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15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
16 **IN AND FOR THE COUNTY OF CONTRA COSTA**

17 JOSE SANTILLAN and JESUS NAVARRO,
18 individuals, on behalf of themselves, and on
19 behalf of all persons similarly situated,

20 Plaintiffs,

21 v.

22 NUMBER ONE CONCRETE READY MIX,
23 INC., a California corporation; A CUT ABOVE
24 SERVICES, INC., a California corporation;
25 and DOES 1-50, Inclusive,

26 Defendants.

Case No. C25-00726

[Complaint Filed: March 13, 2025]

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

1 **DUGGAN McHUGH LAW CORPORATION**

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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 Plaintiffs Jose Santillan and Jesus Navarro (hereinafter, "Plaintiffs"),
3 individuals, on behalf of themselves, and on behalf of all persons similarly situated, and in their
4 representative capacity on behalf of the State of California and the Aggrieved Employees, and
5 Defendants Number One Concrete Ready Mix, Inc. and A Cut Above Services, Inc. ("Defendants"):

6 **I. DEFINITIONS**

- 7 A. "Action" shall mean the putative class action lawsuit designated *Jose Santillan, et al.*
8 *v. Number One Concrete Ready Mix, Inc., et al.*, Contra Costa County Superior Court,
9 Case No. C25-00726, filed on March 13, 2025, with First Amended Complaint filed
10 on July 25, 2025, to add an additional cause of action for violations of the Private
11 Attorneys' General Act.
- 12 B. "Agreement" means this Stipulation of Settlement of Class and PAGA Action Claims
13 and Release of Claims.
- 14 C. "Aggrieved Employees" means all persons who worked for Defendants as non-
15 exempt employees in the State of California at any time during the PAGA Period.
- 16 D. "Aggrieved Employee Payment" shall mean the thirty-five percent (35%) of the
17 PAGA Payment (\$7,000.00) that will be distributed to the Aggrieved Employees as
18 described in this Agreement.
- 19 E. "Class" or the "Class Members" means all persons who worked for Defendants as
20 non-exempt employees in the State of California at any time during the Class Period.
- 21 F. "Class Counsel" shall mean Jean-Claude Lapuyade, Esq. and Sydney Castillo-
22 Johnson, Esq. of JCL Law Firm, APC, Shani O. Zakay, Esq. of Zakay Law Group,
23 APLC.
- 24 G. "Class Counsel Award" means the award of fees and expenses that the Court
25 authorizes to be paid to Class Counsel for the services they have rendered to
26 Plaintiffs, the Class Members and the Aggrieved Employees in the Action, consisting
27 of attorneys' fees not to exceed thirty-three percent (33%) of the Gross Settlement
28 Amount, currently estimated to be \$103,950.00 out of \$315,000.00, plus costs of up

1 to \$30,000.00. The attorneys' fees portion will be divided between Class Counsel as
2 follows: 50% to JCL Law Firm, APC, and 50% to Zakay Law Group, APLC.

3 H. "Class Data" means information regarding Class Members that Defendants will in
4 good faith compile from its records and provide to the Settlement Administrator. It
5 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
6 Member's full name; last known address; Social Security Number; workweeks
7 worked during the Class Period; and pay periods worked during the PAGA Period
8 (where applicable) and any other information the Settlement Administrator deems
9 necessary to accurately calculate the number of Workweeks and Pay Periods worked
10 by each Class Member and Aggrieved Employee during the Class and PAGA Periods.

11 I. "Class Period" means the period beginning March 13, 2021, to March 28, 2026.

12 J. "Class Representatives" shall mean Plaintiffs Jose Santillan and Jesus Navarro.

13 K. "Court" means the Superior Court for the State of California, County of Contra Costa
14 currently presiding over the Action.

15 L. "Defendants" shall mean Defendant Number One Concrete Ready Mix, Inc. and
16 Defendant A Cut Above Services, Inc.

17 M. "Effective Date" means the first date upon which all of the following events have
18 occurred:

- 19 1. this Agreement has been executed by all Parties and by Class Counsel and
20 Defense Counsel;
- 21 2. the Court has preliminarily approved the Settlement;
- 22 3. notice has been properly given to Class Members, providing them with an
23 opportunity to opt out of the Class and Settlement as described in this
24 Agreement;
- 25 4. the Court has held a Final Fairness and Approval Hearing and entered the
26 Final Order and Judgment approving the Settlement; and,
- 27 5. no later than the earliest of: (i) 60 days after approval of the Settlement, if no
28 objections to the Settlement are filed; or (ii) 3 calendar days after the deadline
to file an appeal of the approval order, if no appeals are filed; or (iii) if one or

1 more appeals are filed, 3 calendar days after any appeal is dismissed or if the
2 Settlement is affirmed after an appeal, and the approval order is not subject to
3 further appeal.

4 N. "Funding Date" shall mean the date by which Defendants have fully funded the Gross
5 Settlement Amount to the Settlement Administrator in accord with the terms of this
6 Agreement. Defendants shall pay the Gross Settlement Amount to the Settlement
7 Administrator as follows: the First Installment of \$105,000 shall be made by July 1,
8 2026, or thirty (30) days after final approval, whichever date is later; the Second
9 Installment of \$105,000.00 shall be made six (6) months following the First
10 Installment, and the Third Installment of \$105,000.00 shall be made one (1) year
11 following the First Installment.

12 O. "Gross Settlement Amount" means Three Hundred Fifteen Thousand Dollars and
13 Zero Cents (\$315,000.00) that Defendants must pay into the QSF in connection with
14 this Settlement, inclusive of the sum of Settlement Administration Costs, Class
15 Counsel Award, Service Awards, and the PAGA Payment. The Gross Settlement
16 Amount is all-in with no reversion and *exclusive* of the employer's share of payroll
17 tax, if any, triggered by any payment under this Settlement.

18 P. "Individual Settlement Payments" means the amount payable from the Net Settlement
19 Amount to each Settlement Class Member and excludes any Aggrieved Employee
20 Payment.

21 Q. "LWDA" shall mean the Labor and Workforce Development Agency.

22 R. "LWDA Payment" shall mean the sixty-five percent (65%) of the PAGA Payment
23 (\$13,000.00) payable to the LWDA.

24 S. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Class
25 Counsel Award, Service Awards, PAGA Payment, and Settlement Administration
26 Costs.

27 T. "Notice Packet" means the Class Notice to be provided to the Class Members by the
28 Settlement Administrator in the form set forth as **Exhibit A** to this Agreement (other

1 than formatting changes to facilitate printing by the Settlement Administrator).

2 U. "Operative Complaint" shall mean the First Amended Complaint filed on July 25,
3 2025, in the Action.

4 V. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
5 Labor Code § 2698 *et seq.*

6 W. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period
7 for each Aggrieved Employee divided by the total Pay Periods for all Aggrieved
8 Employees during the PAGA Period.

9 X. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved
10 Employee Payment, as defined herein, means the number of pay periods of
11 employment during the PAGA Period that each Aggrieved Employee worked in
12 California.

13 Y. "PAGA Period" means the period beginning March 13, 2024, through March 28,
14 2026.

15 Z. "PAGA Payment" shall mean Twenty Thousand Dollars and Zero Cents (\$20,000.00)
16 to be allocated from the Gross Settlement Amount for settlement of Released PAGA
17 Claims.

18 AA. "Parties" means Plaintiffs and Defendants, collectively, and "Party" shall mean either
19 Plaintiffs or Defendants, individually.

20 BB. "Payment Ratio" means the respective Workweeks for each Class Member divided
21 by the total Workweeks for all Class Members.

22 CC. "Plaintiffs" shall mean Jose Santillan and Jesus Navarro.

23 DD. "QSF" means the Qualified Settlement Fund established, designated, and maintained
24 by the Settlement Administrator to fund the Gross Settlement Amount.

25 EE. "Released Class Claims" shall mean all claims that were alleged, or reasonably could
26 have been alleged, based on the facts stated in the operative Complaint in the Action
27 during the Class Period and expressly excluding all other claims, including claims for
28 vested benefits, wrongful termination, unemployment insurance, disability, social

1 security, workers' compensation, and class claims outside of the Class Period. The
2 Released Parties shall include Defendants, as well as Defendants' present and former
3 owners, officers, shareholders, directors, agents, members, managers, employees,
4 attorneys, insurers, parent companies, successors, affiliates or subsidiaries, and
5 assigns.

6 FF. "Released PAGA Claims" shall mean all PAGA claims asserted pled in the operative
7 Complaint and the PAGA Notice and is limited in scope to the specific facts and
8 theories stated in the PAGA Notice, on behalf of all hourly non-exempt persons
9 employed by Defendants in California for the PAGA Period and expressly excluding
10 all other claims, including claims for vested benefits, wrongful termination,
11 unemployment insurance, disability, social security, workers' compensation, and
12 PAGA claims outside of the PAGA Period.

13 GG. "Released Parties" shall mean Defendants, as well as Defendants' present and former
14 owners, officers, shareholders, directors, agents, members, managers, employees,
15 attorneys, insurers, parent companies, successors, affiliates or subsidiaries, and
16 assigns.

17 HH. "Response Deadline" means the date forty-five (45) calendar days after the Settlement
18 Administrator mails Notice Packets to Class Members and the last date on which
19 Class Members may submit requests for exclusion or objections to the Settlement.
20 Neither side shall encourage any Class Member to opt out.

21 II. "Service Awards" means an award in the amount of \$10,000, or in an amount that the
22 Court authorizes to be paid to each Class Representative, in addition to their
23 Individual Settlement Payments and Aggrieved Employee Payments, in recognition
24 of their efforts and risks in assisting with the prosecution of the Action.

25 JJ. "Settlement" means the disposition of the Action pursuant to this Agreement.

26 KK. "Settlement Administration Costs" shall mean the amount paid to the Settlement
27 Administrator from the Gross Settlement Amount for administering the Settlement
28 pursuant to this Agreement currently estimated not to exceed \$4,990.00.

1 LL. “Settlement Administrator” means Apex Class Action, LLC, P.O. Box 54668, Irvine,
2 CA 92619; Tel: (800) 355-0700. The Settlement Administrator establishes,
3 designates, and maintains, as a QSF under Internal Revenue Code section 468B and
4 Treasury Regulation section 1.468B-1, into which the amount of the Gross Settlement
5 Amount is deposited for the purpose of resolving the claims of Settlement Class
6 Members. The Settlement Administrator shall maintain the funds until distribution in
7 an account(s) segregated from the assets of Defendants and any person related to
8 Defendants. *All accrued interest shall be paid and distributed to the Settlement Class*
9 *Members as part of their respective Individual Settlement Payment.*

10 MM. “Settlement Class Members” or “Settlement Class” means all Class Members who
11 have not submitted a timely and valid request for exclusion as provided in this
12 Agreement.

13 NN. “Workweeks” means any week during which a Class Member worked for Defendants
14 for at least one day, during the Class Period.

15 **II. RECITALS**

16 A. On March 13, 2025, Plaintiffs filed a Notice of Violations with the Labor and
17 Workforce Development Agency (LWDA) and served the same on Defendants.

18 B. On March 13, 2025, Plaintiffs filed a Class Action complaint in the Contra Costa
19 Superior Court, Case No. C25-00726 (the “Action”), alleging claims for:

- 20 1. Unfair Competition in Violation of Cal. Bus. & Prof. Code §17200 *et seq*;
- 21 2. Failure To Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194,
22 1197, & 1197.1;
- 23 3. Failure To Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, *et seq*;
- 24 4. Failure To Provide Required Meal Periods in Violation of Cal. Lab. Code §§
25 226.7 & 512 and the Applicable IWC Wage Order;
- 26 5. Failure To Provide Required Rest Periods in Violation of Cal. Lab. Code §§
27 226.7 & 512 and the Applicable IWC Wage Order;

28 ///

1 6. Failure to Provide Accurate Itemized Wage Statements in Violation of Cal.
2 Lab. Code § 226;

3 7. Failure To Provide Wages When Due in Violation of Cal. Lab. Code §§ 201,
4 202, and 203;

5 8. Failure To Reimburse Employees For Required Expenses in Violation of Cal.
6 Lab. Code § 2802.

7 C. On July 25, 2025, the Parties stipulated to the filing of a First Amended Complaint in
8 the Action adding a ninth cause of action for violations of PAGA.

9 D. The Class Representatives believe they have claims based on alleged violations of the
10 California Labor Code, and the Industrial Welfare Commission Wage Orders, and
11 that class certification is appropriate because the prerequisites for class certification
12 can be satisfied in the Action, and this action is manageable as a PAGA
13 Representatives action.

14 E. Defendants deny any liability or wrongdoing of any kind associated with the claims
15 alleged in the Action, dispute any wages, damages and penalties claimed by the Class
16 Representatives, alleged in the Operative Complaint, and/or alleged in the Class
17 Representatives' PAGA Notice to the LWDA are owed, and further contend that, for
18 any purpose other than settlement, the Action is not appropriate for class or
19 representative action treatment. Defendants contend, among other things, that at all
20 times it complied with the California Labor Code and the Industrial Welfare
21 Commission Wage Orders.

22 F. Class Counsel represents the Class Representatives. Class Counsel investigated the
23 facts relevant to the Action, including conducting an independent investigation as to
24 the allegations, reviewing documents and information exchanged through informal
25 discovery, and reviewing documents and information provided by Defendants
26 pursuant to informal requests for information to prepare for mediation. Defendants
27 produced for the purpose of settlement negotiations certain employment data
28 concerning the Class, which Class Counsel reviewed and analyzed with the assistance

1 of an expert. Based on their own independent investigation and evaluation, Class
2 Counsel are of the opinion that the Settlement with Defendants is fair, reasonable, and
3 adequate, and is in the best interest of the Class considering all known facts and
4 circumstances, including the risks of significant delay, defenses asserted by
5 Defendants, uncertainties regarding class certification, and numerous potential
6 appellate issues. Although it denies any liability, Defendants agree to this Settlement
7 solely to avoid the inconveniences and cost of further litigation. The Parties and their
8 counsel have agreed to settle the claims on the terms set forth in this Agreement.

9 G. On January 27, 2026, the Parties participated in mediation presided over by Doug
10 Leach, Esq., a mediator of wage and hour class and PAGA actions. The Parties
11 reached a settlement, which was subsequently memorialized in the form of a
12 Memorandum of Understanding.

13 H. This Agreement replaces and supersedes the Memorandum of Understanding and any
14 other agreements, understandings, or representations between the Parties. This
15 Agreement represents a compromise and settlement of highly disputed claims.
16 Nothing in this Agreement is intended or will be construed as an admission by
17 Defendants that the claims in the Action of Plaintiffs or the Class Members have merit
18 or that Defendants bear any liability to Plaintiffs or the Class on those claims or any
19 other claims, or as an admission by Plaintiffs that Defendants' defenses in the Action
20 have merit.

21 I. The Parties believe that the Settlement is fair, reasonable, and adequate. The
22 Settlement was arrived at through arm's-length negotiations, considering all relevant
23 factors. The Parties recognize the uncertainty, risk, expense, and delay attendant to
24 continuing the Action through trial and any appeal. Accordingly, the Parties desire to
25 settle, compromise and discharge all disputes and claims arising from or relating to
26 the Action fully, finally, and forever.

27 J. The Parties agree to certification of the Class for purposes of this Settlement only. If
28 for any reason the settlement does not become effective, Defendants reserve the right

1 to contest certification of any class for any reason and reserve all available defenses
2 to the claims in the Action. The Settlement, this Agreement, and the Parties'
3 willingness to settle the Action will have no bearing on and will not be admissible in
4 connection with any litigation.

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

6 **III. TERMS OF AGREEMENT**

7 A. Settlement Consideration and Settlement Payments by Defendants.

8 1. Settlement Consideration. In full and complete settlement of the Action, and
9 in exchange for the releases set forth below, Defendants will pay the sum of
10 the Individual Settlement Payments, the Service Awards, the Class Counsel
11 Award, PAGA Payment, and the Settlement Administration Costs, as
12 specified in this Agreement, equal to the Gross Settlement Amount of Three
13 Hundred Fifteen Thousand Dollars and Zero Cents (\$315,000.00). The Parties
14 agree that this is a non-reversionary Settlement and that no portion of the
15 Gross Settlement Amount shall revert to Defendants. Other than the
16 Defendants' share of employer payroll taxes and as provided in Section III.A.4
17 below, Defendants shall not be required to pay more than the Gross Settlement
18 Amount.

19 2. Class Size. Defendants estimate that there are 90 Class Members who worked
20 approximately 7,904 Workweeks during the Class Period. Thus, the
21 settlement workweek value is \$39.85 (\$315,000 Gross Settlement Amount /
22 7,904). If the actual number of Workweeks worked during the Class Period
23 exceeds 7,904 by more than 10% (i.e., 8,694), the settlement amount will be
24 increased by \$39.85 for each Workweek over 8,694. For example, if the total
25 Workweeks in the Class Period are 8,700, the Gross Settlement will increase
26 by \$239.10 (i.e., \$39.85 for each Workweek over 8,694). Alternatively,
27 Defendants may elect to narrow the end of the Class Period so that it ends on
28

1 the date that the total number of Workweeks worked by the Class Members
2 during the Class Period is 7,904.

3 3. Settlement Payment. Defendants shall deposit the Gross Settlement Amount
4 into the QSF, through the Settlement Administrator as follows: the First
5 Installment of \$105,000 shall be made by July 1, 2026, or thirty (30) days after
6 final approval, whichever date is later; the Second Installment of \$105,000.00
7 shall be made six (6) months following the First Installment, and the Third
8 Installment of \$105,000.00 shall be made one (1) year following the First
9 Installment.

10 4. Defendants' Share of Payroll Taxes. Defendants' share of employer side
11 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
12 together with the First Installment.

13 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the
14 consideration set forth in this Agreement, Plaintiffs and the Settlement Class Members
15 release the Released Parties from the Released Class Claims for the Class Period.

16 C. Release by the Aggrieved Employees. As of the Funding Date, in exchange for the
17 consideration set forth in this Agreement, the Plaintiffs, the LWDA and the State of
18 California release the Released Parties from the Released PAGA Claims for the PAGA
19 Period. As a result of this release, the Aggrieved Employees shall be precluded from
20 bringing claims against Defendants for the Released PAGA Claims.

21 D. General Release by Class Representatives. As of the Funding Date, for the
22 consideration set forth in this Agreement, Plaintiffs waive, release, acquit and forever
23 discharge the Released Parties from any and all claims, whether known or unknown,
24 which exist or may exist on either Plaintiffs' behalf as of the date of this Agreement,
25 including but not limited to any and all tort claims, contract claims, wage claims,
26 wrongful termination claims, disability claims, benefit claims, public policy claims,
27 retaliation claims, statutory claims, personal injury claims, emotional distress claims,
28 invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims,

1 and any and all claims arising under any federal, state or other governmental statute,
2 law, regulation or ordinance, including, but not limited to claims for violation of the
3 Fair Labor Standards Act, the California Labor Code, the Wage Orders of California's
4 Industrial Welfare Commission, other state wage and hour laws, the Americans with
5 Disabilities Act, the Age Discrimination in Employment Act (ADEA), the Employee
6 Retirement Income Security Act, Title VII of the Civil Rights Act of 1964, the
7 California Fair Employment and Housing Act, the California Family Rights Act, the
8 Family Medical Leave Act, California's Whistleblower Protection Act, California
9 Business & Professions Code Section 17200 et seq., and any and all claims arising
10 under any federal, state or other governmental statute, law, regulation or ordinance.
11 Plaintiffs also waive and relinquish any and all claims, rights or benefits that they may
12 have under California Civil Code § 1542, which provides as follows:

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

18 Thus, notwithstanding the provisions of section 1542, and to implement a full and
19 complete release and discharge of the Released Parties, Plaintiffs expressly
20 acknowledge this Agreement is intended to include in its effect, without limitation, all
21 claims Plaintiffs do not know or suspect to exist in Plaintiffs' favor at the time of
22 signing this Agreement, and that this Agreement contemplates the extinguishment of
23 any such claims. Plaintiffs warrant that Plaintiffs have read this Agreement, including
24 this waiver of California Civil Code section 1542, and that Plaintiffs have consulted
25 with or had the opportunity to consult with counsel of Plaintiffs' choosing about this
26 Agreement and specifically about the waiver of section 1542, and that Plaintiffs
27 understand this Agreement and the section 1542 waiver, and so Plaintiffs freely and
28 knowingly enter into this Agreement. Plaintiffs further acknowledge that Plaintiffs

1 later may discover facts different from or in addition to those Plaintiffs now know or
2 believe to be true regarding the matters released or described in this Agreement, and
3 even so Plaintiffs agree that the releases and agreements contained in this Agreement
4 shall remain effective in all respects notwithstanding any later discovery of any
5 different or additional facts. Plaintiffs expressly assume any and all risk of any mistake
6 in connection with the true facts involved in the matters, disputes, or controversies
7 released or described in this Agreement or with regard to any facts now unknown to
8 Plaintiffs relating thereto.

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

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

19 F. Nullification of the Agreement. If the Court does not preliminarily or finally approve
20 this Agreement, the settlement fails to become effective, or is reversed, withdrawn, or
21 modified by the Court, or in any way prevents or prohibits Defendants from obtaining
22 a complete resolution of the Released Class Claims and Released PAGA Claims, or if
23 Defendants fails to fully fund the Gross Settlement Amount:

- 24 1. This Agreement shall be void *ab initio* and of no force or effect, and shall not
25 be admissible in any judicial, administrative, or arbitral proceeding for any
26 purpose or with respect to any issue, substantive or procedural;
- 27 2. The conditional class certification (obtained for any purpose) shall be void *ab*
28 *initio* and of no force or effect, and shall not be admissible in any judicial,

1 administrative, or arbitral proceeding for any purpose or with respect to any
2 issue, substantive or procedural; and

3 3. None of the Parties to this Settlement will be deemed to have waived any
4 claims, objections, defenses, or arguments in the Action, including with
5 respect to the issue of class certification.

6 G. In the event that Defendants fail to fund the Gross Settlement Amount, Defendants
7 shall bear the sole responsibility for any cost to issue or reissue any curative notice to
8 the Settlement Class Members and all Settlement Administration Costs incurred to the
9 date of nullification.

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

19 I. Tax Liability. The Parties make no representations as to the tax treatment or legal
20 effect of the payments called for, and Class Members and/or Aggrieved Employees are
21 not relying on any statement or representation by the Parties in this regard. Class
22 Members and/or Aggrieved Employees understand and agree that they will be
23 responsible for the payment of any taxes and penalties assessed on the Individual
24 Settlement Payments and/or Aggrieved Employee Payment described and will be
25 solely responsible for any penalties or other obligations resulting from their personal
26 tax reporting of Individual Settlement Payments and/or Aggrieved Employee Payment.

27 J. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
28 the “acknowledging party” and each Party to this Agreement other than the

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

17 K. Preliminary Approval Motion. As soon thereafter as practicable after the execution of
18 this Agreement, Plaintiffs shall file with the Court a Motion for Order Granting
19 Preliminary Approval and supporting papers, which shall include this Agreement.
20 Plaintiffs will provide Defendants with a draft of the Motion at least three (3) business
21 days prior to the filing of the Motion to give Defendants an opportunity to review and
22 comment upon the Motion.

23 L. Settlement Administrator. The Settlement Administrator shall be responsible for:
24 establishing and administering the QSF; calculating, processing and mailing payments
25 to the Class Representatives, Class Counsel, LWDA and Class Members; printing and
26 mailing the Notice Packets to the Class Members as directed by the Court; receiving
27 and reporting the objections and requests for exclusion; calculating, deducting and
28 remitting all legally required taxes from Individual Settlement Payments and

1 distributing tax forms for the Wage Portion, the Penalties Portion and the Interest
2 Portion of the Individual Settlement Payments and/or Aggrieved Employee Payment;
3 processing and mailing tax payments to the appropriate state and federal taxing
4 authorities; providing declaration(s) as necessary in support of preliminary and/or final
5 approval of this Settlement; and other tasks as the Parties mutually agree or the Court
6 orders the Settlement Administrator to perform. The Settlement Administrator shall
7 keep the Parties timely apprised of the performance of all Settlement Administrator
8 responsibilities by among other things, sending a weekly status report to the Parties'
9 counsel stating the date of the mailing, the number of opt outs from the Settlement it
10 receives (including the numbers of valid and deficient), and number of objections
11 received.

12 M. Notice Procedure.

13 1. Class Data. Defendants will provide the Settlement Administrator with the
14 Class Data at the earlier of fourteen (14) days prior to Plaintiff's filing of the
15 Motion for Preliminary Approval of this Agreement or April 28, 2026, in
16 order to ensure the Settlement Administrator has sufficient time to calculate
17 the number of Workweeks and Pay Periods, and to prepare a declaration prior
18 to the filing of the Motion for Preliminary Approval.

19 2. Notice Packets.

20 a) The Notice Packet shall contain the Notice of Class Action Settlement
21 in a form substantially similar to the form attached as **Exhibit A** and
22 will include Spanish translation. The Notice of Class Action
23 Settlement shall inform Class Members and Aggrieved Employees
24 that they need not do anything in order to receive an Individual
25 Settlement Payment and/or Aggrieved Employee Payment and to keep
26 the Settlement Administrator apprised of their current mailing address,
27 to which the Individual Settlement Payments and/or Aggrieved
28 Employee Payment will be mailed following the Funding Date. The

1 Notice of Class Action Settlement shall set forth the release to be given
2 by all members of the Class who do not request to be excluded from
3 the Settlement Class and/or Aggrieved Employees in exchange for an
4 Individual Settlement Payment and/or Aggrieved Employee Payment,
5 the number of Workweeks worked by each Class Member during the
6 Class Period, and number of PAGA Periods worked by each
7 Aggrieved Employee during the PAGA Period, if any, and the
8 estimated amount of their Individual Settlement Payment if they do
9 not request to be excluded from the Settlement and estimated amount
10 of their Aggrieved Employee Payment, if any. The Settlement
11 Administrator shall use the Class Data to determine Class Members’
12 Workweeks and PAGA Pay Periods. The Notice will also advise the
13 Aggrieved Employees that they will release the Released PAGA
14 Claims and will receive their Aggrieved Employee Payment regardless
15 of whether they request to be excluded from the Settlement.

16 b) The Notice Packet’s mailing envelope shall include the following
17 language: “IMPORTANT LEGAL DOCUMENT- YOU MAY BE
18 ENTITLED TO PARTICIPATE IN A CLASS ACTION
19 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
20 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
21 NOTICE.”

22 3. Mailing Notice by First Class U.S. Mail. Upon receipt of the Class Data, the
23 Settlement Administrator will perform a search based on the National Change
24 of Address Database to update and correct any known or identifiable address
25 changes. No later than fourteen (14) calendar days after preliminary approval
26 of the Settlement, the Settlement Administrator shall mail copies of the Notice
27 Packet to all Class Members via regular First-Class U.S. Mail and electronic
28 mail. The Settlement Administrator shall exercise its best judgment to

1 determine the current mailing address for each Class Member. The address
2 identified by the Settlement Administrator as the current mailing address shall
3 be presumed to be the best mailing address for each Class Member.

4 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
5 Administrator as non-delivered on or before the Response Deadline shall be
6 re-mailed to any forwarding address provided within seven (7) days of
7 receiving the returned notice. If no forwarding address is provided, the
8 Settlement Administrator shall promptly attempt to determine a correct
9 address by lawful use of skip-tracing, or other search using the name, address
10 and/or Social Security number of the Class Member involved, and shall then
11 perform a re-mailing, if the Settlement Administrator identify another mailing
12 address. In addition, if any Class Member who is currently employed by
13 Defendants is returned to the Settlement Administrator, as non-delivered and
14 no forwarding address is provided, the Settlement Administrator shall notify
15 Defendants. Defendants will request that the currently employed Class
16 Member provide a corrected address and transmit to the Settlement
17 Administrator any corrected address provided by the Class Member. Class
18 Members who received a re-mailed Notice Packet shall have their Response
19 Deadline extended fifteen (15) days from the original Response Deadline.

20 5. Disputes Regarding Individual Settlement Payments. Class Members will
21 have the opportunity, should they disagree with Defendants' records regarding
22 the start and end dates of employment, to provide documentation and/or an
23 explanation to show contrary dates. If there is a dispute, the Settlement
24 Administrator will consult with the Parties to determine whether an
25 adjustment is warranted. The Settlement Administrator shall determine the
26 eligibility for, and the amounts of, any Individual Settlement Payments under
27 the terms of this Agreement. The Settlement Administrator's determination
28

1 of the eligibility for and amount of any Individual Settlement Payment shall
2 be binding upon the Class Member and the Parties.

3 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
4 by the Settlement Administrator concerning the administration of the
5 Settlement will be resolved by the Court under the laws of the State of
6 California. Before any such involvement of the Court, counsel for the Parties
7 will confer in good faith to resolve the disputes without the necessity of
8 involving the Court.

9 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
10 Packet shall state that Class Members who wish to exclude themselves from
11 the Settlement must submit a signed copy of the Request for Exclusion form
12 to the Settlement Administrator by the Response Deadline. A Request for
13 Exclusion form will be mailed together with the Notice Packet to all Class
14 Members. The Request for Exclusion will not be valid if it is not timely
15 submitted, if the Class Member does not sign it, or if it does not contain the
16 name and address and last four digits of the Social Security number of the
17 Class Member. The date of the postmark on the mailing envelope or fax stamp
18 on the Request for Exclusion shall be the exclusive means used to determine
19 whether the request for exclusion was timely submitted. Any Class Member
20 who submits a timely Request for Exclusion shall be excluded from the
21 Settlement Class will not be entitled to an Individual Settlement Payment and
22 will not be otherwise bound by the terms of the Settlement or have any right
23 to object, appeal, or comment thereon. However, any Class Member that
24 submits a timely Request for Exclusion that is also an Aggrieved Employee
25 will still receive his/her Aggrieved Employee Payment, as specified below,
26 and in consideration, will be bound by the Release by the PAGA Class as set
27 forth herein. Class Members who fail to submit a valid and timely Request
28 for Exclusion on or before the Response Deadline shall be bound by all terms

1 of the Settlement and any final judgment entered in this Action if the Court
2 approves the Settlement. No later than seven (7) calendar days after the
3 Response Deadline, the Settlement Administrator shall provide counsel for
4 the Parties with a final list of the Class Members who have timely submitted
5 timely Requests for Exclusion.

6 8. Objections. The Notice of Class Action Settlement contained in the Notice
7 Packet shall state that Class Members who wish to object to the Settlement
8 may submit to the Settlement Administrator a written statement of objection
9 (“Notice of Objection”) by the Response Deadline. The postmark date of
10 mailing shall be deemed the exclusive means for determining that a Notice of
11 Objection was served timely. The Notice of Objection, if in writing, must be
12 signed by the Settlement Class Member and state: (1) the case name and
13 number; (2) the name of the Settlement Class Member; (3) the address of the
14 Settlement Class Member; (4) the last four digits of the Settlement Class
15 Member’s Social Security number; (5) the basis for the objection; and (6) if
16 the Settlement Class Member intends to appear at the Final
17 Approval/Settlement Fairness Hearing. Settlement Class Members who fail
18 to make objections in writing in the manner specified above may still make
19 their objections orally at the Final Approval/Settlement Fairness Hearing with
20 the Court’s permission. Settlement Class Members will have a right to appear
21 at the Final Approval/Settlement Fairness Hearing to have their objections
22 heard by the Court regardless of whether they submitted a written objection.
23 At no time shall any of the Parties or their counsel seek to solicit or otherwise
24 encourage Class Members to file or serve written objections to the Settlement
25 or appeal from the Order and Final Judgment. Class Members who submit a
26 written request for exclusion may not object to the Settlement. Class Members
27 may not object to the PAGA Payment.

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1 N. Allocation of the Gross Settlement Amount.

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

17 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
18 Class Data, the Settlement Administrator shall add up the total number of
19 PAGA Pay Periods for all Aggrieved Employees during the PAGA Period.
20 The respective PAGA Pay Periods for each Aggrieved Employees will be
21 divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting
22 in the "PAGA Payment Ratio" for each Aggrieved Employee. Each
23 Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the
24 Aggrieved Employee Payment to calculate each Aggrieved Employee's
25 estimated share of the Aggrieved Employee Payment.

26 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
27 Settlement Payments shall be allocated and treated as 10% wages ("Wage
28 Portion") and 90% for interest and statutory penalties ("Penalties and

1 Interest”). The Wage Portion of the Individual Settlement Payments shall be
2 reported on IRS Form W-2 and the Penalties and Interest Portion of the
3 Individual Settlement Payments shall be reported on IRS Form 1099 issued
4 by the Agreement.

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

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

18 6. No Additional Payments. All monies received by Settlement Class Members
19 under the Settlement which are attributable to wages shall constitute income to
20 such Settlement Class Members solely in the year in which such monies are
21 received by the Settlement Class Members. It is the intent of the Parties that
22 Individual Settlement Payments and Aggrieved Employee Payments provided
23 for in this Agreement are the sole payments to be made by Defendants to
24 Settlement Class Members and/or Aggrieved Employees in connection with this
25 Agreement, with the exception of Plaintiffs, and that the Settlement Class
26 Members and/or Aggrieved Employees are not entitled to any new or additional
27 compensation or benefits as a result of having received the Individual Settlement
28 Payments and/or Aggrieved Employee Payment.

- 1 7. Disbursement. Individual Settlement Payments and Aggrieved Employee
2 Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class
3 Members' and/or Aggrieved Employees' last known mailing address no later
4 than fifteen (15) days after the Funding Date.
- 5 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
6 Employees shall remain valid and negotiable for one hundred and eighty (180)
7 days from the date of their issuance. If a Settlement Class Member and/or
8 Aggrieved Employees does not cash his or her settlement check within ninety
9 (90) days, the Settlement Administrator will send a letter to such persons,
10 advising that the check will expire after the 180th day, and invite that
11 Settlement Class Member and/or Aggrieved Employees to request reissuance
12 in the event the check was destroyed, lost, or misplaced. In the event an
13 Individual Settlement Payment and/or Aggrieved Employee Payment check
14 has not been cashed within one hundred and eighty (180) days, all funds
15 represented by such uncashed checks, plus any interest accrued thereon, shall
16 be transmitted to the State Controller's Unclaimed Property Fund in the name
17 of the Class Member who did not claim the funds.
- 18 9. Service Awards. In addition to the Individual Settlement Payment as a
19 Settlement Class Member and Aggrieved Employee Payment, Plaintiffs will
20 apply to the Court of not more than \$10,000.00 each, as the Service Awards.
21 Defendants will not oppose a Service Award of not more than \$10,000.00 to
22 each Plaintiff. The Settlement Administrator shall pay the Service Awards,
23 either in the amount stated herein or some other amount as approved by the
24 Court, to Plaintiffs from the Gross Settlement Amount within fifteen (15) days
25 of the Funding Date. Any portion of the requested Service Awards that is not
26 awarded shall be part of the Net Settlement Amount and shall be distributed
27 to Settlement Class Members as provided in this Agreement. The Settlement
28 Administrator shall issue an IRS Form 1099 — MISC to Plaintiffs for their

1 Service Awards. Plaintiffs shall be solely and legally responsible to pay any
2 and all applicable taxes on their Service Awards and shall hold harmless the
3 Released Parties from any claim or liability for taxes, penalties, or interest
4 arising as a result of the Service Awards. Approval of this Settlement shall
5 not be conditioned on Court approval of the requested amount of the Service
6 Awards. If the Court reduces or does not approve the requested Service
7 Awards, Plaintiffs shall not have the right to revoke the Settlement, and it will
8 remain binding.

9 10. Class Counsel Award. Defendants understand, and will not oppose, a motion
10 for attorneys' fees not to exceed thirty-three percent (33%) of the Gross
11 Settlement Amount currently estimated to be One Hundred Three Thousand,
12 Nine Hundred Fifty Dollars and Zero Cents (\$103,950.00) *and* attorneys'
13 expenses supported by declaration not to exceed Thirty Thousand Dollars and
14 Zero Cents (\$30,000.00). Any awarded Class Counsel Award shall be paid
15 from the Gross Settlement Amount. Any portion of the requested Class
16 Counsel Award that is not awarded to Class Counsel shall be part of the Net
17 Settlement Amount and shall be distributed to Settlement Class Members as
18 provided in this Agreement. The Settlement Administrator shall disburse the
19 Class Counsel Award to Class Counsel from the Gross Settlement Amount
20 within fifteen (15) days after the Funding Date. Class Counsel shall be solely
21 and legally responsible to pay all applicable taxes on the payment made
22 pursuant to this paragraph. The Settlement Administrator shall issue an IRS
23 Form 1099 — MISC to Class Counsel for the payments made pursuant to this
24 paragraph. If the Court reduces or does not approve the requested Class
25 Counsel Award, Plaintiffs and Class Counsel shall not have the right to revoke
26 the Settlement, or to appeal such order, and the Settlement will remain
27 binding.

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1 11. PAGA Payment. Twenty Thousand Dollars and Zero Cents (\$20,000.00)
2 shall be allocated from the Gross Settlement Amount for settlement of claims
3 for civil penalties under the Private Attorneys General Act of 2004 (“PAGA
4 Payment”). The Settlement Administrator shall pay sixty-five percent (65%)
5 of the PAGA Payment (\$13,000) to the California Labor and Workforce
6 Development Agency no later than fifteen (15) days after the Funding Date
7 (“LWDA Payment”). Thirty-five percent (35%) of the PAGA Payment
8 (\$7,000) will be distributed to the Aggrieved Employees as described in this
9 Agreement (“Aggrieved Employee Payment”). For purposes of distributing
10 the PAGA Payment to the Aggrieved Employees, each Aggrieved Employee
11 shall receive their pro-rata share of the Aggrieved Employee Payment using
12 the PAGA Payment Ratio as defined above.

13 12. Settlement Administration Costs. The Settlement Administrator shall be paid
14 for the costs of administration of the Settlement from the Gross Settlement
15 Amount. The estimate for the Settlement Administration Costs is \$4,990.00.
16 The Settlement Administrator shall be paid the Settlement Administration
17 Costs no later than fifteen (15) days after the Funding Date.

18 O. Final Approval Motion. Class Counsel and Plaintiffs shall use best efforts to file with
19 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
20 twenty-eight (28) days following the expiration of the Response Deadline, which
21 motion shall request final approval of the Settlement and a determination of the
22 amounts payable for the Service Awards, the Class Counsel Award, the PAGA
23 Payment, and the Settlement Administration Costs. Plaintiffs will provide Defendants
24 with a draft of the Final Approval Motion at least three (3) business days prior to the
25 filing of the Motion to give Defendants an opportunity to propose changes or
26 additions to the Motion.

27 1. Declaration by Settlement Administrator. No later than seven (7) days after
28 the Response Deadline, the Settlement Administrator shall submit a

1 declaration in support of Plaintiffs' motion for final approval of this
2 Settlement detailing the number of Notice Packets mailed and re-mailed to
3 Class Members, the number of undeliverable Notice Packets, the number of
4 timely requests for exclusion, the full names of any Class Members who opt
5 out of the Settlement, the number of objections received, the amount of the
6 average, lowest, and highest Individual Settlement Payments, the amount of
7 the average, lowest, and highest Aggrieved Employee Payments, the
8 Settlement Administration Costs, and any other information as the Parties
9 mutually agree or the Court orders the Settlement Administrator to provide.

10 2. Final Approval Order and Judgment. Class Counsel shall present an Order
11 Granting Final Approval of Class Action Settlement to the Court for its
12 approval, and Judgment thereon, at the time Class Counsel files the Motion
13 for Final Approval. The Order and Judgment shall include the full names of
14 any Class Members who opt out of the Settlement.

15 P. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
16 an opportunity for Counsel for Defendants to review the Motions for Preliminary and
17 Final Approval, including the Order Granting Final Approval of Class Action
18 Settlement, and Judgment at least three (3) business days in advance of filing with the
19 Court. The Parties and their counsel will cooperate with each other and use their best
20 efforts to affect the Court's approval of the Motions for Preliminary and Final
21 Approval of the Settlement, and entry of Judgment.

22 Q. Cooperation. The Parties and their counsel will cooperate with each other and use
23 their best efforts to implement the Settlement.

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

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

- 1 T. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
2 Agreement among these Parties, and no oral or written representations, warranties or
3 inducements have been made to any Party concerning this Agreement or its Exhibit
4 other than the representations, warranties and covenants contained and memorialized
5 in this Agreement and its Exhibit.
- 6 U. Authorization to Enter into this Agreement. Counsel for all Parties warrant and
7 represent they are expressly authorized by the Parties whom they represent to negotiate
8 this Agreement and to take all appropriate Action required or permitted to be taken by
9 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
10 documents required to effectuate the terms of this Agreement. The persons signing
11 this Agreement on behalf of Defendants represent and warrant that he/she is authorized
12 to sign this Agreement on behalf of Defendants. Plaintiffs represents and warrants that
13 they are authorized to sign this Agreement and that they have not assigned any claim,
14 or part of a claim, covered by this Settlement to a third-party.
- 15 V. No Public Comment: The Parties and their counsel agree that they will not issue any
16 press releases, initiate any contact with the press, respond to any press inquiry, or have
17 any communication with the press about the fact, amount, or terms of the Agreement.
18 Class Counsel further agrees not to use the Agreement or any of its terms for any
19 marketing or promotional purposes. Nothing herein will restrict Class Counsel from
20 including publicly available information regarding this settlement in future judicial
21 submissions regarding Class Counsel's qualifications and experience. Further, Class
22 Counsel will not include, reference, or use the Agreement for any marketing or
23 promotional purposes, either before or after the Motion for Preliminary Approval is
24 filed.
- 25 W. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
26 to the benefit of, the successors or assigns of the Parties, as previously defined.
- 27 X. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
28 shall be governed by and interpreted according to the laws of the State of California.

- 1 Y. Counterparts. This Agreement may be executed in one or more counterparts. All
2 executed counterparts and each of them shall be deemed to be the same instrument
3 provided that counsel for the Parties to this Agreement shall exchange among
4 themselves copies or originals of the signed counterparts.
- 5 Z. This Settlement Is Fair, Adequate, and Reasonable. The Parties believe this Settlement
6 is a fair, adequate, and reasonable settlement of this Action and have arrived at this
7 Settlement after extensive arms-length negotiations, considering all relevant factors,
8 present and potential.
- 9 AA. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with
10 respect to the interpretation, implementation, and enforcement of the terms of this
11 Agreement and all orders and judgments entered in connection therewith, and the
12 Parties and their counsel submit to the jurisdiction of the Court for purposes of
13 interpreting, implementing and enforcing the settlement and all orders and judgments
14 entered in connection with this Agreement.
- 15 BB. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
16 the Court shall first attempt to construe the provisions valid to the fullest extent
17 possible consistent with applicable precedents so as to define all provisions of this
18 Agreement valid and enforceable.
- 19 CC. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
20 certification for purposes of this settlement only.
- 21 DD. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the
22 Released Class Claims and Released PAGA Claims have merit and give rise to liability
23 on the part of Defendants. Defendants claim that the Released Class Claims and
24 Released PAGA Claims have no merit and do not give rise to liability. This Agreement
25 is a compromise of disputed claims. Nothing contained in this Agreement and no
26 documents referred to and no action taken to carry out this Agreement may be
27 construed or used as an admission by or against the Defendants or Plaintiffs or Class
28 Counsel as to the merits or lack thereof of the claims asserted. Other than as may be

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specifically set forth herein, each Party shall be responsible for and shall bear its/his own attorney's fees and costs.

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

2 DATED: 02/18/2026


J Guadalupe Santillan (Feb 18, 2026 14:21:53 PST)

3

JOSE SANTILLAN

4

5 DATED: 02/18/2026


Jesus Elias Navarro (Feb 18, 2026 15:29:04 PST)

6

JESUS NAVARRO

7

8 IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANTS:

9

10 DATED: 02 / 24 / 2026



11

NUMBER ONE CONCRETE READY MIX, INC.

12

Jose Gonzalezc

13

Printed Name

14


CEO

15

Title

16

17 DATED: 02 / 24 / 2026



18

A CUT ABOVE SERVICES, INC.

19

Jose Gonzalez

20

Printed Name

21

CEO

22

Title

23

24

25

26

27

28

1 IT IS SO AGREED AS TO FORM BY COUNSEL:

2

3 DATED: 02/18/2026

JCL LAW FIRM. APC

4

By: 

5

Jean-Claude Lapuyade, Esq.

6

Sydney Castillo-Johnson, Esq.

7

Attorneys for Plaintiffs and the Settlement Class
Members

8

9 DATED: _____

ZAKAY LAW GROUP, APLC

10

By: _____

11

Shani O. Zakay, Esq.

12

Attorneys for Plaintiffs and the Settlement Class
Members

13

14

15 DATED: 02.24.2026

DUGGAN MCHUGH LAW CORPORATION

16

By: 

17

Katie A. Collins, Esq.

18

Attorney for Defendant

19

20

21

22

23

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26

27

28

1 IT IS SO AGREED AS TO FORM BY COUNSEL:

2

3 DATED: 02/18/2026

JCL LAW FIRM. APC

4

By:  _____

5

Jean-Claude Lapuyade, Esq.

6

Sydney Castillo-Johnson, Esq.

7

Attorneys for Plaintiffs and the Settlement Class Members

8

9 DATED: February 23, 2026

ZAKAY LAW GROUP, APLC

10

By:  _____

11

Shani O. Zakay, Esq.

12

Attorneys for Plaintiffs and the Settlement Class Members

13

14

15 DATED: _____

DUGGAN MCHUGH LAW CORPORATION

16

By: _____

17

Katie A. Collins, Esq.

18

Attorney for Defendant

19

20

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22

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EXHIBIT A

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

Jose Santillan and Jesus Navarro v. Number One Concrete Ready Mix, Inc., et al.
Contra Costa County Superior Court Case No. C25-00726

**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: \$<<__>>. 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 Defendants 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 and representative action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Contra Costa (the “Court”) has been reached between Plaintiffs Jose Santillan and Jesus Navarro (hereinafter, “Plaintiffs”) and Defendants Number One Concrete Ready Mix, Inc. and A Cut Above Services, Inc. (hereinafter, “Defendants”). 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, which is defined as:

All persons who worked for Defendants as non-exempt employees in the State of California at any time during the period beginning March 13, 2021, to March 28, 2026 (“Class Period”).

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 March 13, 2025, Plaintiffs filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants. On March 13, 2025, Plaintiffs filed a Class Action complaint in the Contra Costa Superior Court, Case No. C25-00726 (the “Action”), alleging claims for: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §17200 *et seq*; (2) Failure To Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197, & 1197.1; (3) Failure To Pay Overtime Wages in Violation of Cal.

Lab. Code §§ 510, *et seq*; (4) Failure To Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5) Failure To Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (6) Failure to Provide Accurate Itemized Wage Statements in Violation of Cal. Lab. Code § 226; (7) Failure To Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202, and 203; and (8) Failure To Reimburse Employees For Required Expenses in Violation of Cal. Lab. Code § 2802. On July 25, 2025, Plaintiffs filed a First Amended Complaint alleging a ninth cause of action for violations of PAGA (the “Operative Complaint”).

Defendants expressly deny 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 Representatives are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendants contend, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On January 27, 2026, the Parties participated in an all-day mediation with Doug Leach, Esq., a mediator of wage and hour class and PAGA actions. The Parties accepted a Mediator’s settlement proposal and reached an agreement for settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of JCL Law Firm, APC, and Zakay Law Group, APLC, to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of Three Hundred Fifteen Thousand Dollars and Zero Cents (\$315,000.00) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Individual Settlement Payments, Settlement Administration Costs, Class Counsel Award, Service Awards, and the PAGA Payment.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator as follows: the First Installment of \$105,000 shall be made by July 1, 2026, or thirty (30) days after final approval, whichever date is later; the Second Installment of \$105,000.00 shall be made six (6) months following the First Installment, and the Third Installment of \$105,000.00 shall be made one (1) year following the First Installment. “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:

- Settlement Administration Costs. Payment to the Settlement Administrator, estimated not to exceed \$4,990.00 for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Class Counsel Award. Payment to Class Counsel of an award of attorneys’ fees of no more than thirty-three percent (33%) of the Gross Settlement Amount (currently \$103,950.00) and actually incurred litigation expenses of not more than \$30,000 for all expenses incurred as documented in Class Counsel’s billing records, both subject to Court approval. Class Counsel have been prosecuting the Action on behalf of Plaintiffs 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 Awards. A Service Award of up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to each Plaintiff, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$20,000.00 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$13,000.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$7,000.00 will be distributed to Aggrieved Employees as the "Aggrieved Employee Payment."
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Class Counsel Award, the Service Awards, the PAGA Payment, and the Settlement Administration Costs 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"). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Settlement Class Members that occurred during the Class Period and multiplying the result by each individual Settlement Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendants' records, a member of the class worked at least one-day during any such workweek.
- 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 persons who worked for Defendants as non-exempt employees in the State of California at any time from the period beginning March 13, 2024, through March 28, 2026 ("PAGA Period").

If the Court approves the Settlement, 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 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. Ten percent (10%) 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. Ninety percent (90%) of each Individual Settlement Payment is allocated to penalties and pre-judgment interest ("Penalties and Interest Portion"). 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 Defendants' 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 Agreement, as well as any other payments made pursuant to this 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 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 Defendants, Plaintiffs and the Settlement Class Members shall release the “Released Parties” from the “Released Class Claims” that occurred during the Class Period. The “Released Parties” are defined as Defendants, as well as Defendants’ present and former owners, officers, shareholders, directors, agents, members, managers, employees, attorneys, insurers, parent companies, successors, affiliates or subsidiaries, and assigns. The “Released Class Claims” means all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the operative Complaint in the Lawsuit 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.

As of the Funding Date of the Gross Settlement Amount by Defendants, 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 PAGA claims asserted pled in the Operative Complaint and the PAGA Notice and is limited in scope to the specific facts and theories stated in the PAGA Notice, on behalf of all hourly non-exempt persons employed by Defendants in California for 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 Defendants 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?

Defendants’ records reflect that you have <<____>> Workweeks worked during the Class Period (March 13, 2021, to March 28, 2026).

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

Defendants’ records reflect that you have <<____>> pay periods worked during the PAGA Period (March 13, 2024, through March 28, 2026).

Based on this information, your estimated Aggrieved Employee Payment 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 <https://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," 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 P.O. Box 54668, Irvine, CA 92619; 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 *Jose Santillan and Jesus Navarro v. Number One Concrete Ready Mix, Inc., et al.* currently pending in Contra Costa County Superior Court, Case No. C25-00726. The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. You must sign the request for exclusion. 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 *Jose Santillan and Jesus Navarro v. Number One Concrete Ready Mix, Inc. et al., Contra Costa County Superior Court, Case No. C25-00726*. 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 _____. The address for the Settlement Administrator is P.O. Box 54668, Irvine, CA 92619; Tel: (800) 355-0700.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite 3600

San Diego, CA 92121
(619) 599-8292
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San Diego, CA 92121
(619) 255-9047
shani@zakaylaw.com

Counsel for Defendants:

Katie A. Collins, Esq.
Duggan McHugh Law Corporation
100 Howe Avenue, Suite 260
Sacramento, CA 95825
(916) 550-5309
katie@dugganmchugh.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 _____**, at the Contra Costa County Superior Court, Department 39, located at 725 Court St, Martinez, CA 94553 before Hon. Edward G. Weil. 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. The Court may reschedule this hearing 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 (800) 355-0700 or write to *Jose Santillan and Jesus Navarro v. Number One Concrete Ready Mix, Inc., et al., Contra Costa County Superior Court, Case No. C25-00726*, Settlement Administrator, P.O. Box 54668, Irvine, CA 92619 c/o _____.

This notice summarizes the proposed settlement. More details are in the Agreement. You may receive a copy of the 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 <https://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 State Controller's Unclaimed Property Fund. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.