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10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF SAN BERNARDINO**

13
14 ANGEL GARICA, individually, and on
15 behalf of other members of the public
similarly situated,

16 Plaintiff,

17 v.

18 J&B INVESTMENTS, INC. d/b/a J&B
19 MATERIALS, INC., a California
20 corporation; PACIFIC GYPSUM SUPPLY,
21 INC., a Georgia Corporation; GYPSUM
22 MANAGEMENT AND SUPPLY, INC., a
Georgia Corporation; and DOES 1 through
25, inclusive,

23 Defendants.

Case No. CIVSB2113372

*[Assigned for all purposes to Honorable Joseph
T. Ortiz, Dept. S-17]*

**JOINT STIPULATION AND SETTLEMENT
AGREEMENT OF CLASS ACTION AND
REPRESENTATIVE ACTION CLAIMS**

Complaint Filed: April 25, 2022

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23 Attorneys for Defendants
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24 PACIFIC GYPSUM SUPPLY, INC. D/B/A J&B MATERIALS, INC.
AND GYPSUM MANAGEMENT AND SUPPLY, INC.
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1 This Joint Stipulation and Settlement Agreement of Class Action and Representative Action
2 Claims (“Stipulation of Settlement” or “Settlement” or “Settlement Agreement”) is made and entered
3 into by and between Plaintiffs Angel Garcia, Christian Melendez, Jack Mahan, Athena Neri and
4 Eduardo Lopez Lopez (hereinafter referred to as “Plaintiffs”) and on behalf of the Class and Aggrieved
5 Employees (as defined below) and Defendants J&B Investments, Inc. d/b/a J&B Materials, Inc.,
6 Pacific Gypsum Supply, Inc., and Gypsum Management and Supply, Inc. (“Defendants”) (Plaintiff
7 and Defendants hereinafter collectively referred to as the “Parties”). Defendants J&B Investments,
8 Inc. d/b/a J&B Materials, Inc., Pacific Gypsum Supply, Inc., and Gypsum Management and Supply,
9 Inc. (“Defendants”) (Plaintiffs and Defendants hereinafter collectively referred to as the “Parties”).

10 THE PARTIES STIPULATE AND AGREE as follows:

11 **DEFINITIONS**

12 1. “**Actions**” shall mean the following actions entitled *Christian Melendez v. J&B*
13 *Investments, Inc., et al.*, pending in Riverside County Superior Court, Case No. RIC1806564 (“the
14 *Melendez Action*”), *Jack Mahan, et. al. v. J&B Investments, Inc., et al.*, pending in San Bernardino
15 Superior Court, Case No. CIVSB2113372 (“the *Mahan Action*”), *Angel Garcia v. J&B Investments, Inc.*
16 *d/b/a J&B Materials, Inc., Pacific Gypsum Supply, Inc. and Gypsum Management and Supply, Inc.*,
17 pending in San Bernardino Superior Court, Case No. CIVSB2208601, and *Eduardo Lopez Lopez v.*
18 *J&B Investments, Inc., et al.*, pending in Los Angeles Superior Court, Case No. 19STCV16570.

19 2. “**Class Counsel**” shall mean Jonathan M. Genish of Blackstone Law, APC, Jordan S.
20 Esensten of Esensten Law, Ian Silvers of Bisnar Chase, and Joseph Lavi of Lavi & Ebrahimian, LLP.

21 3. “**Class Members**” shall mean all current and former non-exempt employees of
22 Defendants who worked in California at any time during the Class Period (“Settlement Class
23 Members”).

24 4. “**Class Period**” shall mean April 5, 2014 until the date the Court grants preliminary
25 approval of this Settlement.

26 5. “**Class Released Claims**” shall have the meaning ascribed to it in Paragraph 64(a)-(d)
27 below.

1 6. “**Class Representatives**” or “**Plaintiffs**” shall mean Plaintiffs Angel Garcia, Christian
2 Melendez, Jack Mahan, Athena Neri, and Eduardo Lopez Lopez.

3 7. “**Court**” shall mean the Superior Court of the State of California for the County of San
4 Bernardino.

5 8. “**Court’s Final Order and Judgment**” means the Final Order Approving Class Action
6 and PAGA Settlement and Judgment in a form to be agreed upon by the Parties and approved by the
7 Court.

8 9. “**Defendants’ Counsel**” shall mean Elizabeth Staggs-Wilson of Littler Mendelson.
9 P.C.

10 10. “**Effective Date**” shall have the meaning ascribed to it in Paragraph 37, below.

11 11. “**Final Approval Hearing**” shall mean the hearing whereat the Court shall consider,
12 without limitations, any timely objections to the Settlement from Settlement Class Members,
13 testimony from the Parties or their counsel, declarations regarding the claims process from the
14 Settlement Administrator, and otherwise make a final determination regarding the fairness of the
15 Settlement as set forth herein.

16 12. “**Incentive Awards**” shall mean the payment made to Plaintiffs in their capacity as
17 Class Representatives, which sum is separate from and in addition to their Individual Settlement
18 Payments.

19 13. “**Individual Settlement Payment**” will be the portion of the Net Settlement Amount
20 payable to a Settlement Class Member.

21 14. “**Net Settlement Amount**” shall have the meaning ascribed to it in Paragraph 44,
22 below.

23 15. “**Notice of Proposed Settlement**” or “**Notice**” means the Notice of Pendency of Class
24 Action in substantially the form attached hereto as **Exhibit B**, and as approved by the Court.

25 16. “**Operative Complaint**” shall mean and refer to the Second Amended Class Action
26 Complaint, attached hereto as **Exhibit A**.

27 17. “**PAGA**” shall mean the California Labor Code Private Attorneys General Act, Labor
28 Code §§ 2698 *et seq.*

1 18. “**PAGA Employee**” or “Aggrieved Employee” shall mean all current and former non-
2 exempt employees of Defendants who worked in California at any time during the PAGA Period.

3 19. “**PAGA Payment**” means the payment to the State of California Labor and Workforce
4 Development Agency (“LWDA”) and the PAGA Employees in settlement of all claims for PAGA
5 penalties.

6 20. “**PAGA Employee Payments**” means the payment issued to each PAGA Employee
7 for his/her/their share of the PAGA Payment.

8 21. “**PAGA Period**” shall mean May 13, 2018 through the date the Court grants
9 preliminary approval of this Settlement.

10 22. “**Parties**” shall refer to the Plaintiffs and Defendants, each of whom is a “Party.”

11 23. “**Released Parties**” collectively shall encompass J&B Investments, Inc. d/b/a J&B
12 Materials, Inc., Pacific Gypsum Supply, Inc. and Gypsum Management and Supply, Inc. and any of
13 their past, present and future direct or indirect parents, subsidiaries, predecessors, successors and
14 affiliates, as well as each of their past, present and future officers, directors, employees, partners,
15 members, shareholders and agents, attorneys, insurers, reinsurers and any individual or entity which
16 could be jointly liable with Defendants.

17 24. “**Settlement Administrator**” shall mean Simpluris, Inc.

18 25. “**Settlement Class Members**” shall mean the individual Class Members who did not
19 opt-out of the Settlement by submitting a valid request for exclusion as described in Paragraph 58.

20 26. “**Gross Settlement Amount**” shall refer to One Million Seven Hundred Fifty
21 Thousand Dollars and Zero Cents (\$1,750,000.00), which is the maximum amount that Defendants
22 will pay pursuant to this Settlement, excluding Defendants’ share of payroll taxes, which shall be paid
23 by Defendants separately and in addition to the Gross Settlement Amount.

24 **RECITALS**

25 27. The Plaintiffs in the Actions allege causes of action for (1) failure to pay and/or
26 accurately calculate minimum, regular, overtime, double time, prevailing and vacation wages; (2)
27 failure to provide meal periods or pay premiums in lieu thereof; (3) failure to provide rest periods or
28 pay premiums in lieu thereof; (4) failure to reimburse and indemnify expenses; (5) failure to timely

1 pay wages during and upon termination of employment; (6) failure to furnish and/or keep timely and
2 accurate wage statements and employment records; and (7) violation of the Unfair Competition Law.

3 28. Following exchange and extensive review of relevant documents and class data, on
4 May 4, 2022, there was a full-day mediation with experienced wage and hour class action mediator
5 Tripper Ortman, Esq., which resulted in a settlement.

6 29. Defendants deny any liability or wrongdoing of any kind whatsoever associated with
7 the claims in the Actions, and further deny that, for any purpose other than settling the Actions, the
8 Actions are appropriate for class action or representative treatment.

9 30. It is the Parties' desire to fully, finally and forever settle, compromise and discharge all
10 disputes and claims arising from or related to the allegations of the Actions.

11 31. It is the Parties' intention that this Stipulation of Settlement shall constitute a full and
12 complete settlement and release of all Class Released Claims and all PAGA Claims (as defined in
13 Paragraphs 64 and 65 below) against all Released Parties.

14 32. It is the Parties' intention that this Settlement shall not become effective until the
15 Effective Date, as defined in Paragraph 37, below.

16 33. Class Counsel have conducted a thorough investigation into the facts of the Actions,
17 including an extensive review of relevant documents and data, and have diligently pursued an
18 investigation of the Class Members' claims against Defendants. Based on its and their own
19 independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with
20 Defendants is fair, reasonable and adequate and is in the best interest of the Class Members in light of
21 all known facts and circumstances, including the risks of significant delay, the class not being certified,
22 and the defenses asserted by Defendants. Defendants and Defendants' Counsel also agree that the
23 Settlement is in the best interests of the Class Members. Counsel for the Parties further agree that the
24 Settlement is fair, reasonable and adequate with respect to civil penalties sought pursuant to PAGA.

25 34. The Parties agree to cooperate and take all steps necessary and appropriate to
26 consummate this settlement in accordance with the terms of this Stipulation of Settlement.

27 **TERMS OF SETTLEMENT**

1 35. In consideration of the mutual covenants, promises and agreements set forth herein, the
2 Parties agree, subject to the Court’s approval, to the terms herein.

3 36. It is agreed by and between Plaintiffs and Defendants that the Actions and any claims,
4 demands, liabilities, penalties, damages or causes of action of any kind whatsoever claimed by
5 Plaintiffs on behalf of themselves, the Class Members, and/or the PAGA Employees arising out of the
6 disputes which are the subject of the Actions, be settled and compromised, subject to the terms and
7 conditions set forth in this Stipulation of Settlement and the Court’s approval.

8 37. Effective Date: The Settlement embodied in this Stipulation of Settlement shall
9 become effective when all of the following events have occurred (“Effective Date”): (i) this Stipulation
10 of Settlement has been executed by Plaintiffs, Defendants, Class Counsel and Defendants’ Counsel;
11 (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has been sent to the
12 Class Members, providing them the opportunity to object to the Settlement, and the opportunity to opt
13 out of the Settlement; (iv) the Notice has been sent to the LWDA; (v) the Court has held a formal
14 fairness hearing and entered the Court’s Final Order and Judgment; and (vi) the later of the following
15 events: (A) sixty (60) calendar days following issuance of the Final Order and Judgment has elapsed
16 without any appeal, writ or other appellate proceeding having been filed; or (B) five (5) business days
17 from when any appeal, writ or other appellate proceeding opposing the Settlement has been finally
18 and conclusively dismissed and the Court’s Final Order and Judgment has been upheld with no right
19 to pursue further remedies or relief. If the Court declines to approve the Settlement, the entire
20 Stipulation of Settlement is deemed void and unenforceable as if no settlement of any claim was ever
21 reached. All negotiations, statements and proceedings and data relating thereto shall be protected by
22 California Evidence Code §1152 and shall be without prejudice to the rights of any of the Parties.

23 38. As a condition of this settlement, Plaintiffs shall file a Second Amended Complaint
24 (“Operative Complaint”) in the Garcia Action to add Christian Melendez, Jack Mahan, Athena Neri,
25 and Eduardo Lopez Lopez as named plaintiffs prior to obtaining preliminary approval of the
26 Settlement and which shall be the Operative Complaint, a copy of which is attached as **Exhibit A**.
27 The Operative Complaint shall include a cause of action under the Fair Labor Standards Act (“FLSA”)
28 and a cause of action pursuant to the Labor Code Private Attorneys General Act of 2004, Cal. Labor

1 Code §§ 2698, *et seq.* Defendants will be permitted to file an Answer within 30 days, and the Parties
2 will jointly seek an immediate vacation or stay of pending dates, pending approval by the Court of this
3 Settlement. The Amended Complaint shall include all PAGA claims in Plaintiffs' PAGA letters
4 submitted to the LWDA Plaintiffs.

5 39. As a condition of this Settlement, the Parties agree to exercise best efforts to stay the
6 *Melendez* Action, the *Lopez Lopez* Action, and the *Mahan* Action pending approval of this Settlement
7 agreement and the Effective Date of the same, including, but not limited to, filing a stipulation or
8 motion in each of those cases seeking a stay of the case. Further, the Parties agree to take all steps
9 necessary to dismiss the *Melendez* Action, the *Lopez Lopez* Action, and the *Mahan* Action with
10 prejudice following the Effective Date, including, but not limited to, jointly filing a stipulation of
11 dismissal in the *Melendez* Action, the *Lopez Lopez* Action and the *Mahan* Action within five (5) days
12 of the Effective Date.

13 40. Currently pending in the California Court of Appeal, Fourth District (the "Court of
14 Appeal"), is a writ proceeding filed by Plaintiff Jack Mahan of an order compelling his claims to
15 arbitration. Mahan and Defendants agree that they will exercise best efforts to try and secure a stay
16 of the writ proceeding pending approval of this Settlement, including jointly filing a notice of
17 settlement / motion to stay with the Court of Appeals stating that a settlement encompassing Mahan's
18 claims has been reached and requesting that the Court of Appeals stay further consideration of the writ
19 proceeding pending approval of the settlement. Further, if the writ proceeding remains pending on
20 the Effective Date, Mahan and Defendants agree to jointly file a stipulation of dismissal within three
21 (3) business days of the Effective Date. However, the Parties acknowledge and understand that the
22 Court of Appeals does not have to accept the request for stay or the stipulation of dismissal, and
23 understand that any opinion or orders issued by the Court of Appeal will not impact this Agreement.

24 41. Gross Settlement Amount: To implement the terms of this Settlement, Defendants
25 agree to pay a maximum total payment of One Million Seven Hundred Fifty Thousand Dollars and
26 Zero Cents (\$1,750,000.00), which includes payments to Settlement Class Members (excluding any
27 appropriate and lawfully required employer-side payroll taxes owed by Defendants on such payments
28 which Defendants shall be separately responsible for apart from the Gross Settlement Amount),

1 Incentive Awards to the Class Representative, the PAGA Payment, the Settlement Administrator's
2 fees and costs, approved attorneys' fees and litigation costs, and any other payments provided by this
3 Settlement. Except as otherwise specified herein, Defendants shall not be required to pay any
4 additional monies beyond the amount of the Gross Settlement Amount plus the employer-side payroll
5 taxes. Further, no portion of the Gross Settlement Amount shall revert to Defendants, and any amount
6 of the Gross Settlement Amount not required to pay the above-referenced amounts shall be paid to the
7 Settlement Class Members on a pro rata basis according to the formula contained herein. The Gross
8 Settlement Amount is based on Defendants' representation to Class Counsel that the Class Members
9 worked a total of 55,259 workweeks during the Class Period. Should the qualifying workweeks
10 worked by the Class Members during the Class Period ultimately increase by more than 20% (i.e., by
11 more than 11,052 workweeks), Defendants shall have an option to either: (1) have the Released Claims
12 be released only for the 66,311 workweeks; or (2) increase the Gross Settlement Amount on a pro-rata
13 basis equal to the percentage increase in the number of workweeks worked by the Class Members
14 above 20% through the date of Preliminary Approval and have the Released Claims be released
15 through the date of Preliminary Approval. For example, if the number of workweeks increased by
16 21% to 66,864 workweeks through the date of Preliminary Approval, the Gross Settlement Amount
17 would be increased by 1% to have the Released Claims be released for that full time period.

18 42. Tax Treatment of the Gross Settlement Amount: The Parties agree that the Gross
19 Settlement Amount will qualify as a settlement fund pursuant to the requirements of section 468(B)(g)
20 of the Internal Revenue Code of 1986, as amended, and section 1.468B-1 *et seq.* of the income tax
21 regulations. Furthermore, the Settlement Administrator is hereby designated as the "Administrator"
22 of the qualified settlement funds for purposes of section 1.46B-2(k) of the income tax regulations. As
23 such, all taxes imposed on the gross income of the Gross Settlement Amount and any tax-related
24 expenses arising from any income tax return or other reporting document that may be required by the
25 Internal Revenue Service or any state or local taxing body will be paid from the Gross Settlement
26 Amount.

27 43. Funding of Settlement Amount: By no later than the Effective Date, Defendants shall
28 transfer to the Settlement Administrator an amount equal to the Gross Settlement Amount plus the

1 employer's share of payroll taxes. The delivery of the Gross Settlement Amount and the employer's
2 share of payroll taxes to the Settlement Administrator shall constitute full and complete discharge of
3 the entire obligation of Defendants under this Settlement. Once Defendants have made such payments,
4 they will be deemed to have satisfied all terms and conditions under this Settlement, shall be entitled
5 to all protections afforded to Defendants under this Settlement, and shall have no further obligations
6 under the terms of the Settlement regardless of what occurs with respect to those sums.

7 44. Allocation of the Gross Settlement Amount: Subject to Court approval and the
8 conditions specified in this Agreement, and in consideration of the mutual covenants and promises set
9 forth herein, the Parties agree the Gross Settlement Amount shall encompass the following: (1) Class
10 Counsel's fees and expenses approved by the Court; (2) the Plaintiffs' Incentive Awards; (3) the
11 Settlement Administrator's costs; (4) the PAGA Payment (including both the PAGA payment to the
12 LWDA and the PAGA Settlement Checks); and (5) the Net Settlement Amount. After the deduction
13 of the amounts approved for the Incentive Awards to the Class Representative, the PAGA Payment,
14 the Settlement Administrator's costs, Class Counsel's fees and expenses, the remainder shall be
15 referred to as the Net Settlement Amount.

16 a. The Net Gross Settlement Amount shall be divided among the Settlement Class
17 Members on a pro-rata basis, based upon the following:

18 i. Each Settlement Class Member's workweek count, which shall be the sum of
19 the total number of workweeks the Settlement Class Member worked during
20 the Class Period;

21 ii. Divided by the combined sum of all Settlement Class Members' workweek
22 count; and

23 iii. Multiplied by the value of the Net Gross Settlement Amount.

24 b. The Parties agree that if any Settlement Class Member disputes the basis for
25 determining their share of the Settlement, Defendants' records shall presumptively
26 control unless the Settlement Class Member can produce documentation evidence of
27 other workweeks worked during the relevant time period. The Parties further agree
28

1 that any dispute that cannot be resolved by Class Counsel and Defendants' counsel may
2 be brought before the Court before final approval of the Class Settlement.

3 c. To the extent that amounts in Paragraphs 48 and 49 below are not approved by the
4 Court, such amounts will be reallocated to the Net Settlement Amount unless allocated
5 otherwise by agreement of the Parties, with approval of the Court.

6 d. The Parties agree that all of the Net Settlement Amount distributed to each Settlement
7 Class Member will be allocated as follows: twenty percent (20%) as alleged unpaid
8 wages, forty percent (40%) as alleged penalties, and forty percent (40%) as alleged
9 unpaid interest. The Settlement Administrator will issue an IRS W-2 to each Settlement
10 Class Member for the portion of each Individual Settlement Payment allocated as
11 alleged unpaid wages and subject to applicable tax withholdings. The Settlement
12 Administrator shall issue an IRS Form 1099-MISC to each Settlement Class Member
13 for the portion of each Individual Settlement Payment allocated as alleged unpaid non-
14 wage penalties and interest and not subject to payroll tax withholdings. The Parties
15 further agree that the PAGA payment distributed to each PAGA Employee will be
16 treated entirely as civil penalties and will be reported as such to each PAGA Employee
17 on an IRS Form 1099-MISC, if applicable.

18 e. Within ten (10) calendar days of the transfer of the Gross Settlement Amount to the
19 Settlement Administrator, and only upon the Effective Date being met, the Settlement
20 Administrator shall disburse: (1) the Net Settlement Amount to be paid to Settlement
21 Class Members; (2) the Attorney Fee Award and Cost Award to Class Counsel for
22 attorneys' fees and costs, as approved by the Court; (3) the Class Representative
23 Incentive Awards paid to the Class Representative, as approved by the Court; (4)
24 Settlement Administrator Costs, as approved by the Court; and (5) the PAGA Payment
25 to the LWDA and PAGA Employees, as approved by the Court.

26 f. Settlement Class Members and PAGA Employees must cash or deposit their Individual
27 Settlement Payment and PAGA Employee Payment checks within one hundred eighty
28 (180) days from the date of issuance of the check. If any checks are not redeemed or

1 deposited within ninety (90) calendar days after mailing, the Settlement Administrator
2 will send a reminder postcard indicating that unless the check is redeemed or deposited
3 in the next ninety (90) days, it will expire and become non-negotiable, and offer to
4 replace the check if it was lost or misplaced. If any checks remain uncashed or not
5 deposited by the expiration of the ninety (90) day period after mailing the reminder
6 notice, the Settlement Administrator will, within two hundred (200) calendar days after
7 the checks are mailed, cancel the checks. All funds associated with the Individual
8 Settlement Payment checks and PAGA Employee Payment checks returned as
9 undeliverable and funds associated with those Individual Settlement Payment checks
10 and PAGA Employee Payment checks remaining uncashed, shall be delivered to the
11 State of California's State Controller Unclaimed Property Fund with an identification
12 of the amount of unclaimed funds attributable to each Settlement Class Member and
13 PAGA Employee.

14 45. PAGA Payment: Subject to the Court's Approval, up to a maximum of Two Hundred
15 Thousand Dollars and Zero Cents (\$200,000.00) shall be allocated as the PAGA Payment. One
16 Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00), representing 75% of the PAGA
17 Payment, shall be paid to the LWDA. Fifty Thousand Dollars and Zero Cents (\$50,000.00),
18 representing 25% of the penalties paid pursuant to PAGA, shall be distributed to the PAGA Employees
19 as PAGA Employee Payments. The PAGA Employees shall release their PAGA claims in their
20 entirety and may not opt out of or object to the PAGA release. To arrive at the PAGA Employee
21 Payments, the portion of the PAGA Payment allocated to the PAGA Employees shall be divided
22 among the PAGA Employees on a pro-rata basis, based upon the following:

- 23 a. Each PAGA Employee's pay period count, which shall be the sum of the total number
24 of pay periods the PAGA Employee worked during the PAGA Period;
- 25 b. Divided by the combined sum of all PAGA Employees' pay period counts; and
- 26 c. Multiplied by the value of the portion of the PAGA Payment allocated to the PAGA
27 Employees.

1 46. Individual Settlement Payments Do Not Trigger Additional Benefits: All Individual
2 Settlement Payments, PAGA Employee Payments, and the Incentive Awards shall not be utilized to
3 calculate any additional benefits under any benefit plans to which any Plaintiff, Settlement Class
4 Members and/or PAGA Employees may be eligible including, but not limited to: retirement plans,
5 profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, paid time off,
6 sick leave plans, PTO plans, pension plans, or any other benefit plan. It is the Parties' intention that
7 this Agreement will not affect any rights, contributions, or amounts to which Plaintiffs, Settlement
8 Class Members and PAGA Employees may be entitled under any benefit plans.

9 47. Settlement Administrator: The Settlement Administrator shall be Simpluris, Inc. (the
10 "Settlement Administrator"). The Settlement Administrator will maintain acceptable electronic and
11 physical security protocols to adequately protect and safeguard the private employee information it
12 will have access to as a result of the claims process. The fees and expenses of the Settlement
13 Administrator, which is currently estimated at approximately Five Thousand Four Hundred Seventy-
14 One Dollars and Zero Cents (\$5,471.00), shall be paid out of the Gross Settlement Amount. Settlement
15 Administrator costs shall not exceed Six Thousand Dollars and Zero Cents (\$6,000.00).

16 48. Attorneys' Fees and Attorneys' Costs: Subject to the Court's approval, Class Counsel
17 shall seek attorneys' fees, which collectively shall not exceed one-third of the Gross Settlement
18 Amount, i.e., Five Hundred Eighty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty
19 Three Cents (\$583,333.33). Class Counsel shall also seek reasonable costs/expenses, subject to
20 approval by the Court. Defendants will not object to Class Counsel's application for attorneys' fees
21 and costs in these amounts. The amount set forth above will cover all work performed and all fees
22 and costs incurred to date, and all work to be performed and all fees and costs to be incurred in the
23 future in connection with the approval by the Court of this Stipulation of Settlement, and the
24 administration of the Settlement. Should the Court approve a lesser amount of attorneys' fees and/or
25 attorneys' costs, the difference between the lesser amount and the maximum amount set forth above
26 shall be added to the Net Settlement Amount. No Class Counsel shall be entitled to further fees or
27 costs from Defendants if it or they elect to appeal any reduction in the requested fee or cost award.
28 Any reduction by the Court of Class Counsel's claimed attorneys' fees and/or reasonable

1 costs/expenses shall not be sufficient grounds to void the Settlement. Plaintiffs and Defendants shall
2 bear their own attorneys' fees and costs, except as provided herein.

3 49. Class Representatives' Incentive Awards: Subject to the Court's approval, the Class
4 Representatives will each be paid an Incentive Award in the amount set forth below in recognition for
5 their service as a Class Representative, which shall be paid from the Gross Settlement Amount.
6 Defendants will not object to Class Counsel's application for Court approval of an Incentive Award
7 to the Class Representatives in the amounts set forth below. It is understood that the Incentive Awards
8 is in addition to any claimed Individual Settlement Payment or PAGA Employee Payment to which
9 Plaintiffs is entitled. The Incentive Awards shall not be deemed wages and will be reported on an IRS
10 Form 1099-MISC, if applicable.

11 a. Christian Melendez: an amount up to a maximum of Seven Thousand Five Hundred
12 Dollars and Zero Cents (\$7,500.00);

13 b. Athena Neri: an amount up to a maximum of Five Thousand Dollars and Zero Cents
14 (\$5,000.00);

15 c. Jack Mahan: an amount up to a maximum of Five Thousand Dollars and Zero Cents
16 (\$5,000.00);

17 d. Angel Garcia: an amount up to a maximum of Five Thousand Dollars and Zero Cents
18 (\$5,000.00);

19 e. Eduardo Lopez Lopez: an amount up to a maximum of Five Thousand Dollars and Zero
20 Cents (\$5,000.00).

21 50. Tax Forms: The Settlement Administrator shall be responsible for issuing the payments
22 and withholding all required state and federal taxes in accordance with this Stipulation of Settlement.
23 The Settlement Administrator will issue an IRS W-2 to each Settlement Class Member for the portion
24 of each Individual Settlement Payment allocated as alleged unpaid wages and subject to applicable tax
25 withholdings. The Settlement Administrator shall issue an IRS Form 1099-MISC to each Settlement
26 Class Member for the portion of each Individual Settlement Payment allocated as alleged unpaid non-
27 wage penalties and interest and not subject to payroll tax withholdings. The Settlement Administrator
28 will also issue IRS Forms 1099 to: (1) Plaintiffs for the Incentive Awards; (2) the PAGA Employees

1 for their portion of the PAGA Payment; and (3) Class Counsel for the amount paid for approved fees
2 and costs. The Settlement Administrator will be responsible for preparing these forms correctly. The
3 Settlement Administrator shall also be responsible for submitting Defendants' share of payroll taxes
4 to the appropriate government agencies on behalf of Defendants. Plaintiffs and Class Counsel will be
5 responsible for correctly characterizing this compensation for tax purposes and for paying any taxes
6 on the amounts received.

7 51. Indemnification: Plaintiffs and Class Counsel acknowledge and agree that they are and
8 will be responsible for the payment of any and all Federal, State, and Local taxes or penalties
9 associated with their respective allocated portions of the payments described herein, and agree to
10 indemnify, defend, and hold the Released Parties harmless from any and all claims by any Federal,
11 State, or Local taxing authority that Plaintiffs or Class Counsel failed to pay or underpaid their or her
12 or his share of taxes associated with the payments set forth in this Settlement. The Parties acknowledge
13 and agree that Class Counsel is not responsible for the payment of any Federal, State, and Local taxes
14 or penalties associated with payments to Plaintiffs and Class Members.

15 **NOTICE TO THE SETTLEMENT CLASSES**

16 52. Within fourteen (14) calendar days of preliminary approval of this Settlement by the
17 Court, Defendants shall provide to the Settlement Administrator a database containing the following
18 information ("Class Member List"):

- 19 a. The full name, last known address, last known telephone number, and full social
20 security number of all Class Members; and
21 b. The information necessary to determine the estimated settlement allocation to each
22 Class Member, including: (i) The total number of workweeks worked by each Class
23 Member within the Class Period; and (ii) The total number of pay periods worked by
24 each PAGA Employee within the PAGA Period.

25 53. The Settlement Administrator (along with any of its agents) shall represent and warrant
26 that it will: (1) provide reasonable and appropriate administrative, physical and technical safeguards,
27 including a reasonable security protocol, for any personally identifiable information ("PII"), which it
28 receives from Defendants' Counsel and/or Class Counsel; (2) not disclose the PII to third parties,

1 including agents or subcontractors, without Defendants' consent; (3) not disclose or otherwise use the
2 PII other than to carry out its duties as set forth herein; and (4) promptly provide Defendants with
3 notice if PII is subject to unauthorized access, use, disclosure, modification, or destruction. The
4 Settlement Administrator may provide notice to both Parties if the PII is subject to unauthorized
5 access, use, disclosure, modification or destruction; however, all additional communications from the
6 Settlement Administrator regarding the scope, circumstances, and substance shall be communicated
7 solely to Defendants.

8 54. The Settlement Administrator shall send a Notice to each Class Member by first-class
9 mail within fourteen (14) calendar days of receipt of the Class Member List. Prior to mailing the
10 Notice, the Settlement Administrator shall update the addresses of the Class Members by reference to
11 the National Change of Address Database maintained by the United States Postal Service. If a Notice
12 is returned as nondeliverable but with a forwarding address, the Settlement Administrator shall resend
13 the Notice to the forwarding address. If a Notice is returned as nondeliverable with no forwarding
14 address, the Settlement Administrator shall conduct an advanced skip trace to locate the most current
15 address of the person to whom the Notice was addressed and shall resend the Notice to any updated
16 address within five (5) calendar days. Upon completion of these steps, the Parties shall be deemed to
17 have satisfied their obligations to provide the Notice to the affected Class Members.

18 55. The Settlement Administrator shall provide to the Court, concurrently with Plaintiffs'
19 Motion for Final Approval, a declaration of due diligence and proof of mailing with regard to the
20 mailing of the Notices.

21 56. The Settlement Administrator shall also be responsible for:

- 22 a. Mailing the Notice as directed by the Court;
- 23 b. Consulting with counsel for the Parties concerning any relevant issue, including
24 (without limitation) the estimated amounts of approximate Individual Settlement
25 Payments, PAGA Employee Payments, and the acceptance of any late or deficient
26 disputes;
- 27 c. Keeping track of timely and proper requests for exclusion;
- 28 d. Calculation of the Individual Settlement Payments, PAGA Employee Payments, and

- 1 the PAGA Payment to the LWDA;
- 2 e. Providing weekly status reports to counsel for the Parties, including: (a) the number of
- 3 Notices mailed (including information regarding undeliverable and/or emailed
- 4 Notices); (b) the number of disputes received (and sending copies of said disputes); (c)
- 5 the number of objections received; and (d) the number of requests for exclusion
- 6 received;
- 7 f. Notifying Counsel for Defendants of the wiring instructions to fund the Settlement
- 8 Amount as approved by the Court;
- 9 g. Preparing the checks containing the Individual Settlement Payments;
- 10 h. Distributing and paying the Incentive Awards, Individual Settlement Payments, PAGA
- 11 Employee Payments, the PAGA Payment to the LWDA, and fees and costs awarded to
- 12 Class Counsel;
- 13 i. Issuing tax forms and addressing employer and employee-side payroll taxes; and
- 14 j. Such other tasks as the Parties mutually agree or the Court orders the Settlement
- 15 Administrator to perform, including responding to questions from Class Members.
- 16

17 **REQUESTS FOR EXCLUSION**

18 57. Each Class Member shall have sixty (60) calendar days from the mailing of the Notice

19 within which to complete and postmark a written request for exclusion, for return to the Settlement

20 Administrator. The written request for exclusion must: (1) state the Class Member's name, address,

21 telephone number, and social security number or employee identification number; (2) state the Class

22 Member's intention to exclude themselves from or opt-out of the Settlement (e.g. "I want to exclude

23 myself from this settlement. I also understand that I retain all rights to sue the Defendants for the

24 claims asserted in this lawsuit."); (3) be addressed to the Settlement Administrator; (4) be signed by

25 the Class Member or his or her lawful representative; and (5) be postmarked no later than sixty (60)

26 calendar days from the mailing of the Notice (or the ten (10) day extension referenced below for

27 eligible Class Members). No requests for exclusion shall be accepted if postmarked after the sixty

28 (60) calendar day period for the filing of exclusions. Class Members whose Notices are returned as

1 undeliverable and who are sent a re-mailed Settlement Notice shall be given an extension of ten (10)
2 calendar days from their original Response Deadline to postmark a request for exclusion. Class
3 Members are responsible for maintaining a photocopy of their request for exclusion, reflecting that it
4 was submitted in a timely manner. Any disputes regarding the timeliness of a request for exclusion
5 or whether a written communication constitutes a valid request that cannot be resolved between the
6 Parties shall be determined by the Court, whose determination shall be final.

7 58. Any Class Member who validly excludes himself/herself/themselves from this
8 Settlement shall not be bound by this Settlement Agreement and shall not be entitled to any portion of
9 the Net Settlement Amount.

10 59. If five percent (5%) or more of the Class Members opt out of the Settlement by
11 submitting valid and timely requests for exclusion, Defendants shall have the sole and absolute
12 discretion to rescind/void the Settlement Agreement within twenty (20) days after receiving from the
13 Settlement Administrator the final list of requests for exclusion. Defendants agree to meet and confer
14 in good faith with Class Counsel before rescinding or voiding the Settlement Agreement. In the event
15 that Defendants elect to rescind/void the Settlement Agreement, Defendants shall provide written
16 notice of such rescission to Class Counsel. Such rescission shall have the same effect as a termination
17 of the Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement
18 Agreement shall become null and void and have no further force or effect. The Parties specifically
19 agree not to solicit opt-outs, directly or indirectly, through any means.
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21

22 **OBJECTIONS TO THE SETTLEMENT**

23 60. Each Class Member shall have sixty (60) calendar days from the mailing of the Notice,
24 or such number of days as the Court shall specify, within which to postmark an objection, for return
25 to the Settlement Administrator. Class Members whose Notices are returned as undeliverable and who
26 are sent a re-mailed Settlement Notice shall be given an extension of ten (10) days from their original
27 Response Deadline to postmark an objection. Any Class Member, who does not affirmatively opt-out
28 of the Settlement by submitting a valid and timely request for exclusion, may object to the approval

1 of class action settlement (“Objecting Class Member”). Any Class Member who makes a timely
2 request for exclusion has waived their right to object. The Objecting Class Member shall inform the
3 Settlement Administrator in writing and (1) state the case name and number of the action; (2) state the
4 Class Member’s name, address, telephone number, and social security number or employee
5 identification number; (3) describe, in clear and concise terms, the legal and factual arguments
6 supporting the objection; (4) list identifying witness(es) the objector may call to testify at the Final
7 Approval Hearing; (5) provide true and correct copies of any exhibit(s) the objector intends to offer at
8 the Final Approval Hearing; (6) state whether the objection applies only to the objector, to a specific
9 subset of the Class, or to the entire Class; (7) be addressed to the Settlement Administrator; (8) be
10 signed by the Class Member or his or her lawful representative; and (9) be postmarked no later than
11 sixty (60) calendar days from the mailing of the Notice (or the ten (10) day extension referenced above
12 for eligible Class Members). Regardless of whether a Class Member timely submitted a written
13 objection, a Class Member who wishes to appear at the Final Approval Hearing and be heard orally in
14 support of, or in opposition to the class action settlement, may do so. Class Members shall have no
15 right to object to the PAGA release or PAGA Payment.

16 61. Any Class Member who fails to timely submit an objection shall be foreclosed from
17 making any objection to this Settlement or from filing an appeal of the Court’s Final Order and
18 Judgment unless otherwise ordered by the Court.

19 62. Counsel for the Parties shall file any response to the objections submitted by Objecting
20 Class Members, if any, at least seven (7) calendar days before the date of the Final Approval Hearing.

21 63. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage
22 Class Members to submit written objections to the Settlement or to appeal from the Court’s Final
23 Order and Judgment. Class Counsel shall not represent any Class Members with respect to any such
24 objections to this Settlement.

25 **RELEASE OF CLAIMS BY CLASS REPRESENTATIVE, SETTLEMENT CLASS**

26 **MEMBERS, AND PAGA EMPLOYEES**

27 64. The “Class Released Claims”. Upon the date the Settlement is funded, the Settlement
28 Class Members and Plaintiffs release all claims pleaded in the Operative Complaint, attached hereto

1 as **Exhibit A**, and which could have been alleged based upon the facts, allegations and/or claims
2 pleaded in the Operative Complaint, against the Released Parties (as defined above), for work
3 performed during the Class Period, including the following:

4 a. The Claims set forth in the Operative Complaint, specifically, (1) failure to pay and/or
5 accurately calculate minimum, regular, overtime, double time, prevailing and vacation
6 wages (Violations of Labor Code §§ 227.3, 510, 1194, 1194.2, 1197, 1197.1, 1198,
7 1770); (2) failure to provide meal periods or pay premiums in lieu thereof (Violations
8 of Labor Code §§ 512, 226.7, and the applicable Wage Orders); (3) failure to provide
9 rest periods or pay premiums in lieu thereof (Violation of Labor Code § 226.7 and the
10 applicable Wage Order); (4) failure to reimburse and indemnify expenses (Violation of
11 Labor Code §§ 2800 and 2802); (5) failure to timely pay wages during and upon
12 termination of employment (Violation of Labor Code §§ 201-204); (6) failure to furnish
13 and/or keep timely and accurate wage statements and employment records (Violation
14 of Labor Code §§ 226, 1174, 1174.5); violation of California Unfair Competition Law
15 (Violation of Business & Professions Code § 17200 *et seq.*); (8) Violation of the
16 California Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.*); (9)
17 violation of the Fair Labor Standards Act (29 U.S.C. § 201 *et seq.*).

18 b. Any claims predicated on the same or similar facts and/or claims alleged in the
19 Operative Complaint and/or PAGA letter or amended PAGA letter sent to the LWDA
20 by Plaintiffs during the pendency or prior to the Actions and incorporated therein, as
21 well as any claims that could have been pled which arise from the facts alleged in the
22 Operative Complaint concerning Plaintiffs or the Class Members, including any claims
23 for unpaid wages (including minimum, regular, vacation, prevailing and overtime
24 wages), unlawful rounding of employee time punches, untimely wage payments both
25 during and at the end of employment, noncompliant meal periods, noncompliant rest
26 periods, noncompliant wage statements, failure to reimburse and indemnify business
27 expenses, failure to correctly calculate the regular rate of pay, and claims for interest,
28 penalties (including, but not limited to, waiting time penalties), or premiums in

1 connection therewith, as well as any claims under the California Labor Code and
2 California Industrial Welfare Commission Wage Orders that were alleged or which
3 could have been alleged under the facts, allegations and/or claims pleaded in the
4 Operative Complaint.

5 c. Any claims for injunctive relief, declaratory relief, restitution, fraudulent business
6 practices or punitive damages alleged or which could have been alleged under the facts,
7 allegations and/or claims pleaded in the Operative Complaint;

8 d. In addition, to the extent required by law, the cashing of the settlement check by the
9 Settlement Class Member shall be deemed to be an opt-in for purposes of releasing
10 Released Parties from any claims under the Fair Labor Standards Act (“FLSA”) that
11 were alleged or could have been alleged under the facts, allegations and/or claims
12 pleaded in the Operative Complaint consistent with *Rangel v. PLS Check Cashers of*
13 *Cal., Inc.*, 899 F.3d 1106, 1110-11 (9th Cir. 2018) (holding opt-out release of California
14 state law claims was *res judicata* against FLSA claims “which were direct federal law
15 counterparts to the state law claims settled”).

16 65. Release of PAGA Claims. Upon the date the Settlement is funded, Plaintiffs and the
17 PAGA Employees hereby do and shall be deemed to have fully, finally, and forever released, settled,
18 compromised, relinquished and discharged any and all of the Released Parties of and from any and all
19 claims for violation of the California Private Attorneys General Act of 2004 (Labor Code § 2698 *et*
20 *seq.*), (“PAGA claims”) as alleged in the Operative Complaint, attached hereto as **Exhibit A**, which
21 includes those alleged in the PAGA letter(s) sent to the LWDA by Plaintiffs that arose at any time
22 during the PAGA Period. The PAGA Employees will be issued a check for their share of the PAGA
23 Payment and will not have the opportunity to opt out of, or object to, the PAGA Payment and release
24 of the PAGA Claims set forth in this Paragraph. The PAGA Employees are bound by the release of
25 the PAGA Claims regardless of whether they cash or deposit their PAGA Employee Payment.

26 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL/CLASS CERTIFICATION**

27 66. For settlement purposes only, the Parties agree that the Class as defined in Paragraph 3
28 herein, and which will run through the date of preliminary approval, may be certified in the Actions.

1 The Parties are not certifying any PAGA claims. In support of this Agreement, Plaintiffs will request
2 that the Court certify for settlement purposes the Class as to all non-PAGA claims that have been
3 asserted, which Defendants shall not oppose or object to.

4 67. Class Counsel shall promptly submit this Stipulation of Settlement to the Court in
5 support of Plaintiffs' Motion for Preliminary Approval and for determination by the Court as to
6 whether the proposed Settlement is within the range of possible judicial approval. Promptly upon
7 execution of this Stipulation of Settlement, Class Counsel shall apply to the Court for the entry of an
8 order substantially in the following form:

- 9 a. Scheduling of the Final Approval Hearing on the question of whether the proposed
10 Settlement, including payment of attorneys' fees and costs and the Incentive Awards
11 should be finally approved as fair, reasonable and adequate as to the Settlement Class
12 Members and for approval of the PAGA Settlement;
- 13 b. Certifying the Settlement Class;
- 14 c. Approving the Notice attached hereto as **Exhibit B**;
- 15 d. Directing the mailing of the Notice by first-class mail to the Class Members and PAGA
16 Employees; and
- 17 e. Preliminarily approving the Settlement subject only to the objections of the Class
18 Members and final review by the Court.

19 68. The Parties will work cooperatively to mutually agree upon the form and content of the
20 Notice, as well as the Proposed Order Granting Preliminary Approval.

21 69. The Class Representative and Class Counsel will not make any public disclosure of the
22 Settlement until after the filing of the motion for preliminary approval of the Settlement. The Class
23 Representative and each Class Counsel represent that they have not made any such disclosure. The
24 Class Representative and Class Counsel shall not encourage any Class Members to opt-out. Class
25 Counsel will take all steps necessary to ensure that the Class Representative is aware of, and will
26 encourage him to adhere to, the restriction against any public disclosure of the Settlement until after
27 the Settlement is preliminarily approved by the Court. Thereafter, Class Counsel and the Class
28 Representative agree not to publicize the terms of this Settlement with the media, including, but not

1 limited to, any newspaper, journal, magazine, website and/or online reporter of settlements, or
2 publicize the fact or the terms of this Settlement on any website. Nothing in this Settlement Agreement
3 shall restrict Class Counsel from disclosing and including all publicly available information regarding
4 this case and the Settlement in any documents filed with the court and/or judicial submissions (e.g.,
5 declarations regarding adequacy or experience, etc.).

6 **DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL**

7 70. Following final approval by the Court of the Settlement provided for in this Stipulation
8 of Settlement, Class Counsel shall submit a proposed Final Order and Judgment in approximately the
9 following form and with input from Defendants' Counsel: Approving the Settlement, adjudging the
10 terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and
11 provisions including the approval of Class Counsel's application for an award of attorneys' fees and
12 costs and the Incentive Awards to the Class Representative. The Parties will work cooperatively to
13 mutually agree upon the form and content of the Proposed Order Granting Final Approval of the Class
14 Settlement and Approval of the PAGA Settlement and Judgment.

15 **VOIDING OF AGREEMENT IF SETTLEMENT NOT FINALIZED**

16 71. Subject to the obligations of mutual full cooperation set forth herein, either Plaintiffs
17 or Defendants may terminate this Settlement if after submitting the settlement for approval to the
18 Court, the Court declines to enter the preliminary approval order, the final approval order, or judgment
19 in substantially the form submitted by the Parties, or if the Stipulation of Settlement as agreed does
20 not become final because of appellate court action. The terminating Party shall give to the other Party
21 (through counsel) written notice of its decision to terminate no later than fourteen (14) calendar days
22 after receiving notice that one of the enumerated events has occurred. Termination shall have the
23 following effects:

24 (a) The Stipulation of Settlement shall be terminated and shall have no force or effect, and
25 no Party shall be bound by any of its terms.

26 (b) In the event the Settlement Agreement is terminated, Defendants shall have no
27 obligation to make any payments to any party, Settlement Class Member, PAGA
28

1 Employee or Class Counsel, except for all of the Settlement Administration costs
2 incurred by the Settlement Administrator as of the date of termination.

3 (c) The preliminary approval order, final approval order and judgment shall be vacated.

4 (d) The Stipulation of Settlement and all negotiations, statements and proceedings relating
5 thereto shall be without prejudice to the rights of any of the Parties, all of whom shall
6 be restored to their respective positions prior to the Settlement.

7 (e) Except as otherwise discoverable, neither this Stipulation of Settlement nor any
8 ancillary documents, actions, statements or filings in furtherance of settlement
9 (including all matters associated with the mediation) shall be admissible or offered into
10 evidence in the Actions or any other action for any purpose whatsoever.

11 **PARTIES' AUTHORITY**

12 72. The signatories hereto hereby represent that they are fully authorized to enter into this
13 Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

14 **MUTUAL FULL COOPERATION**

15 73. The Parties agree to fully cooperate with each other to accomplish the terms of this
16 Stipulation of Settlement, including, but not limited to, execution of such documents and taking of
17 such action as reasonably may be necessary to implement the terms of this Stipulation of Settlement.
18 The Parties to this Stipulation of Settlement shall use their best efforts, including all efforts
19 contemplated by this Stipulation of Settlement and any other efforts that may become necessary by
20 order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set forth
21 herein. As soon as practicable after execution of this Stipulation of Settlement, Class Counsel shall
22 take all necessary steps to secure the Court's final approval of this Stipulation of Settlement.

23 74. The Parties and their respective counsel agree that they will not attempt to encourage
24 or discourage Class Members from filing requests for exclusion.

25 **NO PRIOR ASSIGNMENTS**

26 75. The Parties and their respective counsel represent, covenant and warrant that they have
27 not, directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
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1 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
2 or right herein released and discharged except as set forth herein.

3 **NO ADMISSION**

4 76. Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to
5 be construed or deemed an admission of liability, culpability, negligence or wrongdoing on the part of
6 Defendants. Each of the Parties hereto has entered into this Stipulation of Settlement solely with the
7 intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

8 **BREACH AND ENFORCEMENT ACTIONS**

9 77. The Parties will jointly request that the Court retain jurisdiction pursuant to California
10 Code of Civil Procedure § 664.6 to oversee and enforce the terms of this Settlement. In the event of
11 a breach of this Settlement, the nonbreaching Party shall provide notice to the breaching party and
12 request that the breaching party cure any alleged breach. If the breach is not cured within thirty (30)
13 days of said notice, the nonbreaching party may pursue legal action or other proceeding against any
14 other breaching party or parties to enforce the provisions of this Stipulation of Settlement or to declare
15 rights or obligations under this Stipulation of Settlement. In the event of such enforcement actions,
16 the successful party or parties shall be entitled to recover from the unsuccessful party or parties
17 reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any
18 enforcement actions. All such disputes shall be resolved by the Court.

19 **NOTICES**

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

24 **To Plaintiffs, the Settlement Class and Class Counsel:**

25 Jonathan M. Genish
26 jgenish@blackstonepc.com
27 BLACKSTONE LAW, APC
28 8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211

Jordan S. Esensten
jesensten@esenstenlaw.com
Robert L. Esensten
Resensten@esenstnlaw.com
ESENSTEN LAW
12100 Wilshire Boulevard, Suite 1660
Los Angeles, California 90025

25.

1 Telephone: (310) 622-4278
2 Facsimile: (855) 786-6356

Telephone: (310) 273-3090
Facsimile: (310) 207-5969

3 Brian D. Chase
4 bchase@bisnarchase.com
5 Ian M. Silvers
6 isilvers@bisnarchase.com
7 BISNAR | CHASE LLP
8 1301 Dove Street, Suite 120
9 Newport Beach, CA 92660
10 Telephone: (949) 752-2999
11 Facsimile: (949) 752-2777

Joseph Lavi, Esq. (State Bar No. 209776)
jlavi@lelawfirm.com
Vincent C. Granberry, Esq. (State Bar No.
276483)
vgranberry@lelawfirm.com
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Blvd., Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000
Facsimile: (310) 432-0001

8 Sahag Majarian II, Esq.
9 sahaii@aol.com
10 **Law Offices of Sahag Majarian II**
11 18250 Ventura Boulevard
12 Tarzana, California 91356
13 Telephone: (818) 609-0807
14 Facsimile: (818) 609-0892

To Defendant and Defendant's Counsel:

12 Elizabeth Staggs-Wilson
13 LITTLER MENDELSON, P.C.
14 633 West 5th Street, 63rd Floor
15 Los Angeles, CA 90071
16 Telephone: (213) 443-4300
17 E-mail: Estaggs-wilson@littler.com

CONSTRUCTION

18 79. The Parties hereto agree that the terms and conditions of this Stipulation of Settlement
19 are the result of lengthy, intensive arms-length negotiations between the Parties, and this Stipulation
20 of Settlement shall not be construed in favor of or against any party by reason of the extent to which
21 any Party or their counsel participated in the drafting of this Stipulation of Settlement.

CAPTIONS AND INTERPRETATIONS

23 80. Paragraph titles or captions contained herein are inserted as a matter of convenience
24 and for reference, and in no way define, limit, extend or describe the scope of this Stipulation of
25 Settlement or any provision of it. Each term of this Stipulation of Settlement is contractual and not
26 merely a recital.

1 **MODIFICATION**

2 81. This Stipulation of Settlement may not be changed, altered or modified, except in
3 writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement
4 may not be discharged except by performance in accordance with its terms or by a writing signed by
5 the Parties hereto.

6 **INTEGRATION CLAUSE**

7 82. This Stipulation of Settlement, and the Exhibits attached hereto and incorporated herein
8 by reference, contain the entire agreement between the Parties relating to the settlement and transaction
9 contemplated hereby, and all prior or contemporaneous agreements, understandings, representations
10 and statements, whether oral or written and whether by a Party or such Party's legal counsel, are
11 merged herein. No rights hereunder may be waived except in writing.

12 **BINDING ON ASSIGNS**

13 83. This Stipulation of Settlement shall be binding upon and inure to the benefit of the
14 Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

15 **CLASS MEMBER SIGNATORIES**

16 84. It is agreed that because the Class Members are so numerous, it is impossible or
17 impractical to have each member execute this Stipulation of Settlement. The Class Notice, Exhibit
18 "B" hereto, will advise the Class Members of the binding nature of the release, and the release shall
19 have the same force and effect as if this Stipulation of Settlement were executed by each member.


20 **COUNTERPARTS**

21 85. This Stipulation of Settlement may be executed in counterparts and by facsimile
22 signatures, and when each party has signed and delivered at least one such counterpart, each
23 counterpart shall be deemed an original and, when taken together with other signed counterparts, shall
24 constitute one Stipulation of Settlement binding upon and effective as to all Parties.

25 IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this Joint
26 Stipulation of Settlement and Release between Plaintiffs and Defendants as of the date(s) set forth
27 below:

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Dated: 01/25/2023, 2023



Angel Garcia
Plaintiff and Class Representative

Dated: _____, 2023

Christian Melendez
Plaintiff and Class Representative

Dated: _____, 2023

Jack Mahan
Plaintiff and Class Representative

Dated: _____, 2023

Athena Neri
Plaintiff and Class Representative

Dated: _____, 2023

Eduardo Lopez Lopez
Plaintiff and Class Representative

Dated: _____, 2023

Defendant J&B Investments, Inc. d/b/a
J&B Materials, Inc.

Dated: _____, 2023

Defendant Pacific Gypsum Supply, Inc.

Dated: _____, 2023

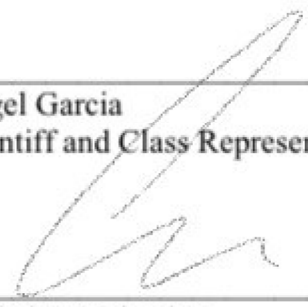
Defendant Gypsum Management and Supply, Inc.

APPROVED AS TO FORM AND CONTENT:

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Dated: _____, 2023

Angel Garcia
Plaintiff and Class Representative



01-24

Dated: _____, 2023

Christian Melendez
Plaintiff and Class Representative

Dated: _____, 2023

Jack Mahan
Plaintiff and Class Representative

Dated: _____, 2023

Athena Neri
Plaintiff and Class Representative

Dated: _____, 2023

Eduardo Lopez Lopez
Plaintiff and Class Representative

Dated: _____, 2023

Defendant J&B Investments, Inc. d/b/a
J&B Materials, Inc.

Dated: _____, 2023

Defendant Pacific Gypsum Supply, Inc.

Dated: _____, 2023

Defendant Gypsum Management and Supply, Inc.

APPROVED AS TO FORM AND CONTENT:

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Dated: _____, 2023

Angel Garcia
Plaintiff and Class Representative

Dated: _____, 2023

Christian Melendez
Plaintiff and Class Representative

Dated: _____, 2023



Jack Mahan
Plaintiff and Class Representative

Dated: _____, 2023

Athena Neri
Plaintiff and Class Representative

Dated: _____, 2023

Eduardo Lopez Lopez
Plaintiff and Class Representative

Dated: _____, 2023

Defendant J&B Investments, Inc. d/b/a
J&B Materials, Inc.

Dated: _____, 2023

Defendant Pacific Gypsum Supply, Inc.

Dated: _____, 2023

Defendant Gypsum Management and Supply, Inc.

APPROVED AS TO FORM AND CONTENT:

1 Dated: _____, 2023

Angel Garcia
Plaintiff and Class Representative

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Christian Melendez
Plaintiff and Class Representative

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8 Dated: _____, 2023

Jack Mahan
Plaintiff and Class Representative

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11 Dated: February 2, 2023

rlc

Athena Neri
Plaintiff and Class Representative

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15 Dated: _____, 2023

Eduardo Lopez Lopez
Plaintiff and Class Representative

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Defendant J&B Investments, Inc. d/b/a
J&B Materials, Inc.

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22 Dated: _____, 2023

Defendant Pacific Gypsum Supply, Inc.

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25 Dated: _____, 2023

Defendant Gypsum Management and Supply, Inc.

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Dated: _____, 2023

Angel Garcia
Plaintiff and Class Representative

Dated: _____, 2023

Christian Melendez
Plaintiff and Class Representative

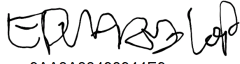
Dated: _____, 2023

Jack Mahan
Plaintiff and Class Representative

Dated: _____, 2023

Athena Neri
Plaintiff and Class Representative

Dated: January 26, 2023, 2023

DocuSigned by:

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Eduardo Lopez Lopez
Plaintiff and Class Representative

Dated: _____, 2023

Defendant J&B Investments, Inc. d/b/a
J&B Materials, Inc.

Dated: _____, 2023

Defendant Pacific Gypsum Supply, Inc.

Dated: _____, 2023

Defendant Gypsum Management and Supply, Inc.

APPROVED AS TO FORM AND CONTENT:

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Angel Garcia
Plaintiff and Class Representative

Dated: _____, 2023

Christian Melendez
Plaintiff and Class Representative

Dated: _____, 2023

Jack Mahan
Plaintiff and Class Representative

Dated: _____, 2023

Athena Neri
Plaintiff and Class Representative

Dated: _____, 2023

Eduardo Lopez Lopez
Plaintiff and Class Representative

Dated: 1/19/2023 _____, 2023

Bob Young

Defendant J&B Investments, Inc. d/b/a
J&B Materials, Inc.

Dated: 1/19/2023 _____, 2023

[Signature]

Defendant Pacific Gypsum Supply, Inc.

Dated: 1/19/2023 _____, 2023

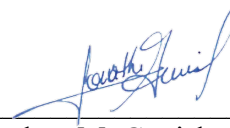
[Signature]

Defendant Gypsum Management and Supply, Inc.

APPROVED AS TO FORM AND CONTENT:

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Dated: January 25, 2023



Jonathan M. Genish
Counsel for Angel Garcia and the Putative Class

Dated: _____, 2023

Jordan S. Esensten
Counsel for Christian Melendez, Jack Mahan,
Athena Neri, and the Putative Class

Dated: _____, 2023

Ian M. Silvers
Counsel for Christian Melendez, Jack Mahan,
Athena Neri, and the Putative Class

Dated: _____, 2023

Joseph Lavi
Counsel for Eduardo Lopez Lopez and the
Putative Class

Dated: _____, 2023

Elizabeth Staggs Wilson
Counsel for Defendants

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Dated: 1/24/2023, 2023

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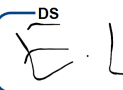
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Joseph Lavi
Counsel for Eduardo Lopez Lopez and the
Putative Class

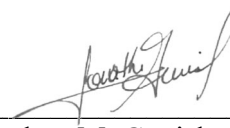
Dated: _____, 2023

Elizabeth Staggs Wilson
Counsel for Defendants



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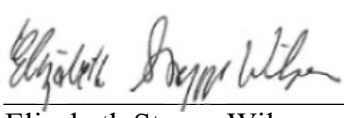
Dated: _____, 2023

Ian M. Silvers
Counsel for Christian Melendez, Jack Mahan,
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Dated: _____, 2023

Joseph Lavi
Counsel for Eduardo Lopez Lopez and the
Putative Class

Dated: February 3, 2023



Elizabeth Staggs Wilson
Counsel for Defendants