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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SANTA CLARA

SHANE ABBOTT, individually, and on behalf
of other members of the general public similarly
situated;

Plaintiff,

v.

SAUNDERS CONSTRUCTION, INC., a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 24CV428659

[Action Filed January 5, 2024]

**STIPULATION OF SETTLEMENT OF
CLASS AND PAGA ACTION CLAIMS
AND RELEASE OF CLAIMS**

LAWYERS FOR JUSTICE, PC

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1 This Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims is
2 entered into by and between Plaintiff SHANE ABBOTT (hereinafter "Plaintiff"), individually, and
3 on behalf of other members of the general public similarly situated, and Defendant SAUNDERS
4 CONSTRUCTION, INC. (hereinafter "Defendant") (together the "Parties"):

5 **I. DEFINITIONS**

- 6 A. "Action" shall mean the action entitled *Shane Abbott v. Saunders Construction, Inc.*,
7 filed in Santa Clara County Superior Court, Case No. 24CV428659.
- 8 B. "Agreement" or "Settlement Agreement" means this Stipulation of Settlement of
9 Class and PAGA Action and Release of Claims.
- 10 C. "Aggrieved Employees" means all current and former hourly-paid or non-exempt
11 employees who worked for Defendant within the State of California at any time
12 during the PAGA Period.
- 13 D. "Attorneys' Expenses" means the award of expenses that the Court authorizes to be
14 paid to Class Counsel for the expenses they have incurred of up to \$35,000.
- 15 E. "Attorneys' Fees" means the award of fees that the Court authorizes to be paid to
16 Class Counsel for the services they have rendered to Plaintiff, the Class Members,
17 the Aggrieved Employees and the State of California, equal to thirty-five percent
18 (35%) of the Gross Settlement Amount currently estimated to be \$210,000.00 out of
19 \$600,000.00. Attorneys' fees will be divided between Class Counsel as follows:
20 32.5% to JCL Law Firm, APC, 32.5% to Zakay Law Group, APLC, and 35% to
21 Lawyers for Justice, PC.
- 22 F. "Claims Administration Expenses" shall mean the amount paid to the Settlement
23 Administrator from the Gross Settlement Amount for administering the Settlement
24 pursuant to this Agreement currently estimated not to exceed \$6,490.00.
- 25 G. "Class" or the "Class Members" means all current and former hourly-paid or non-
26 exempt employees who worked for Saunders Construction, Inc. within the State of
27 California at any time during the Class Period.
- 28

- 1 H. "Class Counsel" shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC,
2 Shani Zakay, Esq. of Zakay Law Group, APLC, and Edwin Aiwazian of Lawyers for
3 Justice, PC.
- 4 I. "Class Data" means information regarding Class Members that Defendant will in
5 good faith compile from its records and provide to the Settlement Administrator. It
6 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
7 Member's full name; last known address; Social Security Number; start dates and end
8 dates of employment; and any other information the Settlement Administrator deems
9 necessary to accurately calculate the Workweeks and Pay Periods worked by each
10 Class Member and Aggrieved Employee during the Class and PAGA Periods.
- 11 J. "Class Period" means the period from January 5, 2020, and the earlier of March 6,
12 2025, or the date on which the total number of Workweeks equals 14,282.
- 13 K. "Class Representative" shall mean Shane Abbott.
- 14 L. "Court" means the Superior Court for the State of California, County of Santa Clara
15 currently presiding over the Action.
- 16 M. "Defendant" shall mean Saunders Construction, Inc.
- 17 N. "Effective Date" means the date upon which: (a) the Court grants Final Approval; or
18 (b) if there are objections to the Settlement, and if an appeal, review, or writ is not
19 sought from the Final Approval, the day after the time period to appeal the Settlement
20 has expired *ie.*, sixty (60) days from the date the Court enters an order granting final
21 approval of the Settlement; or (c) if there are objections to the Settlement, and an
22 appeal, review, or writ is timely sought from the Final Approval, the day after the
23 Final Approval is affirmed or the appeal, review, or writ is dismissed or denied, and
24 the Final Approval Order is no longer subject to further judicial review.
- 25 O. "Funding Date" shall be no later than thirty (30) calendar days after the Effective Date
26 and is the date by which Defendant has paid the entire Gross Settlement Amount to
27 the Settlement Administrator in accord with the terms of this Agreement.
28

- 1 P. "Gross Settlement Amount" means Six Hundred Thousand Dollars and Zero Cents
2 (\$600,000.00) that Defendant must pay into the QSF in connection with this
3 Settlement, inclusive of the sum of Individual Settlement Payments, Claims
4 Administration Expenses, Attorneys' Fees and Attorneys' Expenses, Service Award,
5 and the PAGA Payment and *exclusive* of the employer's share of payroll tax, if any,
6 triggered by any payment under this Settlement.
- 7 Q. "Individual Settlement Payments" means the amount payable from the Net Settlement
8 Amount to each Settlement Class Member and excludes any amounts distributed to
9 Aggrieved Employees pursuant to PAGA.
- 10 R. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less
11 Attorneys' Fees and Attorneys' Expenses, Service Award, PAGA Payment, and
12 Claims Administration Expenses.
- 13 S. "Notice Packet" means the Class Notice to be provided to the Class Members by the
14 Settlement Administrator in the form set forth as **Exhibit A** to this Agreement (other
15 than formatting changes to facilitate printing by the Settlement Administrator).
- 16 T. "Operative Complaint" shall mean the operative First Amended Complaint on file in
17 the Action.
- 18 U. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
19 Labor Code § 2698 *et seq.*
- 20 V. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period
21 that each Aggrieved Employee worked for Defendant divided by the sum total of the
22 Pay Periods that all Aggrieved Employees worked for Defendant during the PAGA
23 Period.
- 24 W. "PAGA Payment" shall mean Twenty-Five Thousand Dollars and Zero Cents
25 (\$25,000.00) to be allocated from the Gross Settlement Amount, with 25% of the
26 payment going to the Aggrieved Employees and 75% of the payment going to the
27 Labor and Workforce Development Agency. The amount of the PAGA Payment is
28 subject to Court approval pursuant to California Labor Code section 2699(l). Any

1 reallocation of the Gross Settlement Amount to increase the PAGA Payment will not
2 constitute grounds by either party to void this Agreement, so long as the Gross
3 Settlement Amount remains the same.

4 X. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved
5 Employee Payment, as defined herein, means the number of pay periods of
6 employment during the PAGA Period that each Aggrieved Employee worked for
7 Defendant in California.

8 Y. "PAGA Period" means the period from October 31, 2022, through the earlier of
9 March 6, 2025, or the date on which the total number of Workweeks equals 14,282.

10 Z. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall mean either
11 Plaintiff or Defendant, individually.

12 AA. "Payment Ratio" means the respective Workweeks for each Class Member divided
13 by the sum total Workweeks for all Class Members.

14 BB. "Plaintiff" shall mean Shane Abbott.

15 CC. "QSF" means the Qualified Settlement Fund established, designated, and maintained
16 by the Settlement Administrator to fund the Gross Settlement Amount.

17 DD. "Released Class Claims" shall mean the release from the Class Members of all class
18 claims alleged, or reasonably could have been alleged based on the facts alleged, in
19 the Operative Complaint in the Action which occurred during the Class Period, and
20 expressly excluding all other claims, including claims for vested benefits, wrongful
21 termination, unemployment insurance, disability, social security, workers'
22 compensation, or claims based on facts occurring outside the Class Period.

23 EE. "Released PAGA Claims" shall mean the release from the Aggrieved Employees of
24 all PAGA claims alleged in the Operative Complaint in the Action and Plaintiff's
25 PAGA Notice to the LWDA which occurred during the PAGA Period, and expressly
26 excluding all other claims, including claims for vested benefits, wrongful termination,
27 unemployment insurance, disability, social security, workers' compensation, and
28 PAGA claims outside of the PAGA Period.

- 1 FF. “Released Parties” shall mean Defendant.
- 2 GG. “Response Deadline” means the date forty-five (45) calendar days after the Settlement
- 3 Administrator first mails Notice Packets to Class Members and the last date on which
- 4 Class Members may submit requests for exclusion or objections to the Settlement.
- 5 HH. “Service Award” mean an award in the amount of \$10,000.00 or in an amount that
- 6 the Court authorizes to be paid to the Class Representative, in addition to his
- 7 Individual Settlement Payment and his individual Aggrieved Employee Payment, in
- 8 recognition of his efforts and risks in assisting with the prosecution of the Action.
- 9 II. “Settlement” means the disposition of the Action pursuant to this Agreement.
- 10 JJ. “Settlement Administrator” means Apex Class Action LLC, 18 Technology Drive,
- 11 Suite 154 Irvine, CA 92618; Tel: 1-800-355-0700. The Settlement Administrator
- 12 establishes, designates and maintains, as a QSF under Internal Revenue Code section
- 13 468B and Treasury Regulation section 1.468B-1, into which the amount of the Gross
- 14 Settlement Amount is deposited for the purpose of resolving the claims of Settlement
- 15 Class Members. The Settlement Administrator shall maintain the funds until
- 16 distribution in an account(s) segregated from the assets of Defendant and any person
- 17 related to Defendant. *All accrued interest shall be paid and distributed to the*
- 18 *Settlement Class Members as part of their respective Individual Settlement*
- 19 *Payment.*
- 20 KK. “Settlement Class Members” or “Settlement Class” means all Class Members who
- 21 have not submitted a timely and valid request for exclusion as provided in this
- 22 Agreement.
- 23 LL. “Workweeks,” or “Workweek” as used herein shall, mean any seven (7) consecutive
- 24 days beginning on Sunday and ending on Saturday, in which a Class Member was
- 25 employed by Defendant during the Class Period in California.

26 **II. RECITALS**

- 27 A. On October 31, 2023, Plaintiff filed a Notice of Violations with the Labor and
- 28 Workforce Development Agency (LWDA) and served the same on Defendant.

1 B. On January 5, 2024, Plaintiff filed the Action, alleging a single cause of action for
2 violations of PAGA (“PAGA Action”).

3 C. On January 5, 2024, Plaintiff filed a separate class action in the Orange County
4 Superior Court, Case No. 30-2024-01371302-CU-OE-CXC (“Class Action”), alleging claims
5 for:

- 6 1. Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- 7 2. Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period
8 Premiums);
- 9 3. Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums);
- 10 4. Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid
11 Minimum Wages);
- 12 5. Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely
13 Paid);
- 14 6. Violation of California Labor Code § 204 (Wages Not Timely Paid During
15 Employment);
- 16 7. Violation of California Labor Code § 226(a) (Non-Compliant Wage
17 Statements);
- 18 8. Violation of California Labor Code § 1174(d) (Failure to Keep Requisite
19 Payroll Records);
- 20 9. Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed
21 Business Expenses);
- 22 10. Violation of California Business and Professions Code §§ 17220, *et seq.*

23 D. In order to facilitate the settlement, on February 6, 2025, Plaintiff filed a Stipulation
24 for Leave to File a First Amended Complaint adding the claims asserted in the Class
25 Action to this PAGA Action. On the same date, the Court entered the stipulation and
26 Plaintiff filed his First Amended Complaint.

27 E. Plaintiff intends on dismissing the Class Action, without prejudice.
28

- 1 F. The Class Representative believes he has meritorious claims based on alleged
2 violations of the California Labor Code, and the Industrial Welfare Commission
3 Wage Orders, and that class certification is appropriate because the prerequisites for
4 class certification can be satisfied in the Action, and this action is manageable as a
5 PAGA representative action.
- 6 G. Defendant denies any liability or wrongdoing of any kind associated with the claims
7 alleged in the Action, dispute any wages, damages and penalties claimed by the Class
8 Representative are owed, and further contend that, for any purpose other than
9 settlement, the Action is not appropriate for class or representative action treatment.
10 Defendant contends, among other things, that at all times they complied with the
11 California Labor Code and the Industrial Welfare Commission Wage Orders.
- 12 H. The Class Representative is represented by Class Counsel. Class Counsel investigated
13 the facts relevant to the Action, including conducting an independent investigation as
14 to the allegations, reviewing documents and information exchanged through informal
15 discovery, and reviewing documents and information provided by Defendant
16 pursuant to informal requests for information to prepare for mediation. Defendant
17 produced for the purpose of settlement negotiations certain employment data
18 concerning the Settlement Class, which Class Counsel reviewed and analyzed with
19 the assistance of an expert. Based on their own independent investigation and
20 evaluation, Class Counsel are of the opinion that the Settlement with Defendant is
21 fair, reasonable, and adequate, and is in the best interest of the Settlement Class
22 considering all known facts and circumstances, including the risks of significant
23 delay, defenses asserted by Defendant, uncertainties regarding class certification, and
24 numerous potential appellate issues. Although they deny any liability, Defendant is
25 agreeing to this Settlement solely to avoid the inconveniences and cost of further
26 litigation. The Parties and their counsel have agreed to settle the claims on the terms
27 set forth in this Agreement.
28

- 1 I. On December 6, 2024, the Parties participated in mediation presided over by Jason
2 Marsili, Esq., an experienced mediator of wage and hour class and PAGA actions.
3 The mediation concluded with a settlement, which was subsequently memorialized in
4 the form of a Memorandum of Understanding.
- 5 J. This Agreement replaces and supersedes the Memorandum of Understanding and any
6 other agreements, understandings, or representations between the Parties. This
7 Agreement represents a compromise and settlement of highly disputed claims.
8 Nothing in this Agreement is intended or will be construed as an admission by
9 Defendant that the claims in the Action of Plaintiff or the Class Members have merit
10 or that Defendant bears any liability to Plaintiff or the Class on those claims or any
11 other claims, or as an admission by Plaintiff that Defendant's defenses in the Action
12 have merit.
- 13 K. The Parties believe that the Settlement is fair, reasonable and adequate. The
14 Settlement was arrived at through arm's-length negotiations, taking into account all
15 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
16 attendant to continuing the Action through trial and any appeal. Accordingly, the
17 Parties desire to settle, compromise and discharge all disputes and claims arising from
18 or relating to the Action fully, finally, and forever.
- 19 L. The Parties agree to certification of the Class for purposes of this Settlement only. If
20 for any reason the settlement does not become effective, Defendant reserves the right
21 to contest certification of any class for any reason and reserves all available defenses
22 to the claims in the Action.

23 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

24 **III. TERMS OF AGREEMENT**

- 25 A. Settlement Consideration and Settlement Payments by Defendant.
- 26 1. Settlement Consideration. In full and complete settlement of the Action, and
27 in exchange for the releases set forth below, Defendant will pay the sum of
28 the Individual Settlement Payments, the Service Award, the Attorneys' Fees

1 and Attorneys' Expenses, PAGA Payment, and the Claims Administration
2 Expenses, as specified in this Agreement, equal to the Gross Settlement
3 Amount of Six Hundred Thousand Dollars and Zero Cents (\$600,000.00).
4 The Parties agree that this is a non-reversionary Settlement and that no portion
5 of the Gross Settlement Amount shall revert to Defendant. Other than the
6 Defendant's share of employer payroll taxes and as provided in Section
7 III(A)(4) below, Defendant shall not be required to pay more than the Gross
8 Settlement Amount.

9 2. Class Size. Defendant represents that the Settlement Class is comprised of 154
10 individuals who collectively worked approximately 12,993 Workweeks
11 ("Projected Workweeks") during the Class Period. Five (5) business days
12 prior to Plaintiff's deadline to file his Motion for Preliminary Approval of the
13 Settlement, Defendant's Counsel shall provide Plaintiff's Counsel with the
14 total number of Workweeks worked by Class Members through that date.

15 3. Settlement Payment. Defendant shall deposit the Gross Settlement Amount
16 into the QSF, through the Settlement Administrator by the Funding Date. Any
17 interest accrued will be added to the NSA and distributed to the Settlement
18 Class Members except that if final approval is reversed on appeal, then
19 Defendant is entitled to prompt return of the principal and all interest accrued.

20 4. Defendant's Share of Payroll Taxes. Defendant's share of employer side
21 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
22 together with the Gross Settlement Amount on the Funding Date.

23 B. Release by Settlement Class Members. Upon entry of final judgment and funding of
24 the Gross Settlement Amount, in exchange for the consideration set forth in this
25 Agreement, Plaintiff and the Settlement Class Members release the Released Parties
26 from the Released Class Claims for the Class Period.

27 C. Release by the Aggrieved Employees. Upon entry of final judgment and funding of
28 the Gross Settlement Amount, in exchange for the consideration set forth in this

1 Agreement, the Plaintiff, the LWDA and the State of California release the Released
2 Parties from the Released PAGA Claims for the PAGA Period. As a result of this
3 release, the Aggrieved Employees shall be precluded from bringing claims against
4 Defendant for the Released PAGA Claims.

5 D. General Release by Plaintiff. As of the Funding Date, for the consideration set forth in
6 this Agreement, Plaintiff waives, releases, acquits and forever discharges the Released
7 Parties from any and all claims, known or unknown, in favor of Defendant and
8 Defendant's present and former parent companies, subsidiaries, shareholders, officers,
9 directors, employees, agents, affiliates, servants, registered representatives, attorneys
10 insurers, successors and assigns, and Class Representative waive all rights and benefits
11 afforded by section 1542 of the Civil Code. Section 1542 provides:

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

19
20 Thus, notwithstanding the provisions of section 1542, and to implement a full and
21 complete release and discharge of the Released Parties, Plaintiff expressly
22 acknowledges this Settlement Agreement is intended to include in its effect, without
23 limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at
24 the time of signing this Settlement Agreement, and that this Settlement Agreement
25 contemplates the extinguishment of any such claims. Plaintiff warrants that Plaintiff
26 has read this Settlement Agreement, including this waiver of California Civil Code
27 section 1542, and that Plaintiff has consulted with or had the opportunity to consult
28 with counsel of Plaintiff's choosing about this Settlement Agreement and specifically

1 about the waiver of section 1542, and that Plaintiff understands this Settlement
2 Agreement and the section 1542 waiver, and so Plaintiff freely and knowingly enters
3 into this Settlement Agreement. Plaintiff further acknowledges that Plaintiff later may
4 discover facts different from or in addition to those Plaintiff now knows or believes to
5 be true regarding the matters released or described in this Settlement Agreement, and
6 even so Plaintiff agrees that the releases and agreements contained in this Settlement
7 Agreement shall remain effective in all respects notwithstanding any later discovery
8 of any different or additional facts. Plaintiff expressly assumes any and all risk of any
9 mistake in connection with the true facts involved in the matters, disputes, or
10 controversies released or described in this Settlement Agreement or with regard to any
11 facts now unknown to Plaintiff relating thereto.

12 E. Conditions Precedent: This Settlement will become final and effective only upon the
13 occurrence of all of the following events:

- 14 1. The Court enters an order granting preliminary approval of the Settlement;
- 15 2. The Court enters an order granting final approval of the Settlement and a Final
16 Judgment;
- 17 3. If an objector appears at the final approval hearing, the time for appeal of the
18 Final Judgment and Order Granting Final Approval of Class Action
19 Settlement expires; or, if an appeal is timely filed, there is a final resolution of
20 any appeal from the Judgment and Order Granting Final Approval of Class
21 Action Settlement; and
- 22 4. Defendant fully funds the Gross Settlement Amount.

23 F. Nullification of Settlement Agreement. If this Settlement Agreement is not
24 preliminarily or finally approved by the Court, fails to become effective, or is reversed,
25 withdrawn or modified by the Court, or in any way prevents or prohibits Defendant
26 from obtaining a complete resolution of the Released Claims, or if Defendant fails to
27 fully fund the Gross Settlement Amount:
28

1. This Settlement Agreement shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;
2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and
3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.
4. Defendant shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification if the Agreement is nullified due to Defendant's failure to fully fund the Gross Settlement Amount. If the Agreement is nullified for any other reason, both Parties shall equally bear the responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification.

G. Certification of the Settlement Class. The Parties stipulate to conditional class certification of the Class for the Class Period for purposes of settlement only. In the event that this Settlement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendant from obtaining a complete resolution of the Released Claims, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.

1 H. Tax Liability. The Parties make no representations as to the tax treatment or legal
2 effect of the payments called for, and Class Members and/or Aggrieved Employees are
3 not relying on any statement or representation by the Parties in this regard. Class
4 Members and/or Aggrieved Employees understand and agree that they will be
5 responsible for the payment of any taxes and penalties assessed on the Individual
6 Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved
7 Employee Payment described and will be solely responsible for any penalties or other
8 obligations resulting from their personal tax reporting of Individual Settlement
9 Payments and/or Aggrieved Employees' individual shares of the Aggrieved
10 Employees Payment.

11 I. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
12 the "acknowledging party" and each Party to this Agreement other than the
13 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision
14 of this Agreement, and no written communication or disclosure between or among the
15 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
16 such communication or disclosure constitute or be construed or be relied upon as, tax
17 advice within the meaning of United States Treasury Department circular 230 (31 CFR
18 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
19 her or its own, independent legal and tax counsel for advice (including tax advice) in
20 connection with this Agreement, (b) has not entered into this Agreement based upon
21 the recommendation of any other Party or any attorney or advisor to any other Party,
22 and (c) is not entitled to rely upon any communication or disclosure by any attorney
23 or adviser to any other party to avoid any tax penalty that may be imposed on the
24 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
25 any limitation that protects the confidentiality of any such attorney's or adviser's tax
26 strategies (regardless of whether such limitation is legally binding) upon disclosure by
27 the acknowledging party of the tax treatment or tax structure of any transaction,
28 including any transaction contemplated by this Agreement.

- 1 J. Preliminary Approval Motion. As soon as practicable, Plaintiff shall file with the Court
2 a Motion for Order Granting Preliminary Approval and supporting papers, which shall
3 include this Settlement Agreement. Plaintiff will provide Defendant with a draft of the
4 Motion at least three (3) business days prior to the filing of the Motion to give
5 Defendant an opportunity to propose changes or additions to the Motion.
- 6 K. Settlement Administrator. The Settlement Administrator shall be responsible for:
7 establishing and administering the QSF; calculating, processing and mailing payments
8 to the Class Representative, Class Counsel, LWDA and Class Members; printing and
9 mailing the Notice Packets to the Class Members as directed by the Court; receiving
10 and reporting the objections and requests for exclusion; calculating, deducting and
11 remitting all legally required taxes from Individual Settlement Payments and
12 distributing tax forms for the Wage Portion, the Penalties Portion and the Interest
13 Portion of the Individual Settlement Payments and/or Aggrieved Employees'
14 individual shares of the Aggrieved Employee Payment; processing and mailing tax
15 payments to the appropriate state and federal taxing authorities; providing
16 declaration(s) as necessary in support of preliminary and/or final approval of this
17 Settlement; and other tasks as the Parties mutually agree or the Court orders the
18 Settlement Administrator to perform. The Settlement Administrator shall keep the
19 Parties timely apprised of the performance of all Settlement Administrator
20 responsibilities by among other things, sending a weekly status report to the Parties'
21 counsel stating the date of the mailing, the of number of Elections Not to Participate
22 in Settlement it receives (including the numbers of valid and deficient), and number of
23 objections received. The Settlement Administrator shall also be responsible for
24 creating and maintaining a webpage hosted on its website containing information
25 about the Settlement including but not limited to, a timeline for approval, dates and
26 locations of approval hearings, and settlement distribution through the check cashing
27 deadline.
- 28

1 L. Notice Procedure.

2 1. Class Data. No later than thirty (30) calendar days after the Court enters a
3 Preliminary Approval Order, Defendant shall provide the Settlement
4 Administrator with the Class Data for purposes of preparing and mailing
5 Notice Packets to the Class Members. The Class Data will be presumed to be
6 correct unless a particular Class Member proves otherwise to the Settlement
7 Administrator by credible written evidence. All Workweek disputes will be
8 resolved and decided by the Settlement Administrator, and the Settlement
9 Administrator's decision on all Workweek disputes is final and non-
10 appealable.

11 2. Notice Packets.

12 a) The Notice Packet shall contain the Notice of Class Action Settlement
13 in a form substantially similar to the form attached as **Exhibit A**. The
14 Notice of Class Action Settlement shall inform Class Members and
15 Aggrieved Employees that they need not do anything in order to
16 receive an Individual Settlement Payment and/or Aggrieved
17 Employees' individual shares of the Aggrieved Employee Payment
18 and to keep the Settlement Administrator apprised of their current
19 mailing address, to which the Individual Settlement Payments and/or
20 Aggrieved Employees' individual shares of the Aggrieved Employee
21 Payment will be mailed following the Funding Date. The Notice of
22 Class Action Settlement shall set forth the release to be given by all
23 members of the Class who do not request to be excluded from the
24 Settlement Class and/or Aggrieved Employee in exchange for an
25 Individual Settlement Payment and/or Aggrieved Employees'
26 individual share of the Aggrieved Employee Payment, the number of
27 Workweeks worked by each Class Member during the Class Period
28 and PAGA Period, if any, and the estimated amount of their Individual

1 Settlement Payment if they do not request to be excluded from the
2 Settlement and each Aggrieved Employee's individual share of the
3 Aggrieved Employee Payment, if any. The Settlement Administrator
4 shall use the Class Data to determine Class Members' Workweeks and
5 PAGA Pay Periods. The Notice will also advise the Aggrieved
6 Employees that they will release the Released PAGA Claims and will
7 receive their share of the Aggrieved Employee Payment regardless of
8 whether they request to be excluded from the Settlement.

9 b) The Notice Packet's mailing envelope shall include the following
10 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
11 ENTITLED TO PARTICIPATE IN A CLASS ACTION
12 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
13 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
14 NOTICE."

15 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the
16 Settlement Administrator will perform a search based on the National Change
17 of Address Database to update and correct any known or identifiable address
18 changes. No later than twenty-one (21) calendar days after preliminary
19 approval of the Settlement, the Settlement Administrator shall mail copies of
20 the Notice Packet to all Class Members via regular First-Class U.S. Mail. The
21 Settlement Administrator shall exercise its best judgment to determine the
22 current mailing address for each Class Member. The address identified by the
23 Settlement Administrator as the current mailing address shall be presumed to
24 be the best mailing address for each Class Member.

25 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
26 Administrator as non-delivered on or before the Response Deadline shall be
27 re-mailed to any forwarding address provided. If no forwarding address is
28 provided, the Settlement Administrator shall promptly attempt to determine a

1 correct address by lawful use of skip-tracing, or other search using the name,
2 address and/or Social Security number of the Class Member involved, and
3 shall then perform a re-mailing, if another mailing address is identified by the
4 Settlement Administrator. In addition, if any Notice Packets, which are
5 addressed to Class Members who are currently employed by Defendant, are
6 returned to the Settlement Administrator as non-delivered and no forwarding
7 address is provided, the Settlement Administrator shall notify Defendant.
8 Defendant will request that the currently employed Class Member provide a
9 corrected address and transmit to the Administrator any corrected address
10 provided by the Class Member. Class Members who received a re-mailed
11 Notice Packet shall have their Response Deadline extended fifteen (15) days
12 from the original Response Deadline.

13 5. Disputes Regarding Individual Settlement Payments. Class Members will
14 have the opportunity, should they disagree with Defendant's records regarding
15 the start and end dates of employment to provide documentation and/or an
16 explanation to show contrary dates. If there is a dispute, the Settlement
17 Administrator will consult with the Parties to determine whether an
18 adjustment is warranted. The Settlement Administrator shall determine the
19 eligibility for, and the amounts of, any Individual Settlement Payments under
20 the terms of this Agreement. The Settlement Administrator's determination
21 of the eligibility for and amount of any Individual Settlement Payment shall
22 be binding upon the Class Member and the Parties.

23 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
24 by the Settlement Administrator concerning the administration of the
25 Settlement will be resolved by the Court under the laws of the State of
26 California. Before any such involvement of the Court, counsel for the Parties
27 will confer in good faith to resolve the disputes without the necessity of
28 involving the Court.

1 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
2 Packet shall state that Class Members who wish to exclude themselves from
3 the Settlement must submit a written request for exclusion by the Response
4 Deadline. The written request for exclusion must state that the Class Member
5 wishes to exclude herself or himself from the Settlement and (1) must contain
6 the name, address, and the last four digits of the Social Security number of the
7 person requesting exclusion; (2) must be signed by the Class Member; (3)
8 must be postmarked or fax stamped by the Response Deadline and returned to
9 the Settlement Administrator at the specified address or fax telephone number;
10 and (4) contain a typewritten or handwritten notice stating in substance that
11 he/she wish to opt out of the settlement of the class action lawsuit entitled
12 *Shane Abbott v. Saunders Construction, Inc.*, current pending in Santa Clara
13 Superior Court, Case No. 24CV428659. The request for exclusion will not be
14 valid if it is not timely submitted, if it is not signed by the Class Member, or
15 if it does not contain the name and address and last four digits of the Social
16 Security number of the Class Member. The date of the postmark on the
17 mailing envelope or fax stamp on the request for exclusion shall be the
18 exclusive means used to determine whether the request for exclusion was
19 timely submitted. Any Class Member who requests to be excluded from the
20 Settlement Class will not be entitled to an Individual Settlement Payment and
21 will not be otherwise bound by the terms of the Settlement or have any right
22 to object, appeal or comment thereon. However, any Class Member that
23 submits a timely request for exclusion that is also a member of the Aggrieved
24 Employees will still receive his/her pro rata share of the PAGA Settlement, as
25 specified below, and in consideration, will be bound by the Release by the
26 Aggrieved Employees as set forth herein. Settlement Class Members who fail
27 to submit a valid and timely written request for exclusion on or before the
28 Response Deadline shall be bound by all terms of the Settlement and any final

1 judgment entered in this Action if the Settlement is approved by the Court.
2 No later than fourteen (14) calendar days after the Response Deadline, the
3 Settlement Administrator shall provide counsel for the Parties with a final list
4 of the Class Members who have timely submitted written requests for
5 exclusion. At no time shall any of the Parties or their counsel seek to solicit
6 or otherwise encourage members of the Class to submit requests for exclusion
7 from the Settlement. Should 10% or more of eligible Class Members Opt-Out,
8 Defendant shall have the option, but not the obligation, to unwind the
9 Settlement and each party shall return to its position prior to the mediation.

- 10 8. Objections. The Notice of Class Action Settlement contained in the Notice
11 Packet shall state that Class Members who wish to object to the Settlement
12 may submit to the Settlement Administrator a written statement of objection
13 (“Notice of Objection”) by the Response Deadline. The postmark date of
14 mailing shall be deemed the exclusive means for determining that a Notice of
15 Objection was served timely. The Notice of Objection, if in writing, must be
16 signed by the Settlement Class Member and state: (1) the case name and
17 number; (2) the name of the Settlement Class Member; (3) the address of the
18 Settlement Class Member; (4) the last four digits of the Settlement Class
19 Member’s Social Security number; (5) the basis for the objection; and (6) if
20 the Settlement Class Member intends to appear at the Final
21 Approval/Settlement Fairness Hearing. Class Members who fail to make
22 objections in writing in the manner specified above may still make their
23 objections orally at the Final Approval/Settlement Fairness Hearing with the
24 Court’s permission. Settlement Class Members will have a right to appear at
25 the Final Approval/Settlement Fairness Hearing to have their objections heard
26 by the Court regardless of whether they submitted a written objection. At no
27 time shall any of the Parties or their counsel seek to solicit or otherwise
28 encourage Class Members to file or serve written objections to the Settlement

1 or appeal from the Order and Final Judgment. Class Members who submit a
2 written request for exclusion may not object to the Settlement. Class Members
3 may not object to the PAGA Payment.

4 M. Funding and Allocation of the Gross Settlement Amount. Defendant is required to pay
5 the Gross Settlement Amount, plus any employer's share of payroll taxes as mandated
6 by law, on or before the Funding Date (i.e., no later than thirty (30) calendar days after
7 the Effective Date).

8 1. Calculation of Individual Settlement Payments. Individual Settlement
9 Payments shall be paid from the Net Settlement Amount and shall be paid
10 pursuant to the formula set forth herein. Using the Class Data, the Settlement
11 Administrator shall add up the total number of Workweeks for all Class
12 Members. The respective Workweeks for each Class Member will be divided
13 by the total Workweeks for all Class Members, resulting in the Payment Ratio
14 for each Class Member. Each Class Member's Payment Ratio will then be
15 multiplied by the Net Settlement Amount to calculate each Class Member's
16 estimated Individual Settlement Payments. Each Individual Settlement
17 Payment will be reduced by any legally mandated employee tax withholdings
18 (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class
19 Members who submit valid and timely requests for exclusion will be
20 redistributed to Settlement Class Members who do not submit valid and timely
21 requests for exclusion on a pro rata basis based on their respective Payment
22 Ratios.

23 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
24 Class Data, the Settlement Administrator shall add up the total number of
25 PAGA Pay Periods for all Aggrieved Employees during the PAGA Period.
26 The respective PAGA Pay Periods for each Aggrieved Employee will be
27 divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting
28 in the "PAGA Payment Ratio" for each Aggrieved Employee. Each

Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the Aggrieved Employee's Portion of the PAGA Payment, \$6,250.00 (25% of \$25,000.00), to calculate each Aggrieved Employee's estimated share of the PAGA Payment.

3. Allocation of Individual Settlement Payments. For tax purposes, Individual Settlement Payments shall be allocated and treated as 20% wages ("Wage Portion") and 40% penalties ("Penalty Portion") and 40% pre-judgment interest ("Interest Portion"). The Wage Portion of the Individual Settlement Payments shall be reported on IRS Form W-2 and the Penalty and Interest Portions of the Individual Settlement Payments shall be reported on IRS Form 1099 issued by the Settlement Agreement.

4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved Employee Payments shall be allocated and treated as 100% penalties and shall be reported on IRS Form 1099.

5. No Credit Toward Benefit Plans. The Individual Settlement Payments and individual shares of the PAGA Payment made to Settlement Class Members and/or Aggrieved Employees under this Settlement Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

6. All monies received by Settlement Class Members under the Settlement which are attributable to wages shall constitute income to such Settlement Class Members solely in the year in which such monies actually are received by the

1 Settlement Class Members. It is the intent of the Parties that Individual
2 Settlement Payments and individual shares of the PAGA Payment provided for
3 in this Settlement Agreement are the sole payments to be made by Defendant to
4 Settlement Class Members and/or Aggrieved Employees in connection with this
5 Settlement Agreement, with the exception of Plaintiff, and that the Settlement
6 Class Members and/or Aggrieved Employees are not entitled to any new or
7 additional compensation or benefits as a result of having received the Individual
8 Settlement Payments and/or their shares of the Aggrieved Employee Payment.

9 7. Mailing. Individual Settlement Payments and PAGA Payments shall be
10 mailed by regular First-Class U.S. Mail to Settlement Class Members' and/or
11 Aggrieved Employees' last known mailing address no later than fourteen (14)
12 calendar days after the Funding Date.

13 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
14 Employees shall remain valid and negotiable for one hundred and eighty (180)
15 days from the date of their issuance. If a Settlement Class Member and/or
16 Aggrieved Employee does not cash his or her settlement check within ninety
17 (90) days, the Settlement Administrator will send a letter to such persons,
18 advising that the check will expire after the 180th day, and invite that
19 Settlement Class Member and/or Aggrieved Employee to request reissuance
20 in the event the check was destroyed, lost or misplaced. In the event an
21 Individual Settlement Payment and/or Aggrieved Employee's individual
22 share of the PAGA Payment check has not been cashed within one hundred
23 and eighty (180) days, all funds represented by such uncashed checks, plus
24 any interest accrued thereon, shall be paid to the Community Law Project, a
25 Cy Pres, in accordance with California Code of Civil Procedure section 384.

26 9. Service Award. In addition to the Individual Settlement Payment as a
27 Settlement Class Member and his individual share of the Aggrieved Employee
28 Payment, Plaintiff will apply to the Court for an award of not more than

1 \$10,000.00 as the Service Award. Defendant will not oppose a Service Award
2 of not more than \$10,000.00 for Plaintiff. The Settlement Administrator shall
3 pay the Service Award, either in the amount stated herein if approved by the
4 Court or some other amount as approved by the Court, to Plaintiff from the
5 Gross Settlement Amount no later than fourteen (14) calendar days after the
6 Funding Date. Any portion of the requested Service Award that is not
7 awarded to the Class Representative shall be part of the Net Settlement
8 Amount and shall be distributed to Settlement Class Members as provided in
9 this Agreement. The Settlement Administrator shall issue an IRS Form 1099
10 — MISC to Plaintiff for his Service Award. Plaintiff shall be solely and
11 legally responsible to pay any and all applicable taxes on his Service Award
12 and shall hold harmless the Released Parties from any claim or liability for
13 taxes, penalties, or interest arising as a result of the Service Awards. Approval
14 of this Settlement shall not be conditioned on Court approval of the requested
15 amount of the Service Award. If the Court reduces or does not approve the
16 requested Service Award, Plaintiff shall not have the right to revoke the
17 Settlement, and it will remain binding.

- 18 10. Attorneys' Fees and Attorneys' Expenses. Defendant understands Class
19 Counsel will file a motion for or Attorneys' Fees not to exceed thirty-five
20 percent (35%) of the Gross Settlement Amount currently estimated to be
21 \$210,000.00 **and** Attorneys' Expenses supported by declaration not to exceed
22 Thirty-Five Thousand Dollars (\$35,000.00). Any awarded Attorneys' Fees
23 and Attorneys' Expenses shall be paid from the Gross Settlement Amount.
24 Any portion of the requested Attorneys' Fees and/or Attorneys' Expenses that
25 are not awarded to Class Counsel shall be part of the Net Settlement Amount
26 and shall be distributed to Settlement Class Members as provided in this
27 Agreement. The Settlement Administrator shall allocate and pay the
28 Attorneys' Fees to Class Counsel from the Gross Settlement Amount no later

1 than fourteen (14) calendar days after the Funding Date. Class Counsel shall
2 be solely and legally responsible to pay all applicable taxes on the payment
3 made pursuant to this paragraph. The Settlement Administrator shall issue an
4 IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to
5 this paragraph. In the event that the Court reduces or does not approve the
6 requested Attorneys' Fees, Plaintiff and Class Counsel shall not have the right
7 to revoke the Settlement, or to appeal such order, and the Settlement will
8 remain binding.

9 11. PAGA Payment. Twenty-Five Thousand Dollars (\$25,000) shall be allocated
10 from the Gross Settlement Amount for settlement of claims for civil penalties
11 under the Private Attorneys General Act of 2004. The Settlement
12 Administrator shall pay seventy-five percent (75%) of the PAGA Payment
13 (\$18,750.00) to the California Labor and Workforce Development Agency no
14 later than fourteen (14) calendar days after the Funding Date. Twenty-five
15 percent (25%) of the PAGA Payment (\$6,250.00) will be distributed to the
16 Aggrieved Employees as described in this Agreement. For purposes of
17 distributing the PAGA Payment to the Aggrieved Employees, each Aggrieved
18 Employee shall receive their pro-rata share of the Aggrieved Employee
19 Payment using the PAGA Payment Ratio as defined above.

20 12. Claims Administration Expenses. The Settlement Administrator shall be paid
21 for the costs of administration of the Settlement from the Gross Settlement
22 Amount. The estimate of the Administration Costs is \$6,490.00. The
23 Settlement Administrator shall be paid the Claims Administration Expenses
24 no later than fourteen (14) calendar days after the Funding Date.

25 N. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with
26 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
27 twenty-eight (28) days following the expiration of the Response Deadline, which
28 motion shall request final approval of the Settlement and a determination of the

1 amounts payable for the Service Award, the Attorneys' Fees and Attorneys'
2 Expenses, the PAGA Payment, and the Claims Administration Expenses. Plaintiff
3 will provide Defendant with a draft of the Motion at least three (3) business days prior
4 to the filing of the Motion to give Defendant an opportunity to propose changes or
5 additions to the Motion.

6 1. Declaration by Settlement Administrator. No later than seven (7) days after
7 the Response Deadline, the Settlement Administrator shall submit a
8 declaration in support of Plaintiff's motion for final approval of this
9 Settlement detailing the number of Notice Packets mailed and re-mailed to
10 Class Members, the number of undeliverable Notice Packets, the number of
11 timely requests for exclusion, the number of objections received, the amount
12 of the average Individual Settlement Payment and highest Individual
13 Settlement Payment, the Claims Administration Expenses, and any other
14 information as the Parties mutually agree or the Court orders the Settlement
15 Administrator to provide.

16 2. Final Approval Order and Judgment. Class Counsel shall present an Order
17 Granting Final Approval of Class Action Settlement to the Court for its
18 approval, and Judgment thereon, at the time Class Counsel files the Motion
19 for Final Approval.

20 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
21 an opportunity for Counsel for Defendant to review the Motions for Preliminary and
22 Final Approval, including the Order Granting Final Approval of Class Action
23 Settlement, and Judgment before filing with the Court. The Parties and their counsel
24 will cooperate with each other and use their best efforts to effectuate the Court's
25 approval of the Motions for Preliminary and Final Approval of the Settlement, and
26 entry of Judgment.

27 O. Cooperation. The Parties and their counsel will cooperate with each other and use
28 their best efforts to implement the Settlement. The Parties will cooperate in vacating

any and all class certification deadlines and trial dates. The Parties will cooperate in staying any and all discovery deadlines.

P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

Q. Continuing Jurisdiction. The Court shall retain continuing jurisdiction over this Action under California Code of Civil Procedure section 664.6 to ensure the continuing implementation of the provisions of this Settlement and that the time within which to bring this Action to trial under California Code of Civil Procedure section 583.310 shall be extended from the date of signing of this Agreement by all Parties until the entry of the Final Approval Order and Judgment or if not entered, the date this Agreement shall not longer be of any force or effect.

R. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

S. Entire Agreement. This Agreement and any attached Exhibit constitute the entire Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its Exhibit other than the representations, warranties and covenants contained and memorialized in this Agreement and its Exhibit.

T. 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 Agreement and to take all appropriate Action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The persons signing this Agreement on behalf of Defendant represents and warrants that he/she is authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

- 1 U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
2 to the benefit of, the successors or assigns of the Parties, as previously defined.
- 3 V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
4 shall be governed by and interpreted according to the laws of the State of California.
- 5 W. Counterparts. This Agreement may be executed in one or more counterparts by
6 facsimile, electronic signature, or e-mail, for purposes of this Agreement shall be
7 accepted as an original. All executed counterparts and each of them shall be deemed
8 to be one and the same instrument provided that counsel for the Parties to this
9 Agreement shall exchange among themselves copies or originals of the signed
10 counterparts. Any executed counterpart will be admissible in evidence to prove the
11 existence and contents of this Agreement.
- 12 X. Court Filings. The Parties shall not object to any Court filings consistent with this
13 Agreement.
- 14 Y. Disputes. Any disputes between the Parties as to the remaining terms of the Settlement
15 Agreement shall be presented to the mediator Jason Marsili, Esq. for resolution.
- 16 Z. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
17 is a fair, adequate and reasonable settlement of this Action and have arrived at this
18 Settlement after extensive arms-length negotiations, taking into account all relevant
19 factors, present and potential.
- 20 AA. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with
21 respect to the interpretation, implementation and enforcement of the terms of this
22 Agreement and all orders and judgments entered in connection therewith, and the
23 Parties and their counsel submit to the jurisdiction of the Court for purposes of
24 interpreting, implementing and enforcing the settlement and all orders and judgments
25 entered in connection with this Agreement.
- 26 BB. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
27 the Court shall first attempt to construe the provisions valid to the fullest extent
28

possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

CC. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently intend to pursue any claims against the Released Parties, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant, regardless of whether Class Counsel is currently aware of any facts or legal theories upon which any claims or causes of action could be brought against Released Parties, including those facts or legal theories alleged in the operative complaint in this Action. The Parties further acknowledge, understand and agree that this representation is essential to the Agreement and that this Agreement would not have been entered into were it not for this representation.

DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.


EE. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the Released Claims have merit and give rise to liability on the part of Defendant. Defendant claims that the Released Claims have no merit and do not give rise to liability. This Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no documents referred to and no action taken to carry out this Agreement may be construed or used as an admission by or against the Defendant or Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other than as may be specifically set forth herein, each Party shall be responsible for and shall bear their own attorney's fees and costs.

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1 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

2 DATED: 02/19/2025


Shane Abbott (Feb 19, 2025 14:48 PST)

3 _____
4 Shane Abbott

4 IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

5 DATED: _____

6 _____
7 Saunders Construction, Inc.


8 _____
9 Printed Name

10 _____
11 Title

11 IT IS SO AGREED AS TO FORM BY COUNSEL:


12
13 DATED: February 20, 2025

JCL LAW FIRM, A.P.C.

14 By: 
15 Jean-Claude Lapuyade, Esq.
16 Attorneys for Plaintiff and the Settlement Class
17 Members

18 DATED: February 20, 2025

ZAKAY LAW GROUP, APLC

19 By: 
20 Shani O. Zakay, Esq.
21 Attorneys for Plaintiff and the Settlement Class
22 Members

23 DATED: _____

GORDON REES SCULLY MANSUKHANI

24 By: _____
25 Talia Delanoy, Esq.
26 Amie Scully, Esq.
27 Attorneys for Defendant
28


1 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

2 DATED: _____

3 _____
Shane Abbott

4 IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

5 DocuSigned by:

6 DATED: February 20, 2025 | 2:49 PM PST 

_____ DF889738AF93482...
Saunders Construction, Inc.

7 _____
Nicolas Del Villar

8 _____
Printed Name

9 _____
10 _____
Title

11 IT IS SO AGREED AS TO FORM BY COUNSEL:


12
13 DATED: _____ JCL LAW FIRM, A.P.C.

14
15 By: _____
Jean-Claude Lapuyade, Esq.
16 Attorneys for Plaintiff and the Settlement Class
Members

17
18 DATED: _____ ZAKAY LAW GROUP, APLC

19
20 By: _____
Shani O. Zakay, Esq.
21 Attorneys for Plaintiff and the Settlement Class
Members

22
23 DATED: 02/19/25 GORDON REES SCULLY MANSUKHANI

24 By:  _____
25 Talia Delanoy, Esq.
26 Amie Scully, Esq.
Attorneys for Defendant

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DATED: February 24, 2025

LAWYERS FOR JUSTICE, PC

By:



Melissa LeBlanc-Mansell, Esq.

Attorneys for Plaintiff and the Settlement Class
Members

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Shane Abbott v. Saunders Construction Inc., Santa Clara County Superior Court Case No. 24CV428659)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$<[REDACTED]>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement . Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Santa Clara (the “Court”) has been reached between Plaintiff Shane Abbott (“Plaintiff”) and Defendant Saunders Construction, Inc. (“Defendant”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class.

The Class is defined as:

All current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time the Class Period.

The “Class Period” is the period from January 5, 2020, and the earlier of March 6, 2025, or the date on which the total number of Workweeks equals 14,282.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On October 31, 2023, Plaintiff filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendant. On January 5, 2024, Plaintiff filed a Complaint against Defendant in the Superior Court of the State of California, County of Santa Clara, asserting a single cause of action for violations of the Private Attorneys General Act (“PAGA”) [Labor Code §§ 2698, *et seq.*]. On February 6, 2025, Plaintiff filed a First Amended Complaint, adding ten additional causes of action for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business and Professions Code §§ 17220, *et seq.*

Defendant expressly denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representative are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendant contends, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On December 6, 2024, the Parties participated in an all-day mediation with Jason Marsili, Esq., a mediator of wage and hour class actions. The mediation concluded with a settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of JCL Law Firm, APC, Zakay Law Group, APLC, and Lawyers for Justice, PC, to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Six Hundred Thousand Dollars and Zero Cents (\$600,000.00). (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Claims Administration Expenses, the PAGA Payment, and the Service Award to the Plaintiff.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Claims Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$6,490.00 for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.
- Attorneys’ Fees and Expenses. Payment to Class Counsel of Attorneys’ Fees of no more than thirty-five percent (35%) of the Gross Settlement Amount (currently \$210,000.00) and Attorneys’ Expenses of not more than \$35,000.00 for all expenses incurred as documented in Class Counsel’s billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiff and the

Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.

- Service Award. Service Award of up to Ten Thousand Dollars (\$10,000.00) to Plaintiff or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Payment. A payment of \$25,000.00 relating to Plaintiff's claim under the Private Attorneys General Act ("PAGA"), \$18,750.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$6,250.00 will be distributed to Aggrieved Employees as part of the Net PAGA Amount.
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Attorneys' Fees, Attorneys' Expenses, the Service Award, the PAGA Payment, and the Claims Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). Settlement Class Members will be paid based on the number of workweeks worked during the Class Period. A "workweek" is defined as any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class Member is employed by Defendant during the Class Period in California.
- Calculation of Aggrieved Employees Payments to Aggrieved Employees. The PAGA Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The PAGA Payment will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employee" means all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the PAGA Period. The PAGA Period means the period from October 31, 2022, through the earlier of March 6, 2025, or the date on which the total number of Workweeks equals 14,282.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Twenty percent (20%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Forty percent (40%) of each Individual Settlement Payment is allocated to interest and forty percent (40%) to penalties, and other non-wage payments, and no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees. Each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for Penalty Portion and Interest Portion of the Individual Settlement Payments. In addition, no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

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

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiff and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims all class claims alleged, or reasonably could have been alleged based on the facts alleged, in the Operative Complaint in the Action which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

The Released PAGA Claims shall be released as follows. Upon entry of final judgement and funding in full of the Gross Settlement Amount by Defendant, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means all PAGA claims alleged in the Operative Complaint in the Action and Plaintiff's PAGA Notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have <<____>> Workweeks worked during the Class Period (January 5, 2020, to the earlier of March 6, 2025, or the date on which the total number of Workweeks equals 14,282).

Based on this information, your estimated Settlement Share is <<____>>.

Defendant's records reflect that you have <<____>> pay periods worked during the PAGA Period (October 31, 2022, through the earlier of March 6, 2025, or the date on which the total number of Workweeks equals 14,282).

Based on this information, your estimated PAGA Payment Share is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address

provided in this Notice no later than _____ [forty-five (45) days after the Notice or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Apex Class Action LLC.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www.apexclassaction.com.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," if you are an Aggrieved Employee, you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the PAGA Payment.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is 18 Technology Drive, Suite 154, Irvine, CA 92618; Tel. (800) 355-0700. The request for exclusion must state in substance that the Class Member has read the Class Notice and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled *Shane Abbott v. Saunders Construction, Inc.*, Santa Clara County Superior Court Case No. 24CV428659. The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is *Shane Abbott v. Saunders Construction, Inc.*, Santa Clara County Superior Court Case No. 24CV428659. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who

does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than [REDACTED]. The address for the Settlement Administrator is 18 Technology Drive, Suite 154, Irvine, CA 92618; Tel: (800) 355-0700.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Shani O. Zakay, Esq.
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E-Mail: ascully@grsm.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **00:00 AM/PM on [REDACTED]**, at the Santa Clara County Superior Court, Department 7, located at 191 North First St., San Jose, CA 95113 before Judge Charles F. Adams. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-800-355-0700 or write to ***Shane Abbott v. Saunders Construction, Inc., Santa Clara County Superior Court Case No. 24CV428659***, Settlement Administrator, 18 Technology Drive, Suite 154, Irvine, CA 92618 c/o Apex Class Action, LLC.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121 or by visiting the administrator's website at www.apexclassaction.com.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Community Law Project, a Cy Pres. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.