

SETTLEMENT AGREEMENT

Subject to the approval of the Superior Court for the State of Washington, in and for the County of King at Seattle, Plaintiffs Valentin Barona Ruiz and Orvelin Barona Ruiz, individually and on behalf of all Class Members, as defined herein, and Defendant Altomare Painting, LLC, a Washington limited liability company, (“Altomare” or “Defendant”), agree to the terms of this joint settlement agreement and release (the “Settlement”).

I. DEFINITIONS

For the purposes of the Settlement, any word or phrase that is presented in initial capital letters (e.g., Class Member), is a word or phrase defined herein.

1. “Action” shall mean the civil action currently pending in King County Superior Court, entitled “*Valentin Barona Ruiz and Orvelin Barona Ruiz, individually and on behalf of all others similarly situated, Plaintiffs, v. Altomare Painting, LLC, a Washington limited liability company, Defendant.*” Case No. 19-2-18337-3 SEA; Complaint filed on July 12, 2019.

2. “Check Cashing Period” shall mean the 90-day period commencing the date on which the Settlement Proceeds are mailed to the Class Members. After the 90-day Check Cashing Period, any uncashed proceeds shall be dispersed as set forth in Section III, paragraph 37, below.

3. “Class Counsel” shall mean Craig Ackermann and Brian Denlinger of Ackermann & Tilajef, P.C.; India Lin Bodien, Attorney at Law; and Law Offices of Tatiana Hernandez;

4. “Class Member” shall mean all individuals who (1) resided in Washington State, (2) were employed by Defendant, (3) in the position of painter, or any similar position, (4) and who worked at least one week of over 40 hours during which they also received bonus earnings, (5) at any time from July 12, 2016 through July 30, 2019 (collectively, “Class Members” or the “Class”). As of November 19, 2019, based on a review of Defendant’s records, Defendant represents there are approximately 38 Class Members.

5. "Response Deadline" shall mean the date by which Share Forms must be postmarked and/or received by the Settlement Administrator if any Class Member wishes to opt out of the Settlement, file an objection to the Settlement, or challenge their Settlement Share. The Response Deadline shall be forty-five (45) calendar days from the mailing of the Class Notice and Share Form.

6. "Settlement Share," "Settlement Proceeds," or "Individual Settlement Payment" shall mean the amount of money allocated to each Class Member pursuant to paragraph 40 of this Settlement.

7. "Class Period" shall mean the period from July 12, 2016 through July 30, 2019;

8. "Class Representatives," "Plaintiffs" and "Named Plaintiffs" shall mean Valentin Barona Ruiz v. Orvelin Barona Ruiz, the people identified as named Plaintiffs in the operative Complaint;

9. "Court" shall mean the Superior Court for the State of Washington, in and for the County of King at Seattle;

10. "Defendant," "Altomare," or the "Company" shall mean Altomare Painting, LLC, a Washington limited liability company;

11. "Employer's Taxes" shall mean and refer to Defendant's share of payroll taxes (e.g. UI, ETT, Social Security and Medicare taxes) that is owed on the portion of any Class Participant's Individual Settlement Amount that constitutes wages as set forth in section III, paragraph 40. The Employer's Taxes shall be separately paid by Defendant and shall not be paid from the Gross Settlement Amount or Net Settlement Amount.

12. "Final" shall mean the latest of the following dates, as applicable: the date the Court has rendered a Final Judgment of the Settlement and either (i) the Washington State Supreme Court or the U.S. Supreme Court has rendered a final judgment affirming the Court's

approval without material modification and the applicable date for seeking further appellate review has passed, or (ii) the applicable date for seeking appellate review of the Court's Final Judgment of the Settlement has passed without a timely appeal or a request for review having been made.

13. "Final Judgment" shall mean the order granting final approval of the class action settlement entered by the Court.

14. "Gross Settlement Amount" shall mean the all-inclusive settlement amount of \$70,000 that Defendant will be obligated to pay in connection with the Settlement. From the Gross Settlement Amount will be deducted all costs incurred in connection with the Settlement, including: Plaintiffs' Class Representative Payments (\$5,000 each, i.e., \$10,000 total); Class Counsels' attorneys' fees and expenses (including all attorneys' fees and expenses incurred to date and to be incurred in documenting the Settlement, securing trial and appellate court approval of the Settlement, attending to the administration of the Settlement, and obtaining a dismissal of the Action) 30% of the Gross Settlement Amount, i.e., \$21,000 in fees, and up to \$9,000 in costs and expenses to be paid out of the Gross Settlement Amount); the Settlement Administrator's actual fees and expenses (estimated to be no more than \$5,000). Defendant shall pay the employer's portion of the Employer's Taxes on the final wage component portion of the Individual Settlement Payment on top of the Gross Settlement Amount. The amount remaining in the Gross Settlement Amount after all applicable deductions shall be referred to as the "Settlement Proceeds" or "Net Settlement Amount." The Net Settlement Amount will be paid out to the Class Members without the need for Class Members to claim their pro rata share.

15. "Individual Settlement Payment" shall mean the Settlement Proceeds provided to an individual Class Member.

16. "Net Settlement Amount" shall have the meaning described in "Gross Settlement Amount," above.

17. “Notice” shall mean the Notice of Class Action Settlement, attached hereto as **Exhibit A**. It is the Notice, approved by the Parties and subject to Court approval, which the Settlement Administrator will mail to each Class Member explaining the terms of the Settlement.

18. “Participating Class Members” shall mean all Class Members other than those who timely and properly elect not to participate in the Settlement by submitting a written and valid Opt Out.

19. “Parties” shall mean Class Members, Class Representatives, and Defendant, and “Party” shall mean any one of the Parties.

20. “Underpaid Overtime Earnings” shall mean the difference between the overtime wages paid to Class Members and the overtime wages that should have been paid to Class Members had Defendant included all bonus earnings when calculating the regular rate of pay for purposes of calculating the applicable overtime rate of pay during the Class Period;

21. “Opt Out” refers to the process by which a Class Member must timely and properly submit a written notice to the Settlement Administrator to exclude himself or herself from the Settlement herein, as well as to prevent the release of his/her claims raised in this Action.

22. “Settlement” shall mean this settlement agreement between the Parties, which, with Court approval, is intended to provide the terms relevant to the resolution of the Action with regard to all Participating Class Members.

23. “Settlement Administrator” shall mean the Settlement Administrator that the Parties mutually select to perform the duties set forth in this Settlement, subject to the Court’s approval.

24. “Settlement Effective Date” shall mean the date by which all of the following have occurred: (i) the Parties, or any one of them, has not voided this Settlement pursuant to Section

XXVII, paragraphs 87 or 88; (ii) the Court has granted Final Approval and entered Final Judgment as to this Settlement; and (iii) the Court's Final Judgment has become Final.

25. "Settlement Proceeds" shall have the meaning described in "Gross Settlement Amount," above.

26. "Share Form," shall mean a form in substantially the form as Exhibit A, attached hereto. It is the Share Form, approved by the Parties and subject to Court approval, which the Settlement Administrator will mail to each Class Member explaining the Class Member's estimated Individual Settlement Payment.

II. RECITALS

27. On July 12, 2019, Plaintiffs commenced the Action on behalf of themselves and all others allegedly similarly situated with respect to the claims asserted, and on September 6, 2019, Plaintiffs filed their First Amended Complaint (the "operative Complaint").

28. Soon after, the Parties, through their attorneys, agreed to attend a private mediation on November 19, 2019 and engage in an informal exchange of discovery and information. Plaintiffs sent a request for informal discovery to Defense counsel, and in mid-November of 2019, Defendant's counsel provided Plaintiffs' counsel with requested class data and a set of response documents including, *inter alia*, responses to Plaintiffs' requests for class data regarding the total amount of overtime hours worked, average overtime rate actually paid out, the total amount paid out in bonuses during weeks in which overtime was worked, and the average overtime rate that would have been paid if bonuses were included in the regular rate; random sample wage statements during the Class Period from putative Class Members; and an excel spreadsheet with itemized compensation data for the "random sample" putative Class Members.

29. On November 19, 2019, the Parties engaged in a private mediation in Woodinville, Washington with Eric English, Esq. serving as neutral. The Class Members were represented by

Plaintiffs' counsel, and the Defendant was represented by its counsel. At mediation, the Parties agreed to resolve this matter under the terms of this Agreement.

30. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged, and contends that, for any purpose other than this Settlement, the Action is not appropriate for class treatment under Washington CR 23, Rule 23 of the Federal Rules of Civil Procedure, or otherwise. The Parties agree, however, that it is appropriate to certify the class for purposes of this Settlement only.

31. Class Counsel represent that they have conducted a thorough investigation into the facts of this Action and have diligently pursued an investigation of the Class Members' claims against Defendant, including engaging in pre-negotiation investigation, reviewing substantial data and documents, and researching the applicable law and potential defenses. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement is fair, reasonable and adequate and is in the best interests of Class Members in light of all known facts and circumstances, including the risk of protracted litigation, the risk that the Court would not certify a class action, and Defendant's defenses and potential appellate issues.

32. Defendant agrees that the Settlement is fair, reasonable and adequate under the circumstances, taking into account litigation risks and costs of defense.

33. This Settlement represents a compromise of materially disputed claims. Nothing in this Settlement is intended or will be construed as an admission by Defendant that Plaintiffs' claims in the Action have merit or that Defendant has any liability to Plaintiffs or the Class Members on those claims.

34. The entry of Final Judgment in this action shall dismiss with prejudice all claims set forth in the Action, provided that it will also state that the Court retains jurisdiction to enforce the terms of the Settlement.

III. TERMS OF SETTLEMENT

35. The Parties agree that, with the Court's approval, the Court shall certify a class solely for the purpose of implementing the terms of this Settlement.

36. Gross Settlement Amount: The Gross Settlement Amount under this Settlement is \$70,000 as defined above.

37. Checks Cashed Process: Participating Class Members (i.e., those who do not timely and validly Opt Out) will receive a check pursuant to this Settlement as set forth under Paragraph 40. If any Participating Class Members do not cash their checks within the 90-day Check Cashing Period, any amounts associated with those Class Members' uncashed checks will be sent by the Settlement Administrator to the State of Washington with the associated name of the Class Member pursuant to Washington's Unclaimed Property Act (RCW 63.29, *et seq.*). If any Class Members opt-out of the Settlement, their portion of the Settlement shall remain in the Settlement Proceeds.

38. Class Counsel's Attorneys' Fees and Costs: Defendant will not oppose Class Counsel's request to the Court for approval of a total for attorneys' fees in an amount that does not exceed 30% of Gross Settlement Amount (i.e., \$21,000 of the Gross Settlement Amount), to be paid out of the Gross Settlement Amount, plus up to \$9,000 in litigation costs, to be paid out of the Gross Settlement Amount. The Settlement Administrator will issue to Class Counsel a Form 1099 with respect to their awarded fees and expenses.

39. Class Representative Payment: Defendant will not oppose Plaintiffs' application to the Court for Class Representative Payments not to exceed \$5,000 each to the Class Representatives, to be paid out of the Gross Settlement Amount, in addition to their Individual Settlement Payments. The Settlement Administrator will issue to the Class Representatives Forms 1099 with respect to their Class Representative Payments.

40. Distribution to Class Members: Distribution of the Settlement Proceeds shall be made by the Settlement Administrator as follows:

(a) After deductions of Court approved Class Counsel's attorneys' fees and expenses, the Class Representative Payment, and the estimated payment for the services of the Settlement Administrator, the remainder of the Gross Settlement Amount (i.e., the Settlement Proceeds) shall be available to be distributed to the Participating Class Members.

(b) Every Participating Class Member—meaning all Class Members who have not timely and properly opted-out of the Settlement—will be entitled to his or her allocated share of the Settlement Proceeds. The calculation is as follows and is based upon the information provided to the Settlement Administrator by Defendant: each Class Member's share shall be calculated by first dividing his or her gross Underpaid Overtime Earnings during the Class Period by the sum total of all Class Members' gross Underpaid Overtime Earnings during the Class Period. This calculation will result in a percentage figure for each Class Member (the "Percentage Figure"). The Percentage Figure will then be used to determine each Class Member's portion of the Settlement Proceeds by multiplying the Percentage Figure to the Settlement Proceeds. This portion is referred to as the "Settlement Share."

(c) One-third (33%) of every Individual Settlement Payment will represent wages allegedly due and will be subject to required legal deductions and reported on a Form W-2. The other two-thirds (67%) of every Individual Settlement Payment will represent alleged penalties and interest and will be reflected on a Form 1099. The W-2s and 1099s will be prepared by the Settlement Administrator.

41. Settlement Payment Date: Within ten (10) days after the Settlement Effective Date, Defendant shall fund the Settlement. Within fourteen (14) days after Defendant funds the Settlement, the Settlement Administrator shall mail the Individual Settlement Payments to

eligible Participating Class Members; pay the appropriate taxes to the appropriate taxing authorities; make payment of Court approved attorneys' fees and costs to appropriate counsel; and make payment of the Class Representative Payments approved by the Court.

IV. NOTICE TO THE CLASS MEMBERS

42. Within thirty (30) days after the Court's entry of its order granting preliminary approval, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, Social Security numbers, and the amount of Unpaid Overtime Earnings during the Class Period for the Class Members.

43. The Settlement Administrator will use reasonable tracing to verify the accuracy of the addresses before the initial mailing to ensure that the Notice is sent to Class Members at the addresses most likely to result in prompt receipt. It will be conclusively presumed that if an envelope so mailed has not been returned within thirty (30) days of the mailing that the Class Member received the Notice. With respect to envelopes returned as undeliverable, the Settlement Administrator will use reasonable diligence to obtain a current address and re-mail the envelope to such address.

44. Class Counsel shall provide the Court, at least six (6) business days prior to the final fairness hearing, a declaration by the Settlement Administrator specifying the due diligence it has undertaken with regard to the mailing of the Notice.

V. CLASS NOTICE DISSEMINATION PROCESS

45. The Class Notice and Share Form distributed to Class Members, attached substantially hereto as Exhibit A, or as otherwise approved by the Court, shall be sent by the Settlement Administrator to each Class Member by first-class mail within fifteen (15) calendar days after the Settlement Administrator receives the information from Defendant as set forth above in paragraph 42.

46. The Notice and Share Form will explain that the Class Members who wish to receive their portion of the Settlement do not need to return the Share Form unless they wish to challenge their portion of the Settlement Proceeds. Each Participating Class Member will be bound for purposes of the Settlement in this Action by the releases set forth in this Settlement.

47. Class Members shall have forty-five (45) calendar days from the mailing of the Class Notice and Share Form to opt-out of the Settlement (the Response Deadline). A Class Member who has opted-out shall have no standing to object to the Settlement and will not be entitled to be heard at the Final Approval Hearing.

48. Opt-Out Provisions – The Class Notice shall inform Class Members how they may opt-out of the Settlement. Any Class Member who properly requests to opt-out will not be entitled to receive a Settlement Share and will not be bound by the Settlement or have any right to object, appeal, or comment thereon. Prior to the Response Deadline, any Class Member who has elected to opt-out may withdraw that election by notifying the Settlement Administrator in writing that he or she wishes to be a Participating Class Member.

49. The Share Form must be postmarked by the Response Deadline if delivered to the Settlement Administrator by postage pre-paid U.S. first-class mail. If delivered by means other than mail, it must be received by the Settlement Administrator on or before the Response Deadline. The written objections to the Settlement must be signed by the Class Member. Class Counsel and Defendant's Counsel may mutually agree, but need not, in their respective sole discretion, to accept late-filed objections that are received prior to the Effective Date. Any objection to the Settlement that is (1) not postmarked by the Response Deadline, (2) not received by the Settlement Administrator by the fifth (5th) calendar day after the Response Deadline; (3) not received by other means by the Settlement Administrator by the Response Deadline; or (4) not signed by the Class Member is not considered a valid objection. The Settlement Administrator shall forward any objections received to counsel for all Parties within five (5) days

of receipt, and Class Counsel shall file the objections and any responses thereto with the Court prior to the final fairness hearing.

50. Share Form Disputes – If a Class Member disagrees with any of the information listed on his or her Share Form concerning the Underpaid Overtime Earnings included on the Share Form, the Class Member may dispute such information by returning a signed Share Form with a statement containing the amount of Underpaid Overtime Earnings that the Class Member believes he or she earned. The Class Member must attach documents to the Share Form to support his or her dispute. The Share Form with the disputed information and any documents must be received by the Response Deadline. The Share Form must include a telephone number to be used to contact the Class Member if necessary. The Settlement Administrator shall resolve the disagreement with the Participating Class Member using the employee records provided by Defendant and the Participating Class Member, in consultation with Defendant's Counsel.

51. Class Members who fail to submit a valid and timely request to opt-out shall be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement is finally approved by the Court.

52. The Settlement Administrator shall provide updates to Class Counsel and Defendant's counsel every week with (1) the number of undeliverable notices/forms; (2) the number of any opt-outs; and (3) any disputes by Class Members. The Settlement Administrator shall provide the opt-outs submitted to Defendant's Counsel.

53. Within fifteen (15) days after the close of business of the Response Deadline, the Settlement Administrator will provide to Class Counsel and Defendant's counsel a declaration including a statement of due diligence and proof of mailing of the Class Notice and Share Form to the Class Members and a statement as to the number of opt-outs received. Class Counsel shall provide this information to the Court within its Motion for Final Approval of this Settlement.

54. For purposes of computing the Individual Settlement Payment initially for purposes of sending the Share Form, the Settlement Administrator shall use the estimated Employer Taxes for all Class Members in computing the Net Settlement Amount. For purposes of computing the Individual Settlement Payment after the Final Approval Hearing, the Settlement Administrator shall use the actual Employer Taxes for all Participating Class Members in computing the Net Settlement Amount, or Settlement Proceeds. In calculating the Individual Settlement Payment, the Settlement Administrator shall assume 100% participation of the Class. The Share Form shall advise Class Members that their Settlement Share or Individual Settlement Payment is an estimate based on 100% participation, and that the actual amount payable to each Class Member may be higher or lower depending on various factors, such as the number of opt-outs and the Court's rulings on other matters. The Class Notice shall advise Class Members of the split percentage between W-2 and 1099 and that Class Members should seek independent tax advice about the tax consequences of their Individual Settlement Payments.

55. The Settlement Administrator shall be responsible for issuing and mailing the checks for the court-approved Settlement Share payments to the Participating Class Members.

56. The Settlement Administrator shall be responsible for distributing the payments pursuant to this Settlement, and for paying the applicable taxes to the appropriate taxing authorities. The Settlement Administrator will submit to Class Counsel for filing with the Court proof of all payments made from the Gross Settlement Amount with the Court and will serve all counsel with a copy of the same, within sixty (60) days of the Settlement Effective Date.

VI. RELEASE OF CLAIMS

57. Released Claims by Class Representatives: In consideration of their awarded Class Representative Payments and the other terms and conditions of the Settlement, and understanding that there is a *bona fide* dispute regarding wages they may be owed, among other

things, Plaintiffs irrevocably release and discharges Defendant and all of its affiliated owners, agents, employees, servants, officers, directors, partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with Defendant or any of its parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, consultants, joint ventures, joint employers, affiliates, and alter-egos, and all of their respective past, present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns (the "Released Parties"), from all known and unknown claims, promises, causes of action, or similar rights of any type that they presently may have with respect to any of the Released Parties through the date of preliminary approval by the court ("Released Claims"). The Released Claims might arise under many different foreign, domestic, national, state, or local laws (including statutes, regulations, other administrative guidance, and common law doctrines), such as federal and state anti-discrimination statutes, and other laws such as those providing recourse for alleged wrongful discharge, tort, personal injury, emotional distress, fraud, negligence, defamation, and similar or related claims, as well as those related to compensation, pay deductions, tax treatment of earnings, wage disputes of any nature (including those pursuant to the Fair Labor Standards Act), penalties, liquidated damages, punitive damages, attorneys' fees, benefits, and family and medical leave rights. Plaintiffs' release includes all claims that were made, or could have been made, against the Released Parties in the Action, except that Plaintiff Orvelin Barona Ruiz's release shall not include his disputed individual retaliation claims, which were simultaneously resolved via a separate settlement agreement. This Release also does not release any claims that the law does not permit Plaintiffs to release, including Plaintiff Orvelin Barona Ruiz's worker's compensation claim that was originally filed in 2017. Plaintiffs agree to promptly pay and to indemnify and hold the Released Parties herein harmless from and against any and all loss, cost, damage or expense, including without limitation, attorneys' fees, interest,

assessments, and penalties, arising out of any dispute over the tax treatment of any of the proceeds received by Plaintiffs as a result of this Release.

58. Released Claims by Class Members: In consideration of their Individual Settlement Payments and the other terms and conditions of the Settlement, and recognizing that there is a *bona fide* dispute regarding wages owed, among other things, each Participating Class Member (including the named Class Representatives) will irrevocably release and discharge Defendant and all of its affiliated owners, agents, employees, servants, officers, directors, partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with Defendant or any of its parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, consultants, joint ventures, joint employers, affiliates, and alter-egos, and all of their respective past, present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns (the "Released Parties") from all claims in the operative Class Action Complaint ("Complaint") during the period from July 12, 2016 through July 30, 2019 (the "Class Period") in the Complaint asserted against Defendant, including claims for unpaid or underpaid overtime wages under the Washington Minimum Wage Act (RCW 49.46.130) and claims for exemplary damages, penalties, and interest (RCWs 49.52.050 and 070), as well as attorneys' fees and costs, premised on alleged unpaid overtime claims, and any claims under any state, federal or local law arising from the claims in the Complaint based on the same factual predicates as alleged therein, to the fullest extent permitted by law. This Release does not release any claims that the law does not permit each Participating Class Member to release. Each Participating Class Member is responsible for appropriately reporting the proceeds received as a result of this Release on his/her taxes and agrees to hold the Released Parties harmless with respect to any dispute arising from or related to such reporting.

59. Additional Attorneys' Fees Released by Class Counsel: In consideration for their Court-approved attorneys' fees and expenses, Class Counsel waives any and all claims to any further attorneys' fees or costs in connection with the Action.

VII. CONFIDENTIALITY

60. Plaintiffs and Class Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the Action, or the fact, amount or terms of the Settlement.

61. Plaintiffs and Class Counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement that identifies Defendant, including but not limited to any postings on any websites maintained by Class Counsel. In connection with submitting declarations concerning adequacy in other class action cases, Class Counsel may identify the case name, case number, and provide a brief description of the case and resolution, and confirm the fact that they were approved as Class Counsel.

62. Any communication about the Settlement to Class Members by Class Counsel or Plaintiffs prior to the Court-approved mailing will be limited to a statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved Notice. Defendant may: discuss with Defendant's employee Class Members that a settlement has been reached; educate employee Class Members regarding the Settlement; and encourage participation in the Settlement as Class Members and inform Class Members that there will be no retaliation for participating in the Settlement.

63. Defendant shall have the right to rescind this Settlement, rendering it null and void, if Plaintiffs or Class Counsel violate the obligations in this Section VII.

VIII. NO EFFECT ON OTHER BENEFITS

64. The Parties agree that the calculations made regarding the Settlement amounts and the pro-ration of the same among the Class Members, are for purposes of this Settlement only, and do not give rise to any other rights under any benefit plans or otherwise.

65. Payments under this Settlement shall not be considered compensation under any of Defendant's employee benefit plans.

IX. DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

66. Cooperation: The Parties and their counsel agree to cooperate and take all reasonable steps necessary and appropriate to obtain preliminary and final approval of this Settlement, to effectuate its terms, and to dismiss the Action with prejudice. The Parties further agree that neither they nor their counsel will solicit or otherwise encourage Class Members to object to or Opt Out of the Settlement.

67. Fair, Reasonable and Adequate Settlement: The Parties agree that the Settlement is fair, reasonable and adequate and will so represent to the Court.

68. Unopposed Motion for Preliminary Approval of Settlement: Class Counsel will move the Court for an Order Granting Preliminary Approval of the Settlement and Notice substantially in the following form which Defendant shall not oppose:

- (a) Setting a date for a fairness hearing on the question whether the proposed Settlement should be finally approved as fair, reasonable and adequate as to the Class;
- (b) Approving as to form, content and distribution of the proposed Notice;
- (c) Directing the mailing of the Notice to the Class Members;
- (d) Preliminarily approving the Settlement;

(e) Preliminarily certifying a class consisting of Plaintiffs and Class Members for purposes of Settlement only;

(f) Approving Craig Ackermann, Brian Denlinger, India Bodien, Tatiana Hernandez, and their respective law firms, as Class Counsel; and

(g) Approving CPT Group, Inc. or another settlement administrator agreed to by the Parties as the Parties' mutually agreed upon Settlement Administrator.

X. DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

69. Following final approval of the Settlement by the Court, Class Counsel will submit a proposed Final Judgment substantially in the following form:

(a) Certifying a Settlement Class consisting of Plaintiffs and Participating Class Members for purposes of Settlement only;

(b) Approving the Settlement, adjudging the terms to be fair, reasonable and adequate, and directing consummation of its terms and provisions;

(c) Approving the Class Representative Payments to the Named Plaintiffs;

(d) Approving the payment of attorneys' fees and expenses to Class Counsel;

(e) Dismissing the Action on the merits and with prejudice and permanently barring all Class Members and Plaintiffs from prosecuting any and all Released Claims set forth above.

XI. PARTIES' AUTHORITY

70. The respective signatories to the Settlement represent that they are fully authorized to enter into this Settlement and bind the respective Parties to its terms and conditions.

XII. MUTUAL FULL COOPERATION

71. The Parties agree to cooperate fully with each other to accomplish the terms of this Settlement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate the terms of this Settlement. As soon as practicable after execution of this Settlement, Class Counsel shall, with the cooperation of Defendant and its counsel, take all steps necessary to secure the Court's Final Judgment.

XIII. NO PRIOR ASSIGNMENTS

72. The Parties represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right released and discharged in this Settlement.

XIV. NO ADMISSION

73. Nothing contained in this Settlement shall be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant. Defendant denies any such liability. Each of the Parties has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

74. This Settlement is a settlement document and shall be inadmissible in evidence in any proceeding, except an action or proceeding to approve, interpret, or enforce its terms.

XV. ENFORCEMENT ACTIONS

75. In the event that one or more of the Parties institutes any legal action against any other party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful party or Parties shall be entitled to recover from the unsuccessful party or Parties reasonable attorneys' fees and costs, including expert witness fees and costs incurred in connection with any enforcement actions.

XVI. NOTICES

76. Unless otherwise specifically provided, all notices, demands or other communications shall be in writing and shall be deemed to have been duly given as of the fifth (5th) business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

To the Class:

India Lin Bodien, Esq.
India Lin Bodien, Attorney at Law
2522 North Proctor Street, #387
Tacoma, Washington 98406

Craig Ackermann, Esq.
Brian Denlinger, Esq.
Ackermann & Tilajef, P.C.
2602 North Proctor Street, #205
Tacoma, Washington 98406

Tatiana Hernandez, Esq.
Law Offices of Tatiana Hernandez
1180 South Beverly Drive, Suite 610
Los Angeles, California 90035

To Defendant:

Wesley D. Bates, Esq.
Bates & Ely, P.L.L.C.
18530 156th Ave. NE
Woodinville, Washington 98072

XVII. VOIDING THE AGREEMENT

77. If this Settlement is not approved, or if the Court's Final Judgment is materially modified on appeal, then this Settlement will become null and void at the election of Plaintiffs or Defendant upon written notice to the other party by the electing party, no payment under this Settlement will be made, and the Settlement shall not be used nor be admissible in any subsequent proceeding either in this Court or in any other Court or forum, nor shall there be any certification of the Class, as it is being requested here solely for the purposes of this Settlement. If there is any reduction in the attorneys' fee award and/or costs requested, such reduction may be appealed as set forth below but is not a basis for rendering the Settlement voidable and unenforceable.

XVIII. CONSTRUCTION

78. The Parties agree that the terms and conditions of this Settlement are the result of intensive arm's-length negotiations between the Parties and that this Settlement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his, her or its counsel participated in the drafting of this Settlement.

XIX. CAPTIONS AND INTERPRETATIONS

79. Paragraph titles or captions contained in this Settlement are a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision. Each term of this Settlement is contractual and not merely a recital.

XX. MODIFICATION

80. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties, and approved by the Court.

XXI. INTEGRATION CLAUSE

81. This Settlement contains the entire agreement between the Parties, and, once it is fully executed, all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, relating to the resolution of the Action, are merged in this Settlement. No rights under this Settlement may be waived except in writing.

XXII. BINDING ON ASSIGNS

82. This Settlement shall be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, successors and assigns.

XXIII. CLASS COUNSEL SIGNATORIES

83. It is agreed that it is impossible or impractical to have each Class Member execute this Settlement. The Notice will advise all Class Members of the binding nature of the release. Excepting only the Class Members who submit a timely and valid Opt Out, the Notice shall have the same force and effect as if this Settlement were executed by Plaintiffs and each Class Member with regard to the Release of Claims recited in Section VI, paragraphs 57 (Plaintiffs) and 58 (Class Members).

XXIV. COUNTERPARTS

84. This Settlement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, either by original signature, facsimile signature, or electronic Docu-Sign signature, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties.

XXV. RIGHT OF APPEAL

85. The Parties agree to waive all appeals from the Court's Final Judgment of this Settlement, unless the Court materially modifies the Settlement; provided, however, that Plaintiffs may appeal any reduction in the requested amount of attorneys' fees and/or costs, or Class Representative Payment.

XXVI. CLASS CERTIFICATION

86. The Parties agree that the stipulation of class certification is for the purposes of this Settlement only and if for any reason the Settlement is not approved, the Settlement will be of no force or effect, the class will not be certified and no payment will be made. The Parties agree that certification for settlement purposes is in no way an admission that class certification is proper and that evidence of this stipulation for settlement purposes only will not be deemed admissible in this or any other proceeding.

XXVII. RIGHT OF REVOCATION

87. In the event that more than 20% of the Class Members opt out of the Settlement (i.e., 8 or more Class Members assuming the class size is and remains 38), Defendant has the right to void the Settlement.

88. In the event that the Class contains 20% more Class Members, as of the date the class size data was provided to Plaintiffs' counsel, than the 38 identified putative Class Members as Class Counsel were informed hearing (i.e., 46 or more total Class Members), then Plaintiffs will have the right to void this Agreement unless Defendant agrees to proportionately increase the gross Settlement Agreement to account for those individuals.

XXVIII. NO RETALIATION & POLICY CHANGE

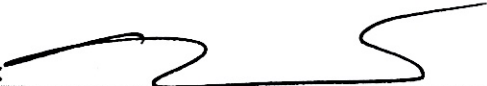
89. Defendant agrees that it will not engage in discrimination or retaliation of any kind against the Class Representatives or their family members as a result of filing this action, or for giving testimony, assistance, or participating in any manner in an investigation, proceeding, or hearing pursuant to this action, or any Class Member for choosing to participate or not participate in this Settlement.

90. Defendant represents that it changed its compensation policy in July of 2019 to pay overtime wages at the proper rate of pay. Defendant will not object to Plaintiffs' assertion that this lawsuit was, in part, a reason for this change in Defendant's compensation policy to the extent that such assertion is relevant.

COUNSEL AND THE PARTIES

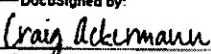
DATED: March 31, 2020

BATES & ELY, P.L.L.C

By: 
WESLEY D. BATES, ESQ.
Attorney for Defendant

DATED: March 13, 2020

ACKERMANN & TILAJEF, P.C.

By: ^{DocuSigned by:} 
CRAIG ACKERMANN, ESQ.
BRIAN DENLINGER, ESQ.
Attorneys for Plaintiffs

DATED: March 18, 2020

INDIA LIN BODIEN, ATTORNEY AT LAW

By: ^{DocuSigned by:} 
INDIA LIN BODIEN, ESQ.
Attorney for Plaintiffs

DATED: March 23, 2020

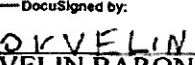
LAW OFFICE OF TATIANA HERNANDEZ, PC

By: ^{DocuSigned by:} 
TATIANA HERNANDEZ, ESQ.
Attorney for Plaintiffs


DATED: March 17, 2020

By: ^{DocuSigned by:} 
VALENTIN BARONA RUIZ
PLAINTIFF

DATED: March 24, 2020

By: ^{DocuSigned by:} 
ORVELIN BARONA RUIZ
PLAINTIFF

DATED: March 30, 2020

By: 
AL TOMARE PAINTING, LLC
DEFENDANT
By: Kaden Barish
Its: Member