's website.
- j) Evaluate Requests for Exclusion and report Objections and valid Requests for Exclusion to the Parties.

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

57. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

58. Confirmation of Contact Information in the Class List: Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved and will then perform a single re-mailing. If any notice sent to a current employee Class Member by the Settlement Administrator is returned as undeliverable, then Defendant shall make all reasonable efforts to obtain the current address from the Class Member and provide the same within seven (7) calendar days of notice from the

1 Settlement Administrator. Those Class Members who receive a re-mailed Notice, whether by skip-
2 trace or by request, will have between the later of (a) an additional fifteen (15) calendar days or
3 (b) the Response Deadline to postmark a Request for Exclusion, written Objection, or
4 Workweek/PAGA Pay Period dispute.

5 59. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a)
6 information regarding the nature of the Action; (b) a summary of the Settlement's principal terms;
7 (c) the Class definition; (d) the total number of Workweeks and PAGA Pay Periods (if any) each
8 respective Class Member worked for Defendant during the Class Period; (e) each Class Member's
9 estimated Individual Class Payment and Individual PAGA Payment (if any) and the formula for
10 calculating Individual Class Payments and Individual PAGA Payments; (f) the dates which
11 comprise the Class Period and PAGA Period; (g) instructions on how to opt-out of and object to
12 the Settlement; (h) the deadlines by which the Class Member must postmark Requests for
13 Exclusion, Objections to the Settlement, or Workweek/PAGA Pay Period disputes; (i) the claims
14 to be released, as set forth herein; and (j) the date for the final approval hearing.

15 60. Disputed Information on Notice: Class Members will have an opportunity to
16 dispute the information provided in their Notice. To the extent Class Members dispute the number
17 of Workweeks or PAGA Pay Periods with which they have been credited or the amount of their
18 Individual Class Payment or Individual PAGA Payment, Class Members may produce evidence
19 to the Settlement Administrator by the Response Deadline showing that such information is
20 inaccurate. The Settlement Administrator must encourage the challenging Class Member to submit
21 supporting documentation. The Settlement Administrator shall promptly provide copies of all
22 challenges to Defense Counsel and Class Counsel, who shall attempt to resolve the challenge
23 cooperatively. Absent documentary evidence rebutting Defendant's records, Defendant's records
24 will be presumed determinative and correct. In the event Class Counsel and Defense Counsel
25 cannot in good faith agree as to the number of eligible Workweeks or PAGA Pay Periods that
26 should be applied and/or the Individual Class Payment or Individual PAGA Payment to which the
27 Class Member may be entitled, the Settlement Administrator will make the final decision. The
28 Settlement Administrator's decision shall be final and not appealable or otherwise susceptible to

challenge.

61. Requests for Exclusion:

a) Scope of Request for Exclusion: Class Members can only exclude themselves from the class action component of the Settlement. Class Members who are Aggrieved Employees cannot exclude themselves from the PAGA component of the Settlement. If the Court grants Final Approval, Class Members who are Aggrieved Employees will be bound by the PAGA Release and will receive an Individual PAGA Payment regardless of whether they exclude themselves from the class action component of the Settlement.

b) Process for Requesting Exclusion: Any Class Member wishing to opt-out from the class action component of the Settlement must sign and postmark a written Request for Exclusion to the Settlement Administrator by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name, address, telephone number, and the last four digits of the Class Member's Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims. The date of the postmark will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. To be effective, the Request for Exclusion must be post-marked by the Response Deadline and received by the Settlement Administrator. The Settlement Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified above. The Settlement Administrator shall accept any Request for Exclusion as valid if the Settlement Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded from the Settlement. The Settlement Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Settlement Administrator has reason to question the authenticity of a Request for Exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. The Settlement Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defense Counsel the valid Requests for Exclusion that were timely submitted. All Class Members who do not submit timely and valid

1 Requests for Exclusion will be bound by all terms of the Settlement Agreement if the Settlement
2 is granted Final Approval by the Court. At no time will any of the Parties or their counsel seek to
3 solicit or otherwise encourage Class Members to exclude themselves from the Settlement. Class
4 Counsel will not represent any Class Members with respect to any Requests for Exclusion. Plaintiff
5 agrees not to exclude herself from the Settlement.

6 62. Defendant's Right to Rescind: If more than five percent (5%) of the Class Members
7 (rounded to the next whole number) elect not to participate in the Settlement, Defendant may, at
8 its election, rescind the Settlement Agreement and all actions taken in furtherance of it will be
9 thereby null and void. Defendant must meet and confer with Class Counsel prior to exercising this
10 right and must make clear its intent to rescind the Agreement within fourteen (14) calendar days
11 of the Settlement Administrator notifying the Parties of these opt-outs. If Defendant exercises its
12 right to rescind the Agreement, Defendant shall be responsible for all Settlement Administration
13 Costs incurred to the date of rescission.

14 63. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Any Class
15 Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid
16 Request for Exclusion will be bound by all of its terms, including those pertaining to the Class
17 Release, as well as any Judgment that may be entered by the Court if it grants Final Approval of
18 the Settlement. Class Members who opt-out of the Settlement shall not be bound by the Class
19 Release, but, if the Class Member is an Aggrieved Employee, the Class Member will nevertheless
20 be bound by the PAGA Release. The names of Class Members who have validly opted-out of the
21 Settlement shall be disclosed to the Counsel for both Plaintiff and Defendant and noted in the
22 proposed Judgment submitted to the Court.

23 64. Objections:

24 a) Who Can Object: Only Participating Class Members can object to the class
25 action component of the Settlement. Non-Participating Class Members have no right to object to
26 any aspect of the Settlement. Additionally, Class Members who are Aggrieved Employees have
27 no right to object to the PAGA component of the Settlement.

28 b) Procedure for Submitting Objections: To object to the Settlement, a

1 Participating Class Member must postmark a valid Objection to the Settlement Administrator on
2 or before the Response Deadline. The Objection must be signed by the Participating Class Member
3 and contain all information required by this Settlement Agreement including the employee's full
4 name, address, telephone number, the last four digits of their social security number and/or
5 Employee ID number, the name of the Action and case number, and the specific reason including
6 any legal grounds for the Participating Class Member's objection. The postmark date will be
7 deemed the exclusive means for determining that the Objection is timely. Participating Class
8 Members who fail to object in the manner specified above will be foreclosed from making a written
9 Objection, but shall still have a right to appear at the Final Approval Hearing in order to have their
10 objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or
11 otherwise encourage Participating Class Members to submit written Objections to the Settlement
12 or appeal from the Final Approval Order and Judgment. Class Counsel will not represent any Class
13 Members with respect to any Objections to this Settlement. Plaintiff agrees not to object to the
14 Settlement.

15 65. Certification Reports Regarding Settlement Participation: The Settlement
16 Administrator will provide Defense Counsel and Class Counsel a weekly report which certifies:
17 (a) the number of Class Members who have submitted valid Requests for Exclusion and copies of
18 all valid Requests for Exclusion; (b) the number of Notices returned and re-mailed; (c) whether
19 any Class Member has submitted a challenge to any information contained in the Notice and copies
20 of such challenges; and (d) the number of Class Members who have submitted Objections to the
21 Settlement and copies of the Objections. Additionally, the Settlement Administrator will provide
22 to counsel for both Parties any updated reports regarding the administration of the Settlement
23 Agreement as needed or requested.

24 66. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator
25 to Participating Class Members will be negotiable for at least one hundred eighty (180) calendar
26 days. If a Participating Class Member does not cash his or her Settlement check within 180 days,
27 the uncashed funds, subject to Court approval, shall be distributed to the Controller of the State of
28 California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure

§1500, *et. seq.* for the benefit of those Participating Class Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members, whether or not they all cash their Settlement checks. Therefore, Defendant will not be required to pay any interest on such amounts. The checks provided to Participating Class Members shall prominently state the expiration date on a statement that the check will expire in one hundred eighty (180) days, or alternatively, such a statement may be made in a letter accompanying the check. Expired checks will not be reissued, except for good cause and as mutually agreed by the Parties in writing. The Parties agree no unclaimed funds will result from the Settlement.

67. Administration of Taxes by the Settlement Administrator: The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

68. Tax Liability: Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. Plaintiff and Participating Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein. Defendant’s share of any employer payroll taxes and other required employer withholdings due on the Individual Class Payments, including, but not limited to, Defendant’s FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement Amount.

69. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section, the “acknowledging party” and each Party to this Agreement other than the acknowledging party, an “other party”) acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers,

1 is or was intended to be, nor shall any such communication or disclosure constitute or be construed
2 or be relied upon as, tax advice within the meaning of United States Treasury Department circular
3 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon
4 his, her or its own, independent legal and tax counsel for advice (including tax advice) in
5 connection with this Agreement, (b) has not entered into this Agreement based upon the
6 recommendation of any other party or any attorney or advisor to any other party, and (c) is not
7 entitled to rely upon any communication or disclosure by any attorney or advisor to any other party
8 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or
9 adviser to any other party has imposed any limitation that protects the confidentiality of any such
10 attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon
11 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,
12 including any transaction contemplated by this Agreement.

13 70. No Prior Assignments: The Parties and their counsel represent, covenant, and
14 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
15 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
16 action, cause of action or right herein released and discharged.

17 71. Release by Participating Class Members: Upon the complete funding of the Gross
18 Settlement Amount and all applicable employer-side payroll taxes by Defendant, Participating
19 Class Members shall fully release and discharge the Released Parties from the Released Class
20 Claims that arose during the Class Period. This release shall be binding on all Participating Class
21 Members. Additionally, upon the complete funding of the Gross Settlement Amount, Class
22 Members who are Aggrieved Employees shall fully release and discharge the Released Parties
23 from the Released PAGA Claims that arose during the PAGA Period.

24 72. Release of Additional Claims & Rights by Plaintiff: Upon the complete funding of
25 the Gross Settlement Amount, Plaintiff agrees on behalf of herself and her former and present
26 spouse (if any), family members, heirs, attorneys, agents, and representatives, to the additional
27 following General Release: In consideration of Defendant's promises and agreements as set forth
28 herein, Plaintiff hereby fully releases the Released Parties from any and all Released Class Claims

1 and Released PAGA Claims and also generally releases and discharges the Released Parties from
2 any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which
3 have been or could have been asserted against the Released Parties from the beginning of time
4 until the moment Plaintiff signs this Agreement (“Plaintiff’s General Release”). By way of
5 example only, and not as an all-inclusive list, Plaintiff’s General Release includes but is not limited
6 to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment,
7 wrongful termination of employment, breach of contract, intentional and/or negligent infliction of
8 emotional distress, and claims under any common law or federal, state, or local statute, ordinance,
9 regulation, rule, or other law, including but not limited to the California Labor Code, Industrial
10 Welfare Commission Wage Orders, the California Fair Employment and Housing Act, the
11 California Family Rights Act, the California Constitution, the California Government Code, the
12 California Civil Code, the Americans with Disabilities Act, Title VII of the Civil Rights Act of
13 1964, the Civil Rights Act of 1991, 42 U.S.C. § 1981, the Age Discrimination in Employment Act,
14 the Fair Labor Standards Act, the Equal Pay Act, the Rehabilitation Act of 1973, and the Family
15 and Medical Leave Act, and all amendments thereto. Plaintiffs’ General Release is for any and all
16 relief, no matter how denominated, including but not limited to statutory penalties, back pay, front
17 pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages,
18 punitive damages, damages for pain and suffering, and attorneys’ fees and costs and interest
19 (except as otherwise provided by this Settlement Agreement) relating to or in any way connected
20 with the matters referred to herein, whether or not known or suspected to exist, and whether or not
21 specifically or particularly described herein. Specifically, Plaintiff Elvira Ramirez, waives all
22 rights and benefits afforded by California Civil Code Section 1542, which provides:

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

1 Plaintiff's General Release specifically excludes claims for unemployment insurance,
2 disability, social security, and workers compensation (with the exception of claims arising
3 pursuant to California Labor Code Sections 132(a) and 4553) and any claim that cannot be released
4 as a matter of law. Plaintiff acknowledges that she may discover facts or law different from, or in
5 addition to, the facts or law that she now knows or believes to be true but agrees, nonetheless, that
6 Plaintiff's General Release shall be and remain effective in all respects, notwithstanding such
7 different or additional facts or Plaintiff's discovery of them.

8 73. Neutral Employment Reference: Defendant agrees that it will adopt a neutral
9 reporting policy regarding any future employment references related to Plaintiff. In the event that
10 any potential or future employers of Plaintiff request a reference regarding Defendant's
11 employment of Plaintiff, Defendant shall only provide the requested Plaintiff's dates of
12 employment and job titles during employment. Defendant shall not refer to the Action or this
13 Settlement.

14 74. Nullification of Settlement Agreement: In the event that: (a) the Court does not
15 finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any
16 material term of this Settlement Agreement; or (c) the Settlement does not become final as written
17 and agreed to by the Parties for any other reason, then this Settlement Agreement, and any
18 documents generated to bring it into effect, will be null and void, all amounts deposited into the
19 QSF will be returned to Defendant, and the Parties shall be returned to their original respective
20 positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement
21 will likewise be treated as void from the beginning. Should the Court fail to approve this Settlement
22 for any reason, the Parties agree that they will return to and attend mediation with a mutually
23 agreed mediator in an effort to reach a settlement that may be approved by the Court.

24 75. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to
25 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
26 Approval Order for: (a) conditional certification of the Class for settlement purposes only, (b)
27 Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final
28 Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the

1 Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary
2 Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the
3 Settlement, and will include the proposed Notice attached as Exhibit A. Plaintiff will endeavor in
4 good faith to deliver to Defense Counsel prior to filing Plaintiff's motion for preliminary approval
5 for review and comment. If the Parties disagree on any aspect of the proposed Motion for
6 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
7 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and
8 conferring in good faith to resolve the disagreement. If the Court does not grant Preliminary
9 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
10 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting
11 and conferring in good faith to modify the Agreement and otherwise satisfy the Court's concerns.

12 76. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the
13 deadlines to postmark Requests for Exclusion or Objections to the Settlement Agreement, and with
14 the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
15 determine the Final Approval of the Settlement Agreement along with the amounts properly
16 payable for: (a) Individual Class Payments and Individual PAGA Payments; (b) Class Counsel's
17 Fees and Costs; (c) the Class Representative Incentive Payment; (d) the LWDA Payment; and (e)
18 the Settlement Administration Costs. Class Counsel will be responsible for drafting all documents
19 necessary to obtain Final Approval. Plaintiff will endeavor in good faith to deliver to Defense
20 Counsel prior to filing Plaintiff's Motion for Final Approval for review and comment. If the Parties
21 disagree on any aspect of the proposed Motion for Final Approval and/or the supporting
22 declarations and documents, Class Counsel and Defense Counsel will expeditiously work together
23 on behalf of the Parties by meeting and conferring in good faith to resolve the disagreement. If the
24 Court does not grant Final Approval or conditions Final Approval on any material change to this
25 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the
26 Parties by meeting and conferring in good faith to modify the Agreement and otherwise satisfy the
27 Court's concerns.

28 77. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by

1 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
2 Judgment to the Court for its approval. If the Court requires an amended judgment under Code of
3 Civil Procedure section 384, the Parties will work together in good faith to jointly submit a
4 proposed amended judgment. After entry of the Judgment, the Court will have continuing
5 jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms
6 of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as
7 may be appropriate under court rules or as set forth in this Settlement. Class Counsel is responsible
8 for filing any post-Judgment Settlement Administrator declarations required by the Court
9 regarding disbursement of funds under this Agreement.

10 78. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to
11 class certification for purposes of this Settlement only; except, however, that either Party may
12 appeal any court order that materially alters the Settlement Agreement's terms. The Court's
13 reduction of Class Counsel's Fees to amount of 20% or more of the Gross Settlement Amount,
14 failure to approve all requested Costs, or failure to approve Plaintiff's Class Representative
15 Incentive Payment in the amount requested shall not be deemed a material alteration of this
16 Agreement for purposes of this Paragraph. The waiver of appeal does not include any waiver of
17 the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
18 obligations to perform under this Agreement will be suspended until such time as the appeal is
19 finally resolved and the Judgment becomes final.

20 79. Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If a
21 reviewing court vacates, reverses, or modifies the Judgment in a manner that requires a material
22 modification of this Agreement (including, but not limited to, the scope of release to be granted by
23 Class Members), this Agreement shall be null and void. The Parties shall nevertheless
24 expeditiously work together in good faith to address the appellate court's concerns and to obtain
25 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Settlement
26 Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse,
27 or modify the Court's award of the Class Representative Incentive Payment or Class Counsel's
28 Fees and Costs shall not constitute a material modification of the Judgment, as long as the Gross

1 Settlement Amount remains unchanged.

2 80. Class Action Certification for Settlement Purposes Only: The Parties agree to
3 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the
4 Settlement is not approved, the stipulation to certification will be void. The Parties further agree
5 that certification for purposes of the Settlement is not an admission that class action certification
6 is proper under the standards applied to contested certification motions and that this Agreement
7 will not be admissible in this or any other proceeding as evidence that either: (a) a class action
8 should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than according
9 to the Settlement's terms.

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

24 82. Confidentiality: The Parties and their counsel agree to keep the terms of the
25 Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff,
26 Class Counsel, Defendant, and Defense Counsel agree that they will not issue any press releases,
27 initiate any contact with the press, respond to any press inquiry, or have any communication with
28 the press about the fact, amount, or terms of the Settlement Agreement. For the avoidance of doubt,

1 Plaintiff and Class Counsel will not issue publish information about the fact, amount, or terms of
2 the Settlement in any manner or form, whether printed, electronic, by video recording, or any other
3 medium, except as shall be contractually required to effectuate the terms of the Settlement. Nothing
4 in this Settlement Agreement shall limit Defendant's ability to fulfill disclosure obligations
5 reasonably required by law or in furtherance of business purposes, including the fulfillment of
6 obligations stated in this Settlement Agreement, and nothing in this Settlement Agreement shall
7 limit Class Counsel's communications with the Class Members, the Court, or other third parties
8 such as the Settlement Administrator, in furtherance of approval of this Settlement. Class Counsel
9 may also disclose that they were certified as class counsel in this matter in other declarations as
10 necessary to establish adequacy in other proceedings.

11 83. Use and Return of Class Data. Information provided to Class Counsel pursuant to
12 Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel
13 by Defendant in connection with the mediation, other settlement negotiations, or in connection
14 with the Settlement, may be used only with respect to this Settlement and no other purpose, and
15 may not be used in any way that violates any existing contractual agreement, statute, or rule of
16 court.

17 84. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe
18 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
19 arrived at this Settlement after arm's-length negotiations and in the context of adversarial
20 litigation, taking into account all relevant factors, present and potential. The Parties further
21 acknowledge that they are each represented by competent counsel and that they have had an
22 opportunity to consult with their counsel regarding the fairness and reasonableness of this
23 Settlement.

24 85. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute
25 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
26 agreements may be deemed binding on the Parties.

27 86. Exhibits Incorporated by Reference: The terms of this Settlement include the terms
28 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth

herein. Any Exhibits to this Settlement are an integral part of the Settlement.

87. Captions: The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

88. Amendment or Modification: This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest and approved by the Court.

89. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

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

91. California Law Governs: All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

92. Execution and Counterparts: This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts, and may be signed electronically (i.e., DocuSign), which shall be accepted as an original. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

1 93. Invalidity of Any Provision: Before declaring any provision of this Agreement
2 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible
3 consistent with applicable precedents so as to define all provisions of this Agreement valid and
4 enforceable.

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

11 95. Waiver: No waiver of any condition or covenant contained in this Settlement
12 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
13 to imply or constitute a further waiver by such Party of the same or any other condition, covenant,
14 right, or remedy.

15 96. Enforcement Action: In the event that one or more of the Parties institutes any legal
16 action or other proceeding against any other Party or Parties to enforce the provisions of this
17 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
18 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees
19 and costs, including expert witness fees incurred in connection with any enforcement actions.

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

25 98. Representation By Counsel: The Parties acknowledge that they have been
26 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
27 and that this Agreement has been executed with the consent and advice of counsel and reviewed
28 in full.

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

100. Cooperation and Execution of Necessary Documents: The Parties agree to cooperate to promote participation in the Settlement, and in seeking Court approval of the Settlement. The Parties and their counsel agree not to take any action to encourage any Class Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any new settlement agreement waivers, Pick Up Stix agreements or arbitration agreements from any Class Member prior to the funding of the Gross Settlement Amount concerning claims released via this Agreement, or enter into any new arbitration agreement with any Class Member that covers the claims released via this Agreement during the Settlement approval process prior to the funding of the Gross Settlement Amount and that the Parties will work in good faith to reach an agreement approved by the Court.

101. Binding Agreement: The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

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

[SIGNATURES ON FOLLOWING PAGE]

Dated: 10/30/2024

PLAINTIFF

DocuSigned by:

By:

Elvira Ramirez

C92A5361CC4F441...

ELVIRA RAMIREZ

Dated: October 30, 2024

PROTECTION LAW GROUP, LLP

By:

Heather Davis

Amir Nayebdadash

D. Luke Clapp

Attorneys for Plaintiff,

ELVIRA RAMIREZ

Dated:

DEFENDANT

SOUTH BAY SAND BLASTING AND TANK
CLEANING, INC.

By:

Name: Canuto Lopez

Title: President

Dated:

CALL & JENSEN, APC

By:

John T. Egley

Ellen Connelly Cohen

Attorneys for Defendant,

SOUTH BAY SAND BLASTING AND
TANK CLEANING, INC.

1 Dated: _____
2

PLAINTIFF

3 By: _____
4 ELVIRA RAMIREZ

5 Dated: _____
6

PROTECTION LAW GROUP, LLP

7 By: _____
8 Heather Davis
9 Amir Nayebdadash
10 D. Luke Clapp
11 *Attorneys for Plaintiff,*
12 ELVIRA RAMIREZ

13 Dated: 11-7-2024
14

DEFENDANT
SOUTH BAY SAND BLASTING AND TANK
CLEANING, INC.

15 By: 

16 Name: Canuto Lopez

17 Title: President

18
19 Dated: 11/7/2024
20

CALL & JENSEN, APC

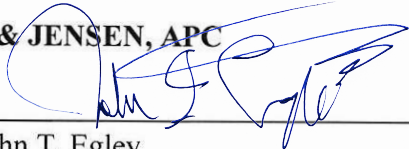
21 By: 
22 John T. Egley
23 Ellen Connelly Cohen
24 *Attorneys for Defendant,*
25 SOUTH BAY SAND BLASTING AND
26 TANK CLEANING, INC.
27
28

Exhibit A

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT

Elvira Ramirez v. South Bay Sand Blasting and Tank Cleaning, Inc.

San Diego County Superior Court, Case No. 37-2022-00000539-CU-OE-CTL

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To:	All current and former hourly-paid, non-exempt employees who are or were employed by South Bay Sand Blasting and Tank Cleaning, Inc. in the State of California at any time between January 5, 2018, and May 13, 2024.
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BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by Elvira Ramirez (“Plaintiff”) a former employee of South Bay Sand Blasting and Tank Cleaning, Inc. (“Defendant”) on January 5, 2022. The case is currently pending in the San Diego County Superior Court, Case No. 37-2022-00000539-CU-OE-CTL (the “Action”).

The Action claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendant failed to provide compliant meal and rest periods and associated premium pay, did not properly pay employees all wages owed for time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, did not maintain accurate payroll records, and maintained unfair business practices. The Action also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The Action claims that the Defendant violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution. Defendant denies all alleged violations and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case Elvira Ramirez, also known as “Plaintiff”), sue on behalf of people who appear to have similar claims (in this case all individuals who were employed by Defendant South Bay Sand Blasting and Tank Cleaning, Inc. in the state of California as hourly-paid, non-exempt employees at any time from January 5, 2018, and May 13, 2024). All these people are referred to here as “Class Members.” In a class action one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The San Diego County Superior Court is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On **[DATE OF PRELIMINARY APPROVAL]** the Court granted preliminary approval of the Settlement, appointed Plaintiff Elvira Ramirez as the Class Representative, and appointed her attorneys at Protection Law Group, LLP as counsel for the Class (“Class Counsel”). The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendant as an hourly-paid, non-exempt employee in the state of California at any time between January 5, 2018, and May 13, 2024 (the “Class Period”). Additionally, you are an “Aggrieved Employee” for purposes of the Settlement if you were employed by Defendant as an hourly-paid, non-exempt employee in California at any time between May 13, 2023 and May 13, 2024 (the “PAGA Period”).

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of Two Hundred Thousand Dollars (\$200,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed one-third (1/3) of the Gross Settlement Amount or Sixty Six Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$66,666.67);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Twenty Thousand Dollars (\$20,000);
- C. **Incentive Payment to the Class Representative** in an amount not to exceed Five Thousand Dollars (\$5,000);
- D. **Settlement Administration Costs** which are currently estimated to be Nine Thousand Nine Hundred Ninety Dollars (\$9,990); and
- E. **PAGA Payment** in the amount of Ten Thousand Dollars (\$10,000.00) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). Sixty-five percent (65%) of this amount, (\$6,500.00) shall be paid to the LWDA. The remaining thirty-five percent (35%) (\$3,500.00) will be distributed to Aggrieved Employees on a *pro rata* basis based on the number of pay periods worked during the PAGA Period in exchange for the release of their claims arising under PAGA.

The amount you are eligible to receive from the class component of the Settlement, your “Individual Class Payment,” will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly-paid, non-exempt employee of Defendant during the Class Period.

Your Individual Class Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest, and forty percent (40%) penalties. The wage portion of the Individual Class Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of each Class Member’s Individual Class Payment will not be subject to any withholdings and will be reported on an IRS Form 1099. Your Individual PAGA Payment (if any) will be allocated 100% as penalties and interest, and will be reported on an IRS Form 1099.

You worked **XXX** workweeks during the class period. Your Individual Class Payment is estimated to be **\$XXX.XX**. The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, if any.

You worked **XXX** pay periods during the PAGA Period. Your Individual PAGA Payment is estimated to be **\$XXX.XX**.

These amounts were determined based on Defendant's record of your employment between from January 5, 2018, to May 13, 2024, and is presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Class Period or pay periods worked during the PAGA Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. All disputes regarding your workweeks and pay periods, where you and the Parties cannot agree, will be resolved and decided by the Settlement Administrator, after you submit evidence to the Settlement Administrator. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone No].

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the complete funding of the Gross Settlement Amount by Defendant, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely request for exclusion will release the "Released Parties" defined below) from the "Released Class Claims" (defined below) that arose during the Class Period. Additionally, Aggrieved Employees will release the Released Parties from the "Released PAGA Claims" (defined below).

The "Released Parties" include Defendant and its past, present and/or future, direct and/or indirect, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, and each of their owners, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, and administrators, and any other individual or entity that could be jointly liable with Defendant for the claims asserted in the Lawsuit.

The "Released Class Claims" or "Class Release" means claims, rights, demands, liabilities, and causes of actions that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint in the Action, including factual claims regarding Defendant's alleged: (i) failure to pay all regular wages, minimum wages, and overtime wages due (California Labor Code sections 221, 510, 1194, 1194.2, 1197, 1197.1, 1198); (ii) failure to provide meal periods or compensation in lieu thereof (California Labor Code sections 226.7, 512); (iii) failure to provide rest periods or compensation in lieu thereof (California Labor Code section 226.7); (iv) failure to pay wages timely at time of termination or resignation (California Labor Code sections 201, 202, 203); (v) failure to provide timely pay wages during employment (California Labor Code sections 204, 210); (vi) failure to provide complete, accurate wage statements (California Labor Code section 226); (vii) failure to reimburse necessary business expenses (California Labor Code sections 2800, 2802); (viii) collecting wages previously paid (California Labor Code section 221); (ix) failure to properly maintain employment records (California Labor Code section 1174); and (x) unfair business practices (California Business and Professions Code section 17200 et seq.) and all damages, liquidated damages, interest, statutory penalties, attorneys' fees, costs, and other amounts recoverable based on the aforementioned, to the extent permissible. This release shall apply to claims arising during the Class Period.

The "Released PAGA Claims" or "PAGA Release" means claims for PAGA civil penalties that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint and Plaintiff's PAGA Notice in the Action, including claims for PAGA civil penalties based on Defendant's alleged: (i) failure to pay all regular

wages, minimum wages, and overtime wages due (California Labor Code sections 221, 510, 1194, 1194.2, 1197, 1197.1, 1198); (ii) failure to provide meal periods or compensation in lieu thereof (California Labor Code sections 226.7, 512); (iii) failure to provide rest periods or compensation in lieu thereof (California Labor Code section 226.7); (iv) failure to pay wages timely at time of termination or resignation (California Labor Code sections 201, 202, 203); (v) failure to provide timely pay wages during employment (California Labor Code sections 204, 210); (vi) failure to provide complete, accurate wage statements (California Labor Code section 226); (vii) failure to reimburse necessary business expenses (California Labor Code sections 2800, 2802); (viii) collecting wages previously paid (California Labor Code section 221); and (ix) failure to properly maintain employment records (California Labor Code section 1174). This release shall apply to claims for PAGA civil penalties arising during the PAGA Period.

EXCLUDING YOURSELF FROM THE RELEASE OF CLASS CLAIMS

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Class Claims, then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from Net Settlement Amount. You cannot opt-out of the PAGA Release, however.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Class Claims you must submit a written request for exclusion, which must include your name, address, telephone number, the last four digits of your social security number and/or Employee ID number, and a clear statement requesting to be excluded from the settlement of the class claims.

Your Request for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone.

[Settlement Administrator]

[Address]

[Telephone No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims. You may be able to sue Defendant and/or the Released Parties or continue any suit you have pending against Defendant or the Released Parties, regarding the Released Class Claims.

You cannot exclude yourself from the PAGA Release, however. If you worked for Defendant in California as a non-exempt employee during the PAGA Period, you are an “Aggrieved Employee” for purposes of the Settlement. You will receive an Individual PAGA Payment as set forth in Section 5 above, and you will be bound by the PAGA Release, regardless of whether you exclude yourself from the class component of the Settlement.

9. If I don’t exclude myself, can I sue Defendant later for the same claims asserted in the Action?

No. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

THE LAWYERS REPRESENTING YOU

10. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP, as Class Counsel. The firms’ contact information is:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.
Ryan Chuman, Esq.
Arnel Tan, Esq.
Joseph Marshall, Esq.
Christine Reyes
149 Sheldon Street
El Segundo, California 90245
Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys' fees of up to \$66,666.67 and reimbursement of litigation cost/expenses of up to \$20,000. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the class component of the Settlement or some part of it, but not to the PAGA component of the Settlement.

11. How do I tell the Court if I don't like the settlement?

If you are a Class Member, you can object to the class component of the Settlement and you can give reasons for why you think the Court should not approve it. An Objection Form has been sent with this Notice for you to use if you wish. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, the name of the Action and case number (found on the first page of this notice) and the specific reason for your objection. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

12. What is the difference between objecting and requesting to be excluded?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the class action component of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

13. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at [] a.m./p.m. on [], 2024], at the San Diego County Superior Court—Hall of Justice Courthouse, Department C-73, located at 330 West Broadway, San Diego, CA 92101.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

14. Do I have to come to the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Remote appearances may be done through the San Diego County Superior Court's website at <https://www.sdcourt.ca.gov/sdcourt/civil2/civilvirtualhearings>.

15. How will I learn if the settlement was approved

A notice of final judgment will be posted on the Settlement Administrator website located at [www. \[REDACTED\] .com](http://www. [REDACTED] .com)

IF YOU DO NOTHING

16. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims and Released PAGA Claims (if applicable). You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or Released Parties about the Released Class Claims or Released PAGA Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be transferred to the Controller of the State of California's Unclaimed Property Fund. You may then claim these funds from there.

GETTING MORE INFORMATION

17. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the Settlement located on the Settlement Administrator's website at [\[REDACTED\] .com](http:// [REDACTED] .com) or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

18. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE ACTION TO THE CLERK OF THE COURT OR THE JUDGE