

1 TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

2 This matter came on regularly for hearing before this Court on October 7, 2021, at 9:00
3 a.m. in Department 6 of the above-captioned court on Plaintiff's unopposed Motion for an Order
4 Granting Final Approval of Class Action Settlement.

5 The Court, having considered the Motion for Final Approval of Class Action Settlement
6 and Motion for Approval of Attorneys' Fees and Litigation Costs, and For Service Payments in
7 the above-captioned action, having read and considered all of the papers of the parties and their
8 counsel, having granted preliminary approval of this settlement on March 18, 2021, and directed
9 that notice be given to all Class Members of preliminary approval of Parties' Class Action
10 Settlement Agreement and Stipulation (the "Settlement Agreement" or "Stipulation") and the
11 final approval hearing and the right to be excluded from the settlement, having received no
12 objections or opposition to the settlement, and good cause appearing, HERBY ORDERS,
13 ADJUDGES AND DECREES AS FOLLOWS:

14 1. The settlement of the above-captioned class action as embodied in the Settlement
15 Agreement is fully and finally approved. The Joint Stipulation of Class Settlement and Release
16 (Amended) filed on February 16, 2021, is hereby incorporated by reference and attached as
17 **EXHIBIT 1** (excluding the exhibits) to this Order and Judgment. Except as otherwise specified
18 herein and for purposes of this Order Granting Judgment Upon Final Approval of Class Action
19 Settlement ("Final Approval Order"), the terms used in this Order have the meaning assigned to
20 them in the Settlement Agreement, Notice of Proposed Class Action Settlement ("Class Notice"),
21 the Motions for Preliminary and Final Approval of the Class Action Settlement and Motion for
22 Approval of Attorneys' Fees and Litigation Costs, and Service Payments;

23 2. The Court has jurisdiction over the subject matter of the action and all over all
24 parties to action, including all members of the settlement class;

25 3. The Court hereby GRANTS final approval of the class action settlement upon the
26 terms and conditions set forth in the settlement Agreement, including the definition of the Class
27 and the Class Period as stated below. The Court finds that the terms of the Settlement are fair,
28 reasonable, and adequate, pursuant to Section 382 of the California Code of Civil Procedure;

4. The Court certifies the Class, as defined below, for Settlement purposes only;

5. The following definitions, as provided in the Settlement, shall apply herein:

1 a. **“Class Member(s)” or “Class”** Means all persons currently or formerly employed
2 by Framing By Superior, Inc., in California as non-exempt construction workers (regardless of
3 actual job title) at any time during the Class Period (i.e. March 4, 2014 through the date of March
4 18, 2021 (the “Class Period”). But, the definition of “Class Member” specifically *excludes* any
5 employee who has signed a separate, individual settlement agreement and release with Defendant.

6 b. **“Defendant”** means defendant Framing By Superior, Inc.,

7 c. **“Final Effective Date”** means the date on which the Court signs the Final Order
8 granting final approval of the Settlement Agreement as to the Class (defined above) and entering
9 a judgment approving the Settlement Agreement on substantially the terms provided therein.

10 d. **“Final Settlement Class”** refers to the Representative Plaintiffs and all Class
11 Members who do not timely and validly exclude themselves from the class.

12 e. **“Gross Settlement Amount”** means the up to Four Hundred Thousand Dollars
13 (\$400,000.00) to be paid by the Defendant to settle this Action on a claims-made basis.

14 f. **“Net Settlement Amount”** calculated as the Gross Settlement Amount of Four
15 Hundred Thousand Dollars (\$400,000.00) less all of the following: (1) Class Counsel’s attorneys’
16 fees (not to exceed 33.33% of the Maximum Settlement Amount or One Hundred Thirty-Three
17 Thousand Dollars (\$133,333.00), (2) Class Counsel’s costs (not to exceed Nine Thousand, Two
18 Hundred and Fifty Four Dollars(\$9,254)), (3) a total of Fifteen Thousand Dollars (\$15,000) of an
19 Enhancement to be paid to both Representative Plaintiffs, including \$10,000 for Carlos Peralta,
20 and \$5,000 for Remigio Guillen, for their services to the Settlement Class, (4) 75 percent of the
21 total civil penalties under The Labor Code Private Attorneys General Act of 2004 (“PAGA”) of
22 Five Thousand Dollars (\$5,000.00), which equates to Three Thousand Seven Hundred and Fifty
23 Dollars (\$3,750.00), which shall be paid to the California Labor and Workforce Development
24 Agency (“LWDA”), and (5) the Claims Administrator fees not to exceed Twenty Thousand
25 Dollars (\$20,000.00);

26 g. **“Notice Packet”** means the Court Approved Notice of Proposed Class Action
27 Settlement, Exclusion Form, and Objection Form;

28 h. **“Participating Class Members”** means all Class Members who did not submit a
timely and valid Request for Exclusion Form with the Settlement Administrator to be excluded
for recovery of the settlement.

1 i. **“Released Claims”** means all claims and/or cause of action, claims, liens, demands,
2 damages, penalties, fines, wages, liquidated damages, restitutionary amounts, attorneys’ fees and
3 costs, interest, punitive damages, controversies, and liabilities arising from or related to the facts
4 alleged in the operative class action complaint during the Class Period, including and not limited to
5 the California Labor Code, Industrial Welfare Commission Wage Orders, and California Business &
6 Professions Code section 17200, *et seq.*, including but not limited to: the failure to pay all wages due
7 (including, but not limited to, minimum wages, overtime wages, wages for off-the-clock work, and failure
8 to properly calculate and pay all wages due), the failure to provide meal periods and pay associated
9 premiums, the failure to provide rest periods and pay associated premiums, the failure to pay waiting-time
10 penalties, the failure to timely pay wages during employment and at termination of employment, the failure
11 to keep and maintain accurate payroll records, the failure to comply with Wage Theft Protection Act of
12 2011, the failure to provide accurate itemized wage statements, the failure to reimburse business expenses,
13 unfair business practices, civil penalties under the Private Attorneys General Act, California Labor Code
14 section 2698, *et seq.*, restitution and other equitable relief, conversion, liquidated damages, punitive
15 damages, and penalties.

16 j. **“Released Parties”** means Defendant, its past or present officers, managers,
17 members, directors, shareholders, employees, agents, principals, heirs, representatives,
18 accountants, auditors, consultants, and its respective successors and predecessors in interest,
19 subsidiaries, affiliates, parents, and attorneys, related parties, and each of them.

20 k. **“Representative Plaintiffs”** means Remigio Guillen and Carlos Peralta;

21 6. Named Plaintiffs Remigio Guillen and Carlos Peralta are hereby appointed and
22 designated, for all purposes, as the representatives for the Class, and Ziad Elrawashdeh of Rawa
23 Law Group, Inc and J.D. Henderson of the Law Office of J.D. Henderson, are hereby appointed
24 and designated as counsel for the Named Plaintiffs and the Class. The Court finds that the
25 attorneys for the Class are experienced class action litigators and have diligently investigated and
26 conducted discovery on the Class claims sufficient to justify his negotiation and presentation of
27 the settlement terms and their fairness, reasonableness, and adequacy, which further supports the
28 Settlement.

1 7. The Court hereby finds that the Class Notice and all related documents have been
2 mailed to all Class Members as previously ordered by the Court, and that such Class Notice fairly
3 and adequately described the terms of the proposed Settlement Agreement, the manner in which
4 Class Members could object to or participate in the settlement, and the manner in which Class
5 Members could opt out of the Class; Accordingly, the Court hereby determines that since no Class
6 Members filed a timely and proper request to be excluded from the settlement, all Class Members
7 are bound by this Final Order. Any Class Members who are found to have submitted such a
8 request for exclusion shall be excluded from the binding effect of this Settlement.

9 8. The Court finds that the Settlement Agreement is fair, reasonable, and adequate as
10 to the Class and is a fair resolution of the claims of the Plaintiffs against the Defendant. The Court
11 further finds that the Settlement is the product of good faith, arm's-length negotiations between
12 the parties, is supported by a robust and developed evidentiary record, experienced and qualified
13 Class Counsel who were assisted by an experienced mediator, and all participating members of
14 the Class, and confers a significant financial benefit to the Class commensurate with the likely
15 recovery if Plaintiffs prevailed at trial and the risks of continued litigation. Accordingly, the Court
16 hereby finally and unconditionally approves the Settlement Agreement, and specifically:

17 A. Approves the Gross Settlement Amount ("GSA") of Four Hundred Thousand
18 Dollars (\$400,000.00). This amount is the full amount that Defendant is required to pay under
19 this Settlement Agreement, including any applicable employer's share of payroll taxes;

20 B. Approves the Net Settlement Amount as described in section (4)(f) of this order;

21 C. Approves that Three Thousand Seven Hundred and Fifty Dollars (\$3,750.00) of
22 the Settlement Fund be designated as California Labor and Workforce Development Agency's
23 75 percent share of civil penalties under the Labor Code section 2699 (i), to resolve the PAGA
24 claims;

25 D. Approves the application for Class Representative service awards of a total of
26 Fifteen Thousand Dollars (\$15,000) as an Enhancement pay to be paid to both Representative
27 Plaintiffs, including \$10,000.00 for Carlos Peralta, and \$5,000.00 for Remigio Guillen, for their
28 services to the Settlement Class;

 E. Approves Class Counsels' request for an award for up to 33.3% of the Gross
Settlement Amount, or \$133,333.33, as an attorney fees: where Law Office of J.D. Henderson is
entitled to 20% and Rawa Law Group 80% of the attorney fees.

1 F. Approves Class Counsel's request for reimbursement of litigation expenses of
2 \$9,254.00; where Law Office of J.D. Henderson is entitled to \$7,964.00, and Rawa Law Group
3 to \$1,290.00 of the litigation expenses.

4 G. Approves payment to CPT Group Inc, the Settlement Administrator, of \$20,000.00
5 as costs and expenses of settlement administration;

6 H. Approves payment to Internal Revenue Services of \$5,521.50 as a payroll taxes;

7 I. Approves the payment from the Net Settlement Fund of amounts determined by
8 the Settlement Administrator to be due to Class Members, including the allocation of such
9 amounts between wages and interest and penalties, as specified in the Settlement Agreement.

10 J. Any settlement checks after (180) calendar days from the date of their issuance,
11 if not cashed, deposited, or otherwise negotiated shall be cancelled, and, the funds associated
12 with such cancelled check(s) shall be delivered to the Parties *cy pres* designee, which is
13 designated as the Children's Advocacy Institute located at 5998 Alcalá Park San Diego, CA
14 92110.

15 9. The releases and covenants not to sue by the Class Representatives and Settlement
16 Class Members, as set forth in the Settlement Agreement and in the Class Notice and
17 corresponding Motions for Preliminary and Final Approval, are approved and are hereby
18 incorporated by reference and made a part of this Order as though fully set forth herein. The Court
19 hereby finds that Participating Class Members fully release and discharge the Released Parties as
20 to the Released Claims. and that the named Representative Plaintiffs shall be deemed to have
21 released all claims known or unknown, suspected or unsuspected, against the Released Parties
22 through the date of their signatures on the Settlement Agreement and shall be deemed to have
23 expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights,
24 and benefits they may otherwise have had pursuant to Section 1542 of the California Civil Code,
25 which provides as follows:

26 "A general release does not extend to claims which the creditor does not know or suspect
27 to exist in his or her favor at the time of executing the release, which if known by him or her must
28 have materially affected his or her settlement with the debtor."

9. By means of this Final Approval Order, Final Judgment is entered, as defined in
section 577 of the Code of Civil Procedure, binding each Settlement Class Member and operating
as a full release and discharge of Settlement Claims.

1 11. Without affecting the finality of this Order in any way, the Court retains
2 jurisdiction of all matters relating to the interpretation, administration, implementation,
3 effectuation, and enforcement of this order and the Settlement Agreement;

4 12. The Parties are hereby ordered to implement and comply with the terms of the
5 Settlement Agreement. Notice of entry of this Order and the ensuing final judgment shall be given
6 to Defendant by Plaintiffs. It shall not be necessary to send notice of entry of this Order or the
7 final judgment to Class Members.

8 13. Nothing in this Order shall preclude any action to enforce the Parties' obligations
9 pursuant to the Settlement Agreement or pursuant to this Order, including the requirement that
10 Defendant makes payments to Participating Class Members in accordance with the Settlement;

11 14. Judgment is entered in this case, as of the date this order is filed with the Court,
12 barring the Settled Claims with prejudice, each side to bear their own costs and fees (including
13 attorneys' fees) except as provided by the Settlement Agreement and this Order. Defendant shall
14 not be required to pay any amounts other than as set forth in the Settlement Agreement and this
15 Order.

16 15. The Court further orders that any envelope transmitting a Settlement Award to a
17 Settlement Class Member shall bear the notation, "**YOUR CLASS ACTION SETTLEMENT**
18 **CHECK IS ENCLOSED.**" b) The court further orders that any settlement distribution check
19 shall be negotiable for at least 90 days but not more than 180 days from the date of mailing. c)
20 The Court further orders that the Settlement Administrator shall mail a reminder postcard to any
21 Settlement Class Member whose Settlement Award check has not been negotiated within sixty
22 (60) days after the initial date of mailing. d) The Court further orders that if any of the Settlement
23 Class Members are Defendants' current employees and the Settlement Award mailed to those
24 current employees is returned to the Settlement Administrator as being undeliverable, and the
25 Settlement Administrator is unable to locate a valid mailing address, the Settlement Administrator
26 shall arrange with Defendant to have those Settlement Awards delivered to the employees at their
27 place of employment.

28 16. The Settlement Class Members will be provided notice with their Individual
Settlement Awards by posting the Notice of Final Order and Judgment on a Settlement
Administrator's website. A copy of the Final Order and Judgment entered by the Court shall be

1 posted by the Settlement Administrator on the Settlement Administrator's website on the landing
2 page at (www.cptgroupcaseinfo.com/FramingBySuperiorSettlement).

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4 17. The Settlement Administrator shall file a declaration regarding the disbursement
5 of settlement funds on or before April 13, 2022, and the date for the Final Report (Nonappearance)
6 Hearing shall be set for April 20, 2022). The declaration shall state the date checks were mailed,
7 the total number of checks mailed to Settlement Class Members, the average amount of those
8 checks, the number of checks that remain uncashed, the total value of those uncashed checks, the
9 average amount of the uncashed checks, and the nature and date of the disposition of those
unclaimed funds.

10 18. The Court hereby enters final judgment in this case in accordance with the terms
11 of the Settlement Agreement contained therein, the Order Granting Preliminary Approval, and
12 this Order;

13 19. This document shall constitute a judgement for purposes of California Rules of
14 Court, Rule 3.769(h).

15 **IT IS SO ORDERED, JUDGMENT IS HEREBY ENTERED.**

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19 Dated: 11/4, 2021


HON. SUNSHINE SYKES
JUDGE OF THE SUPERIOR COURT

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EXHIBIT 1

1 J.D. Henderson (SBN 235767)
2 **LAW OFFICE OF J.D. HENDERSON**
3 215 North Marengo Avenue, Suite 322
Pasadena, CA 91110
4 Telephone: (626) 592-5891
5 Email: jdlaw@charter.net

6 Ziad Etrawashdeh (SBN 237166)
7 **RAWA LAW GROUP, APC**
8 5843 Pine Avenue
Chino Hills, CA 91709
9 Telephone: (909) 393-0660
Facsimile: (888) 250-8844
Email: ziad@zrawa.com

10 Counsel for Plaintiffs REMEGIO GUILLEN, individual and CARLOS PERALTA, individual,
11 on behalf of all other similarly situated.

12 Richard D. Marca (SBN 127365)
13 Jeff T. Olsen (SBN 283249)
14 **VARNER & BRANDT LLP,**
15 3750 University Avenue, 6th Floor
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18 Jeff.Olsen@varnerbrandt.com

19 Counsel for Defendants FRAMING BY SUPERIOR, INC.

20 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

21 **COUNTY OF RIVERSIDE**

22 REMIGIO GUILLEN, an individual;
23 CARLOS PERALTA, an individual; on
24 behalf of all others similarly situated, and
25 the general public,

26 Plaintiff,
27 vs.

28 FRAMING BY SUPERIOR, INC., a
California Corporation; and DOES 1
through 10,

Defendants.

Case No.: RIC1804201
Filed: March 5, 2018
Hon. Sunshine Sykes
Dept. 6

CLASS ACTION

**JOINT STIPULATION OF CLASS
SETTLEMENT AND RELEASE
(Amended)**

1 Subject to the approval of the Court, this Joint Stipulation of Class Action Settlement and
2 Release ("Settlement") is made and entered into by and between Plaintiffs CARLOS PERALTA
3 and REMIGIO GUILLEN ("Plaintiffs"), on behalf of themselves and as class representatives of the
4 putative Class Members, as defined below ("the Class"), on one hand, and Defendant FRAMING
5 BY SUPERIOR, INC. ("Defendant"), on the other hand (together with Plaintiffs, collectively, the
6 "Parties").

7 **1. DEFINITIONS**

8 In addition to other terms defined in this Stipulation, the terms below have the following
9 meaning in this Stipulation:

10 A. "Action" means the civil action entitled *Carlos Peralta and Remigio Guillen, on*
11 *behalf of themselves and others similarly situated, v. Framing by Superior, Inc.*, currently filed in
12 the Superior Court for the State of California, County of Riverside, Case RIC1804201, which
13 was commenced on March 5, 2018.

14 B. "Class Counsel" means J.D. Henderson, Esq., with the Law Office of J.D.
15 Henderson and Ziad Elrawashdeh, Esq. with Rawa Law Group. APC.

16 C. "Class" or "Class Member(s)" means: All persons currently or formerly employed
17 by Defendant in California as non-exempt construction workers (regardless of actual job title) at
18 any time during the Class Period (i.e. March 5, 2014 through the date of Preliminary Approval.
19 But, the definition of "Class Member" specifically *excludes* any employee who has signed a
20 separate, individual settlement agreement and release with Defendant.

21 D. "Class Data" refers to the compilation of the following information for each Class
22 Member: last known full name, last known address, last known telephone number, Social Security
23 number and employee ID number, start and end dates of employment as a non-exempt and/or
24 hourly-paid employee of Defendant in California during the Class Period, Covered Workweeks,
25 and other such mutually agreed upon information by the Parties as may be necessary to
26 independently review the Covered Workweeks attributed to each Class Member.

27 E. "Class Notice" refers to the Notice of Class Action Settlement that is to be mailed
28 to the Class Members, substantially in the form attached hereto as "Exhibit A," as ordered by the

1 Court, subject to edits that the Parties may jointly agree upon which are in conformity with the
2 Court's orders and this Agreement.

3 F. "Class Period" for purposes of this Settlement is the time period from and
4 including March 5, 2014 through the date of Preliminary Approval.

5 G. "Court" refers to the Riverside County Superior Court.

6 H. "Covered Workweek(s)" means the number of weeks a Class Member worked for
7 Defendant as a non-exempt or hourly-paid employee in California during the Class Period, which
8 will be calculated by the Settlement Administrator, based on the Class Member's start and end
9 dates of employment during the Class Period as a non-exempt or hourly-paid employee of
10 Defendant in California.

11 I. "Defendant" refers to Defendant Framing By Superior, Inc.

12 J. "Defendant's Counsel" refers to Richard Marca and Jeff T. Olsen of Varner &
13 Brandt LLP.

14 K. "Effective Date" refers to the date upon which the terms of this Settlement
15 Agreement shall become effective, which is the date on which all of the following events have
16 occurred: (i) this Settlement Agreement has been executed by all Parties and their respective
17 counsel; (ii) the Court has preliminarily approved the Settlement; (iii) the Class Notice has been
18 given to the Class, providing them with an opportunity to dispute their Covered Workweeks as
19 stated in their Class Notice, to opt out of the Settlement, or to object to the Settlement; (iv) the
20 Court has entered the contemplated Final Approval Order and Judgment, certifying the Class and
21 approving this Settlement; and (v) the later of the following events: (1) if there is no objection to
22 the Settlement, or if there is an objection but it is withdrawn, then, the date of the notice of entry
23 of the Final Approval Order and Judgment; (2) if there is an objection to the Settlement that is not
24 withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following
25 notice of entry of the Final Approval Order and Judgment; or (3) if there is an objection to the
26 Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing
27 the Settlement has been filed within sixty-five (65) calendar days following notice of entry of the
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1 Final Approval Order and Judgment, then when any such appeal, writ, or other appellate
2 proceeding opposing the validity of the Settlement has been resolved finally and conclusively
3 with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties
4 that the Settlement shall not become effective until the Final Approval Order and Judgment is
5 completely final, and there is no further recourse by an appellant or objector who seeks to contest
6 the Settlement.

7 L. "Final Approval Order" refers to the order of the Court granting final approval of
8 this Settlement and entering a judgment approving this Settlement on substantially the terms
9 provided herein or as the same may be modified by subsequent agreement of the Parties.

10 M. "Judgment" refers to the judgment entered by the Court in conjunction with the
11 Final Approval Order.

12 N. "Gross Settlement Amount" is the gross maximum amount which Defendant is
13 obligated to pay under this Agreement, which is Four Hundred Thousand Dollars and Zero Cents
14 (\$400,000). The Gross Settlement Amount is inclusive of the employer's share of all payroll
15 taxes in connection with the wages portion of Settlement Shares ("Employer Taxes"), Attorneys'
16 Fees and Costs, Enhancement Awards, Settlement Administration Fees, and Net Settlement
17 Amount.

18 O. "Plaintiffs" refer to named Plaintiffs Remigio Guillen and Carlos Peralta.

19 P. "Net Settlement Amount" refers to the Gross Settlement Amount, less (1)
20 Attorneys' Fees and Costs to Class Counsel as approved by the Court, (2) Enhancement Awards
21 to Plaintiffs as approved by the Court, and (3) Settlement Administration Fees as approved by the
22 Court.

23 Q. "Parties" collectively refer to Plaintiffs and Defendant.

24 R. "Preliminary Approval" refers to the date on which the Court grants preliminary
25 approval of the Settlement.

26 S. "Preliminary Approval Order" refers to the order of the Court granting preliminary
27 approval of the Settlement set forth herein.
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T. "Response Deadline" means the date sixty (60) calendar days after the Settlement Administrator initially mails the Class Notice to Class Members and the last date on which Class Members may submit a request for exclusion, dispute regarding Covered Workweeks, and/or objection to the Settlement. With respect to Class Notices that are re-mailed as a result of the initial mailing being returned as undeliverable, the Response Deadline will be extended fifteen (15) calendar days (i.e., such Class Members shall have seventy-five (75) calendar days from the initial mailing to submit a Request for Exclusion, dispute regarding Covered Workweeks, or an objection to the Settlement) irrespective of when the first mailing was returned as undeliverable.

U. "Settlement Administrator" refers to CPT Group, Inc., the third-party administrator that the Parties have mutually selected to handle the administration of the Settlement set forth in this Agreement. The Parties agree that they have selected a Settlement Administrator with whom they have no financial interest or other relationship that could create a conflict of interest. In the event CPT Group is subsequently unable to serve as Settlement Administrator, another Settlement Administrator shall be agreed to by the Parties.

V. "Settlement Administration Fees" refers to the fees, costs, and expenses paid to the Settlement Administrator for undertaking the administration of the Settlement Agreement.

W. "Settlement Class" or "Settlement Class Member(s)" refers to Class Members who have not submitted a valid and timely request to be excluded from the Settlement.

X. "Settlement Share" refers to a *pro rata* share of the Net Settlement Amount, calculated in accordance with the methodology provided herein, that a Class Member may be eligible to receive in accordance with the terms set forth herein.

II. RELEVANT PROCEDURAL HISTORY

A. On March 5, 2018, Plaintiffs filed a class action lawsuit against Defendant in the Riverside Superior Court. Plaintiffs Complaint alleged (1) failure to pay Minimum Wage (Labor Code § 216, 1194, 1194.2 and 1197); (2) failure to pay overtime premium wages (Labor Code §S 510, 1194, 1198); (3) Failure to Provide Accurate Wage Statements (Labor Code § 226); (4) Failure to Provide Meal and Rest Periods (Labor Code §§ 226.7, 512); (5) Failure to Indemnify for

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Necessary Expenditures (Labor Code § 2802); (6) Waiting Time Penalties (Labor Code §§ 201-203); (7) Unfair Business Practices (Bus. & Prof. Code §§ 17200, Et seq.); (8) Conversion (Civil Code §§ 3294, 3336); and (9) Wage Theft (Penal Code § 496). Defendant filed a demurrer, and the Court overruled the demurrer, however the court granted defendant's motion on the pleading as to Plaintiffs' Eighth and Ninth Causes of Action, which were dismissed. The original Complaint is attached as Exhibit B hereto.

B. On or about August 14, 2018, Defendant filed its Answer to the Complaint, denying all allegations, maintaining that the Court should not certify the class proposed by Plaintiffs, and raising various affirmative defenses.

C. On June 27, 2019, the Parties attended an all-day mediation on June 28, 2019 presided over by Lynn Frank, Esq., a well-known mediator experienced in the resolution of wage and hour class actions. At mediation, the parties reached a tentative agreement which culminated in the signing of a Memorandum of Understanding. Now, the Parties reached a final agreement to settle the Action pursuant to the terms and conditions set forth in this Settlement. As part of the Settlement, the Parties agree that Plaintiffs will amend their Complaint to allege an additional derivative cause of action under the Private Attorneys General Act of 2004 ("PAGA") based on the same underlying theories as filed in the original complaint. A copy of the putative Operative First Amended Complaint is attached hereto as Exhibit C.

D. The Parties are represented by competent counsel and have had the opportunity to consult with counsel prior to the execution of this Settlement, and submission of this Settlement to the Court.

III. INADMISSIBILITY OF SETTLEMENT AGREEMENT/DENIAL OF LIABILITY

A. This Settlement Agreement is the result of a good-faith compromise of disputed claims, and neither it nor any statement or conduct in furtherance of the Settlement shall be offered or construed to be an admission or concession of any kind by any Party. In particular, but without limiting the generality of the foregoing, nothing about this Settlement shall be offered or construed as an admission of liability, wrongdoing, impropriety, responsibility, or fault

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whatsoever by Defendant, who expressly denies any liability, wrongdoing, impropriety, responsibility, or fault whatsoever. In addition, and also without limiting the generality of the foregoing, nothing about this Settlement shall be offered or construed as an admission or evidence of the propriety or feasibility of certifying a class or any other action for adversarial, rather than settlement purposes. The Parties further agree that if, for any reason, the Settlement is not approved, the certification will have no force or effect and will be immediately revoked.

B. Defendant further denies that, for any purpose other than settlement, the Action are appropriate for class or representative treatment. With respect to Plaintiffs' claims, Defendant contends, among other things, that Plaintiffs and the Class Members have been paid all wages due, including minimum wage and overtime, have been provided all required meal and rest periods, and paid associated premium payments if any, have been paid timely wages and associated waiting-time penalties, if any, have been provided with accurate itemized wage statements, and have been reimbursed for their business expenses or are not due any reimbursements. Defendant also contends, among other things, that it has complied at all times with the California Labor Code and applicable Wage Orders of the Industrial Welfare Commission. Furthermore, with respect to all claims, Defendant contends that it has complied at all times with the California Business & Professions Code, the California Labor Code, and all other directly applicable laws and/or regulations.

C. Class Counsels have conducted a thorough investigation into the facts of the Action, including an extensive review of relevant documents, and have diligently pursued an investigation of the claims against Defendant. Based on their own independent investigation and evaluation, Class Counsels are of the opinion that the Settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class in light of all known facts and circumstances, including the risk of significant delay, the risk of Defendant's financial ability to pay a larger judgment amount, the risk that the Class will not be certified by the Court, defenses asserted by Defendant, and numerous potential appellate issues. Defendant and Defendant's Counsel also

1 agree that the Settlement is fair and in the best interest of the Class.

2 **IV. CLASS CERTIFICATION**

3 A. Solely for purposes of settling the Action, the Parties and their respective counsels
4 stipulate that the requisites for class certification with respect to the Class Members are met, and
5 that the Class should be certified.

6 B. The Parties stipulate that certification for settlement purposes under the lenient
7 standard applied to settlements is in no way an admission that class certification is proper under
8 the more stringent standard applied for litigation purposes, and that evidence of this limited
9 stipulation for settlement purposes will not be deemed admissible in this or any other proceeding.

10 More specifically, the Parties stipulate that, solely for settlement purposes:

11 1. The Class is ascertainable and so numerous as to make it impracticable to
12 join all Class Members;

13 2. With respect to the Class, common questions of law and fact predominate
14 over questions affecting any individual member in the Class, including, but not limited to:
15 whether Defendant paid proper wages to the Class; whether Defendant provided compliant meal
16 periods and associated premium pay to the Class; whether Defendant provided compliant rest
17 periods and associated premium pay to the Class; whether Defendant timely paid compensation
18 and associated waiting-time penalties; whether Defendant provided accurate itemized wage
19 statements to the Class; whether Defendant properly reimbursed the Class for their business
20 expenses; whether Defendant engaged in unlawful or unfair business practices affecting the Class
21 in violation of the California Business & Professions Code;

22 3. Plaintiffs' claims are typical of the claims of the Class Members;

23 4. Plaintiffs and Class Counsel will fairly and adequately protect the interests
24 of the Class; and,

25 5. A class action is superior to other available means for the fair and efficient
26 adjudication of the controversy, as the prosecution of separate Action by individual members of
27 the Class would create the risk of inconsistent or varying adjudications, which would establish
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1 incompatible standards of conduct.

2 **V. SETTLEMENT AMOUNT**

3 **A. Gross Settlement Amount:**

4 1. In consideration for the resolution of the Action and release of claims
5 provided for by this Settlement, Defendant shall pay the maximum gross settlement amount of
6 Four Hundred Thousand Dollars and Zero Cents (\$400,000) ("Gross Settlement Amount"), on a
7 non-reversionary basis, which includes the Net Settlement Amount (to be distributed to
8 Settlement Class Members on a *pro rata* basis, according to a specified formula based on Covered
9 Workweeks), all Attorneys' Fees and Costs to Class Counsel, Enhancement Awards to Plaintiffs,
10 Settlement Administration Fees to the Settlement Administrator, and Defendant's Employer-side
11 payroll taxes. Under no circumstances will Defendant's total obligation under this Settlement
12 exceed the Gross Settlement Amount.

13 2. The Gross Settlement Amount specifically contemplates the number of
14 Covered Workweeks as of the date of mediation on June 27, 2019 was approximately 35,878.
15 The Parties anticipate a reasonable hire rate thereafter as part of the Gross Settlement Amount,
16 which may affect the total workweeks as of the date of Preliminary Approval, but this settlement
17 was based in part on Defendant's financial position, and so the number of workweeks are not
18 dispositive.

19 **B. Net Settlement Amount:** The Net Settlement Amount shall be calculated by
20 deducting from the Gross Settlement Amount the following sums, as approved by the Court: (1)
21 attorneys' fees in an amount not to exceed 33.3% of the Gross Settlement Amount (which is
22 \$133,333.33 if the Gross Settlement Amount is \$400,000) and reimbursement of litigation costs
23 and expenses in an amount not to exceed \$15,000 (collectively, "Attorneys' Fees and Costs") to
24 Class Counsel; (2) enhancement awards in an amount not to exceed \$10,000 to Plaintiff Carlos
25 Peralta, and in an amount not to exceed \$5,000 to Plaintiff Remigio Guillen ("Enhancement
26 Awards"), which will be paid in addition to whatever payment they are otherwise entitled to as
27 Settlement Class Members; (3) fees and expenses of the Settlement Administrator in an amount
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1 that is estimated not to exceed \$ 20,000.00 ("Settlement Administration Fees"); and (4) LWDA
2 Payment in the amount of \$5,000 to the LWDA ("PAGA Payment").

3 C. Of the PAGA Payment, the Parties agree that seventy-five percent (75%), i.e.
4 \$3,750, will be made payable to the State of California via proper methods to the Labor
5 Workforce and Development Agency, and the remaining twenty-five percent (25%), i.e. \$1,250,
6 will be distributed among all putative "aggrieved employees," pay to be determined on a pro-rata
7 basis through calculation of number of workweeks worked in the PAGA Period, i.e. the period of
8 time starting one-year before the filing of the Complaint, i.e. March 5, 2017 through the date of
9 Preliminary Approval in this Action.

10 D. Settlement Shares: The Settlement Share for each Class Member will be
11 calculated by the Settlement Administrator and paid out of the Net Settlement Amount as set forth
12 herein.

13 E. Settlement Administration: The parties obtained bids from two (2) experienced,
14 and well-known providers of class action administration. A bid from JND Legal Administration
15 (JND) and from CPT Group, Inc. (CPT). The lowest bid by CPT was accepted. The parties have
16 agreed to retained CPT Group, Inc. as the "Settlement Administrator.". The Settlement
17 Administrator's fees, costs, and expenses for undertaking the administration of the Settlement
18 (i.e., Settlement Administration Fees) are estimated not to exceed Twenty Thousand Dollars
19 (\$20,000.00). All Settlement Administration Fees will be paid from the Gross Settlement Amount.

20 F. Notice to Class Members:

21 I. Each Class Member will be provided with pre-printed information, in
22 substantially the same form as the Notice of Class Action Settlement attached hereto as Exhibit A
23 based on Defendant's records. The Class Notice will state, among other things, the Class
24 Member's Covered Workweeks and his or her estimated individual Settlement Share. The pre-
25 printed information based on Defendant's records will be presumed to be correct. The Class
26 Notice will be sent by the Settlement Administrator to the Class Members by first class mail in
27 both English and Spanish.
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2. Within thirty (30) calendar days from Preliminary Approval, Defendant will provide to the Settlement Administrator the Class Data. The Class Data will be based on Defendant's payroll and other business records and will be provided in a format reasonably acceptable to the Settlement Administrator. Defendant agrees to consult with the Settlement Administrator prior to the production date of the Class Data, to ensure that the format will be reasonably acceptable to the Settlement Administrator.

3. The Settlement Administrator will run a check of the Class Members' addresses, as reflected in the Class Data provided by Defendant, against those on file with the U.S. Postal Service's National Change of Address List; this check will be performed only once per Class Member by the Settlement Administrator. Absent mutual written agreement of counsel for the Parties or Court order, the Settlement Administrator will keep the Class Data and any database prepared based thereon confidential and use them only for the purposes described herein.

4. Within fifteen (15) calendar days after the Class Data is provided by Defendant to the Settlement Administrator, the Settlement Administrator will mail the Class Notice to the Class Members by first class mail.

5. Class Notices returned to the Settlement Administrator as non-deliverable before the Response Deadline (based on the postmark date) shall be re-sent to the forwarding address, if any, on the returned envelope. A returned Class Notice will be forwarded only once per Class Member by the Settlement Administrator. If there is no forwarding address, the Settlement Administrator will perform a skip-trace search for a new address using the Class Member's Social Security number, and the returned Class Notice will be re-sent to any updated address that is located by way of skip-trace; this search and re-mailing will be performed only once per Class Member by the Settlement Administrator.

6. Upon completion of these steps by the Settlement Administrator, Defendant and the Settlement Administrator will be deemed to have satisfied their obligation to provide the Class Notice to the affected Class Member. The affected Class Member will nonetheless remain a member of the Class and will be bound by all the terms of the Settlement and the Court's Final

1 Approval Order and Judgment based thereon.

2 7. Class Counsel will provide to the Court, at least five (5) calendar days prior
3 to the Final Approval Hearing, a declaration by the Settlement Administrator of due diligence and
4 proof of mailing with regard to the mailing of the Class Notice to the Class Members.

5 G. Resolution of Disputes Regarding Covered Workweeks: A Class Member may
6 dispute the pre-printed information on the Class Notice as to his or her Covered Workweeks. Any
7 Class Member who intends to dispute his/her covered weeks must submit a timely dispute form to
8 the Settlement Administrator. To identify the class member, such a dispute must contain: the
9 Class Member's full name, current address, current telephone number, last four digits of his or her
10 Social Security number or employee ID number, and signature; the case name and number of the
11 Action; a clear statement explaining the basis for his or her dispute of the number of Covered
12 Workweeks credited to him or her; any documentation that he or she has to support the dispute.
13 Dispute of Covered Workweeks must be submitted no later than the Response Deadline (based on
14 the postmark date). Unless a disputing Class Member submits documentary evidence in support
15 of his or her dispute, the records of the Defendant will be determinative. The Settlement
16 Administrator will review Defendant's records and any information or documents submitted by
17 the Class Member and the Settlement Administrator will issue a non-appealable decision
18 regarding the dispute. No disputes will be honored if they are postmarked after the Response
19 Deadline, unless the Parties mutually agree to accept the untimely dispute. Each Class Member is
20 responsible to maintain a photocopy of all documents sent to the Settlement Administrator and a
21 record of proof of mailing.

22 H. Right of Class Member to Request Exclusion from the Settlement: Any Class
23 Member may request to be excluded from the Settlement by mailing a written request ("Request
24 for Exclusion Form") on or before the Response Deadline (based on postmark date) to the
25 Settlement Administrator. To identify the class member, the Request for Exclusion Form requires:
26 the Class Member's full name, current address, current telephone number, last four digits of his or
27 her Social Security number or employee ID number, date of employment, and signature; and the
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1 case name and number of the Action. Any Class Member who timely submits a Request for
2 Exclusion Form in compliance with these requirements shall not have any right under this
3 Settlement, shall not have standing to object to the Settlement; shall not be entitled to receive any
4 payment under this Settlement, and shall not be bound by this Settlement or the Court's Final
5 Approval Order and Judgment based thereon. Class Counsel shall not represent any Class
6 Member that excludes him or herself from the Settlement in connection with any claims related to
7 the Released Claims against the Released Parties.

8 **I. Right of Class Member to Object to the Settlement:** Any Class Member may
9 object to the Settlement, as long as he or she has not submitted a request to be excluded from the
10 Settlement. To object, the Class Member must complete the "Objection Form" and mail it back to
11 the Settlement Administrator. Class Members must mail the "Objections Form" timely within
12 the Response Deadline (based on the postmark date). The "Objection Form" requires: the Class
13 Member's full name, current address, current telephone number, last four digits of his or her
14 Social Security number or employee ID number, date of employment, and signature; the case
15 name and number of the Action. Class Members who fail to file and serve timely, written
16 objections in the manner specified above, and as set forth in the Class Notice, will be deemed to
17 have waived all objections and will be foreclosed from making any objection (whether by appeal
18 or otherwise) to the Settlement, unless otherwise ordered by the Court.

19 **VI. SETTLEMENT ADMINISTRATOR'S DUTIES**

20 **A.** The Settlement Administrator will independently review the Covered Workweeks
21 attributed to each Class Member by Defendant and will calculate the amounts due to each Class
22 Member in accordance with this Settlement. The Settlement Administrator shall report, in summary
23 or narrative form, the substance of its findings to the Parties. The Parties will cooperate to provide
24 to the Settlement Administrator relevant records in order to perform its duties.

25 **B.** In accordance with the terms of this Settlement, and upon receipt of funds from
26 Defendant, the Settlement Administrator will issue and send out the Individual Settlement Payment
27 checks to the Settlement Class Members, pay all payroll taxes and be responsible for all required
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1 federal, state and local payroll tax reports. All disputes relating to the Settlement Administrator's
2 performance of its duties shall be referred to the Court, if necessary, which will have continuing
3 jurisdiction over the terms and conditions of this Settlement until all payments and obligations
4 contemplated by this Settlement have been fully carried out.

5 **VII. FUNDING AND DISTRIBUTION OF SETTLEMENT**

6 A. Within thirty (30) calendar days of the Effective Date, Defendant shall fund the
7 Gross Settlement Amount, into a settlement account to be established by the Settlement
8 Administrator.

9 B. Within ten (10) calendar days after Defendant transmits the Gross Settlement
10 Amount to the settlement account established by the Settlement Administrator, the Settlement
11 Administrator shall distribute the Individual Settlement Payments to Settlement Class Members,
12 Attorneys' Fees and Costs to Class Counsel, Enhancement Awards to Plaintiffs, the LWDA
13 Payment to the LWDA, and Settlement Administration Fees to itself.

14 **VIII. INDIVIDUAL SETTLEMENT PAYMENTS TO SETTLEMENT CLASS MEMBERS**

15 A. Each Class Member who does not submit a timely and valid Request for Exclusion
16 (i.e., Settlement Class Member) will be entitled to a *pro rata* share of the Net Settlement Amount
17 (i.e., Settlement Share), as calculated by the Settlement Administrator.

18 B. The Settlement Administrator will determine the Settlement Share of each Class
19 Member, using the Class Data (as independently reviewed by the Settlement Administrator)
20 according to the following methodology:

21 1. The number of Covered Workweeks worked by all Class Members will be
22 totaled ("Total Covered Workweeks");

23 2. Each Class Member's Covered Workweeks will be divided by the Total
24 Covered Workweeks to yield his or her "Individual Percentage Allocation" and;

25 3. The Settlement Administrator will multiply each Class Member's Individual
26 Percentage Allocation by the Net Settlement Amount to yield his or her Settlement Share.

27 C. The Parties have agreed that all Settlement Shares will be allocated as follows:
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1 twenty percent (20%) as wages, and the remaining eighty-percent (80%) as interest, penalties, and
2 other non-wage damages. The Settlement Administrator will report the wages portion of each
3 Settlement Share on an IRS Form W-2 and the interest and penalties portions on an IRS Form 1099
4 (if applicable) and will provide to Defendant's Counsel copies of all tax reports filed with the
5 Internal Revenue Service and the State of California regarding the payments of the Settlement Share
6 to the Settlement Class Members. Settlement Class Members are solely responsible to pay
7 appropriate taxes due on any amount paid to them under the Settlement. To the extent required by
8 law, IRS Forms 1099 and W-2 will be issued to each Settlement Class Member with respect to such
9 payments by the Settlement Administrator.

10 D. Settlement Class Members will be paid their respective Settlement Share, subject to
11 reduction for Employer Taxes and the employee's share of payroll taxes and withholdings with
12 respect to the wages portion of each of their Settlement Shares (the net payment is their "Individual
13 Settlement Payment"). Individual Settlement Payments will be distributed by the Settlement
14 Administrator, by way of check that is mailed to the Settlement Class Members at the last known
15 address that the Settlement Administrator has on file.

16 E. All payments made to Plaintiffs and Settlement Class Members under this
17 Settlement, will be deemed to be paid to such Settlement Class Member solely in the year in which
18 such payments actually are received by Plaintiffs and Settlement Class Members. It is expressly
19 understood and agreed by the Parties that the receipt any payment under this Settlement will not
20 entitle Plaintiffs or any Settlement Class Member to the right to any derivative or additional
21 compensation or benefits under any theory, whether through company bonus, contest, or other
22 compensation or benefit plan or agreement in place during the period covered by the Settlement, nor
23 will it entitle Plaintiffs or any Settlement Class Member to any increased retirement, 401(k)
24 benefits, matching benefits, or deferred compensation benefits. It is the intent that the payments
25 provided for in this Settlement are the sole payments to be made by Defendant to Plaintiffs and
26 Settlement Class Members, and that Plaintiffs and Settlement Class Members are not entitled to any
27 new or additional compensation or benefits as a result of having received the payments under the
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1 Settlement (notwithstanding any contrary language or agreement in any benefit or compensation
2 plan document that might have been in effect during the period covered by this Settlement).

3 F. All payees under this Settlement Agreement remain responsible for payment of
4 their respective income taxes (if any).

5 G. Individual Settlement Payment checks will remain valid and negotiable for one
6 hundred and eighty (180) calendar days from the date of their issuance, and if not cashed, deposited,
7 or otherwise negotiated within the 180-day deadline, will be cancelled, however, the funds
8 associated with such cancelled check will be distributed to the Parties *cy pres* designee, which is
9 designated as the Children's Advocacy Institute (see: www.caichildlaw.org), pursuant to statute,
10 and Final Approval by the Court.

11 H. Upon completion of its calculation of Individual Settlement Payments, the
12 Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a report listing
13 the amount of all payments to be made to each Settlement Class Member. Proof of payment will be
14 provided to Class Counsel and Defendant's Counsel (without disclosing or identifying information
15 of the Settlement Class Members), and filed with the Court as ordered by the Court.

16 **IX. ATTORNEYS' FEES AND LITIGATION COSTS/EXPENSES**

17 In consideration for resolving this matter and in exchange for the release of all claims by the
18 Class Members, and subject to approval by the Court, Defendant will not object to Class Counsel's
19 application for attorneys' fees in an amount not to exceed thirty-three and one third percent (33.3%)
20 of the Gross Settlement Amount (which is \$133,333.33 of the Gross Settlement Amount of
21 \$400,000) and reasonable litigation costs and expenses actually incurred with respect to the cases in
22 an amount not to exceed Fifteen Thousand Dollars (\$15,000) (i.e., Attorneys' Fees and Costs). The
23 amounts set forth above will cover all work performed and all fees and costs incurred to date, and
24 all work to be performed and all fees and costs to be incurred in connection with obtaining the
25 approval by the Court of this Settlement and administration of the Settlement. Should Class
26 Counsel request a lesser amount and/or the Court awards a lesser amount(s) for Attorneys' Fees and
27 Costs, the difference between the lesser amount(s) and the maximum amount set forth above shall
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1 be part of the Net Settlement Amount, and shall not affect the total Gross Settlement Amount to be
2 paid by Defendant. The Settlement Administrator will issue an IRS Form 1099 to Class Counsels
3 for the payment of Attorneys' Fees and Costs.

4 **X. ENHANCEMENT AWARDS FOR CLASS REPRESENTATIVES**

5 Subject to approval by the Court, Defendant will not object to Plaintiffs' application for a
6 payment of up to Ten Thousand Hundred Dollars (\$10,000) for Plaintiff Carlos Peralta and Five
7 Thousand Hundred Dollars (\$5,000) to Plaintiff Remigio Guillen for their services as the Class
8 Representatives ("Enhancement Awards"). It is understood that the Enhancement Awards are in
9 addition to the Settlement Shares to which Plaintiffs are entitled to as Settlement Class Members.
10 The Settlement Administrator will issue an IRS Form 1099 to Plaintiffs for the Enhancement
11 Awards. Plaintiffs will be individually responsible for correctly characterizing their compensation
12 on their individual personal income tax returns for tax purposes and for paying any taxes on the
13 amount received. Should the Court approve Enhancement Awards to Plaintiffs in amounts that are
14 less than the amounts set forth above, the difference between the lesser amounts that are approved
15 by the Court and the Enhancement Award amounts that are set forth above will be a part of the Net
16 Settlement Amount.

17 **XI. RELEASE OF CLAIMS**

18 **A. Release of Claims by the Settlement Class Members:** Upon the Effective Date,
19 and except as to such rights or claims as may be created by this Settlement, Plaintiffs and each
20 Class Member who has not submitted a valid and timely Request for Exclusion (i.e. Settlement
21 Class Members) fully release and discharge Defendant, together with their officers, directors,
22 employees and agents (collectively the "Released Parties") from all claims and/or causes of
23 action stated in the complaint and those based solely upon the facts alleged in the complaint,
24 arising at any time from March 5, 2014 through and including the date of Preliminary Approval,
25 including and not limited to the California Labor Code, Industrial Welfare Commission Wage
26 Orders, and California Business & Professions Code section 17200, *et seq.*, including but not
27 limited to: the failure to pay all wages due (including, but not limited to, minimum wages,
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1 overtime wages, wages for off-the-clock work, and failure to properly calculate and pay all wages
2 due), the failure to provide meal periods and pay associated premiums, the failure to provide rest
3 periods and pay associated premiums, the failure to pay waiting-time penalties, the failure to
4 timely pay wages during employment and at termination of employment, the failure to keep and
5 maintain accurate payroll records, the failure to comply with Wage Theft Protection Act of 2011,
6 the failure to provide accurate itemized wage statements, the failure to reimburse business
7 expenses, unfair business practices, civil penalties under the Private Attorneys General Act,
8 California Labor Code section 2698, *et seq.*, restitution and other equitable relief, conversion,
9 liquidated damages, punitive damages, and penalties (collectively the "Released Claims").

10 **B. Release of Claims by the Class Representatives:**

11 1. The Class Representatives each respectively agree that, in exchange for the
12 consideration set forth in this Settlement Agreement, and upon the Effective Date, they shall and
13 hereby do fully, finally, and forever compromise, release, resolve, relinquish, discharge, and settle,
14 on behalf of themselves and each of their heirs, representative, successors, assigns, and attorneys,
15 any and all claims of any nature whatsoever, they have or may have against the Released Parties,
16 based on their respective employments with Defendant, for any act occurring on or before the date
17 of final approval of the Settlement. The Class Representatives shall not institute any action or cause
18 of action (in law, in equity, or administratively), suit, debt, lien, or claim, known or unknown, fixed
19 or contingent, for the claims described in Section XI, in state or federal court, or with any state,
20 federal, or local government agency, except the EEOC or DFEH, or with any administrative or
21 advisory body (but if so, subject to the 1542 waiver below, and to the maximum extent permitted by
22 law, Plaintiffs respectively and expressly agree that if such administrative claims are made, each
23 respective Plaintiff shall not be entitled to recover any individual monetary relief or other individual
24 remedies).

25 2. The Class Representatives may hereafter discover facts in addition to or
26 different from those which they now know or believe to be true, but they nevertheless stipulate and
27 agree that, upon the Effective Date, they shall and hereby do fully, finally, and forever settle and
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1 release any and all of their individual claims whether known or unknown, suspected or unsuspected,
2 contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore
3 have existed, upon any theory of law or equity and without regard to the subsequent discovery or
4 existence of such different or additional facts. With respect to the release of their individual claims,
5 as set forth in this section, the Class Representatives specifically acknowledge that they are aware
6 of and familiar with the provisions of California Civil Code section 1542, which provides as
7 follows:

8
9 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
10 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
11 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING**
12 **THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD**
13 **HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH**
14 **THE DEBTOR OR RELEASED PARTY.**

15 The Class Representatives, each respectively being aware of California Civil Code section 1542,
16 hereby expressly waive and relinquish all rights and benefits that he may have under the section as
17 well as any other statute or common law principle of a similar effect, with respect to the release of
18 his individual claims against Defendant.

19 **XII. APPROVAL OF THE SETTLEMENT**

20 **A. Seeking Preliminary Approval:** This Settlement Agreement will be submitted to the
21 Court in support of Plaintiffs' motion for preliminary approval for determination by the Court as
22 to its fairness, adequacy, and reasonableness. In conjunction with the motion, Plaintiffs will
23 submit a proposed order to the Court, in a form agreed upon by the Parties, providing for the
24 following:

25 1. Scheduling of a hearing ("Final Approval Hearing") on the question of
26 whether the Settlement should be finally approved as fair, reasonable, and adequate as to the
27 members of the Class, and whether to award payment of Attorneys' Fees and Costs to Class
28 Counsel, Enhancement Awards to Plaintiffs, and Settlement Administration Fees to the Settlement
Administrator:

2. Conditional certification of the Class for settlement purposes only;

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2 3. Preliminary appointment of Plaintiffs as representatives of the Class and
3 Class Counsel as counsel for the Class;

4 4. Approval as to form and content the proposed Class Notice;

5 5. Directing the mailing of the Class Notice; and

6 6. Preliminary approval of the Settlement subject only to the objections of
7 Settlement Class Members and final review by the Court.

8 B. Seeking Final Approval of the Settlement: Class Counsel will file a motion for
9 final approval of the Settlement, and in conjunction with the motion, Class Counsel will submit a
10 proposed Final Approval Order and Judgment based thereon, in a form that is to be agreed upon
11 by the Parties, providing for the following:

12 1. Making final the conditional certification of the Class for settlement purposes
13 only;

14 2. Approval of the Settlement, adjudging the terms thereof to be fair, reasonable
15 and adequate, and directing consummation of its terms and provisions;

16 3. Approval of Class Counsel's application for an award of Attorneys' Fees and
17 Costs;

18 4. Approval of the Enhancement Awards to Plaintiffs; and

19 5. Entry of judgment in the Consolidated Action with continuing jurisdiction of
20 the Court in conformity with California Rules of Court Rule 3.769.

21 **XIII. MISCELLANEOUS**

22 A. Entire Agreement: This Settlement Agreement and its associated Exhibits set
23 forth the entire agreement of the Parties with respect to their subject matter and supersede any and
24 all other prior agreements and all negotiations leading up to the execution of this Settlement
25 Agreement, whether oral or written, regarding the subjects covered herein. The Parties
26 acknowledge that no representations, inducements, promises, or statements relating to the subjects
27 covered herein, oral or otherwise, have been made by any of the Parties or by anyone acting on
28 behalf of the Parties which are not embodied or incorporated by reference herein, and further

1 agree that no other agreement, covenant, representation, inducement, promise, or statement
2 relating to the subjects covered herein not set forth in writing in this Settlement Agreement have
3 been made.

4 B. No Additional Contribution by Defendant: Defendant's monetary obligation
5 under this Agreement is limited to the Gross Settlement Amount.

6 C. Interim Stay of Proceedings: Pending completion of the settlement process, the
7 Parties agree to a stay of all proceedings in the cases except such as are necessary to implement
8 the Settlement itself.

9 D. Termination/Nullification of the Settlement: This Settlement will be null and
10 void if any of the following occur: (a) the Court should for any reason fail to certify a class for
11 settlement purposes; (b) the Court should for any reason fail to preliminarily or finally approve of
12 this Settlement in the form agreed to by the Parties, other than adjustments made to the amount
13 awarded for Attorneys' Fees and Costs to Class Counsel and/or Enhancement Awards to
14 Plaintiffs; (c) the Court should for any reason fail to enter the final Judgment; (d) the final
15 Judgment is reversed, modified, or declared or rendered void;

16 1. In the event this Settlement is nullified or terminated as provided above: (i)
17 this Settlement will be considered null and void, (ii) neither this Settlement nor any of the related
18 negotiations or proceedings will have any force or effect and no party will be bound by any of its
19 terms, and (iii) all Parties to this Settlement will stand in the same position, without prejudice, as if
20 the Settlement had been neither entered into nor filed with the Court.

21 E. Mutual Cooperation: The Parties agree to fully cooperate with each other to
22 accomplish the terms of this Settlement including, but not limited to, execution of such documents
23 and taking such other action as reasonably may be necessary to implement the terms of this
24 Settlement. The Parties to this Settlement shall use their best efforts, including all efforts
25 contemplated by this Settlement and any other effort that may become necessary by order of the
26 Court, or otherwise, to effectuate this Settlement and the terms set forth herein. As soon as
27 practicable after execution of this Settlement, Class Counsel will, with the assistance and
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1 cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's
2 preliminary and final approval of this Settlement.

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4 F. **No Prior Assignments:** The Parties and their respective counsel represent,
5 covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered,
6 or purported to assign, transfer, or encumber to any person or entity any portion of any liability,
7 claim, demand, action, cause of action, or rights herein released and discharged except as set forth
8 herein.

9 G. **Binding on Assigns:** This Settlement shall be binding upon the Parties hereto and
10 their respective heirs, trustees, executors, administrators, successors, and assigns.

11 H. **No Admissions With Respect to Liability:** Nothing contained herein, nor the
12 consummation of this Settlement, is to be construed or deemed an admission with respect to
13 liability, culpability, negligence, or wrongdoing on the part of Defendant or Plaintiffs. The
14 Parties have entered into this Settlement solely with the intention to avoid further disputes and
15 litigation with the attendant inconvenience and expenses.

16 I. **State Law:** All terms of this Settlement Agreement and the exhibits hereto shall be
17 governed by and interpreted according to the laws of the State of California.

18 J. **Continuing Jurisdiction:** Pursuant to California Rules of Court rule 3.769(h), the
19 Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement
20 of the terms of this Settlement Agreement and all orders and judgments entered in connection
21 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for
22 purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement
23 Agreement and all orders and judgments entered in connection therewith.

24 K. **Notice to Counsel:** Unless otherwise specifically provided herein, all notices,
25 demands, or other communications given hereunder shall be in writing and shall be both emailed
26 and mailed by United States registered or certified mail, return receipt requested, addressed as
27 follows:
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1 **Class Counsel:**

2 J.D. Henderson, Esq., SBN 235767
3 LAW OFFICE OF J.D. HENDERSON
4 215 North Marengo Avenue, Suite 322
5 Pasadena, CA 91110
6 Telephone: (626) 592-5891
7 Email: JD LAW@charter.net

8 Ziad Elrawashdeh, Esq., SBN 237166
9 RAWA LAW GROUP, APC
10 5843 Pine Avenue
11 Chino Hills, CA 91709
12 Telephone: (909) 393-0660
13 Fax: (888) 250-8844
14 Email: ziad@zrawa.com

Counsel for Defendant:

Richard Marca, Esq.
Jeff Olsen, Esq.
Varner & Brandt LLP
3750 University Avenue, Suite 610
Riverside, California 92501
Email: richard.marca@varnerbrandt.com
jeff.olsen@varnerbrandt.com

15 L. **Construction:** The Parties hereto agree that the terms and conditions of this
16 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties, and
17 this Settlement shall not be construed in favor of or against any Party by reason of the extent to
18 which any Party or his, her, or its counsel participated in the drafting of this Settlement.

19 M. **Captions and Interpretations:** Section titles or captions contained herein are
20 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
21 describe the scope of this Settlement or any provision hereof. Each term of this Settlement is
22 contractual and not merely a recital.

23 N. **Modification:** This Settlement may not be changed, altered, or modified, except in
24 writing and signed by the Parties hereto or their counsel of record. After preliminary approval of
25 the Settlement has been granted, this Settlement may not be modified except by a writing signed
26 by the Parties hereto or their counsel of record, and approved by the Court.

27 O. **Integration:** This Settlement contains the entire agreement between the Parties
28 relating to any and all matters addressed in the Settlement Agreement, and all prior or

1 contemporaneous agreements, understandings, representations, and statements, whether oral or
2 written and whether by a Party or such Party's legal counsel, are merged herein. No rights
3 hereunder may be waived except in writing.

4 P. Signatures and Authority:

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6 1. It is agreed that because the members of the Class are so numerous, it is
7 impossible or impractical to have each member of the Class execute this Settlement Agreement. The
8 Class Notice will advise all Class Members of the binding nature of the release of claims provided for
9 by the Settlement, and that the release shall have the same force and effect as if this Settlement
10 Agreement were executed by each Settlement Class Member.

11 2. This Settlement Agreement may be executed in counterparts and by electronic
12 or facsimile signatures, and when each party has signed and delivered at least one such counterpart,
13 each counterpart will be deemed an original, and, when taken together with other signed counterparts,
14 will constitute one Settlement, which will be binding upon and effective as to all Parties.

15 3. The signatories hereto hereby represent that they are fully authorized to enter
16 into this Settlement and bind the Parties hereto to the terms and conditions thereof.

17 Q. No Mass Communications: Parties will not publicize or disclose or cause or
18 knowingly permit or authorize the publicizing or disclosure of the negotiations of the Settlement
19 except as required to be disclosed by law or to be disclosed to the Court in order to obtain
20 preliminary and final approval of the Settlement. The Parties and attorneys will keep the
21 Settlement confidential until the filing of the motion for preliminary approval of the Settlement,
22 except as otherwise required by law. Thereafter, except as provided below, the Parties agree to
23 not make, or cause to make, any comments to the public or the media or engage in any mass
24 communications or other publicity, including, but not limit to, social media, regarding the
25 Settlement, except in court filings, as necessary to effectuate notice of the Settlement to the Class
26 Members, and as required by law. Plaintiffs, including their counsel, agree not to distribute or
27 advertise any materials which relate to the Settlement of this case, including but not limited to any
28 postings on any websites maintained or used by Class Counsel, nor publications or reporting

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service regarding settlements and verdicts, and under no circumstances shall Class Counsel identify Defendant's name, business or trade, case name, case number or settlement amount, in such advertising material. If the media asks about this case in any way or requests a comment on the Settlement, the Parties agree to respond only with "The matter has been resolved."

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IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release:

PLAINTIFFS, ON BEHALF OF THEMSELVES AND ALL OTHERS SIMILARLY SITUATED AND ALL AGGREIVED EMPLOYEES

Dated: 12-10, 2021

By: Remigio Guillen

Plaintiff Remigio Guillen, on behalf of himself and all Others similarly situated

Dated: _____, 2021

By: _____

Plaintiff Carlos Peralta, on behalf of himself and all Others similarly situated

Dated: _____, 2021

DEFENDANT FRAMING BY SUPERIOR, INC.

By: _____

Name: _____

Title: _____

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IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release:

PLAINTIFFS, ON BEHALF OF THEMSELVES AND ALL OTHERS SIMILARLY SITUATED AND ALL AGGREIVED EMPLOYEES

Dated: _____, 2021

By: _____

Plaintiff Remigio Guillen, on behalf of himself and all Others similarly situated

Dated: 02-10-2021

By: Carlos Ocampo Peralta

Plaintiff Carlos Peralta, on behalf of himself and all Others similarly situated

Dated: _____, 2021

DEFENDANT FRAMING BY SUPERIOR, INC.

By: _____

Name: _____

Title: _____

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IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release:

PLAINTIFFS, ON BEHALF OF THEMSELVES AND ALL OTHERS SIMILARLY SITUATED AND ALL AGGREIVED EMPLOYEES

Dated: _____, 2021

By: _____

Plaintiff Remigio Guillen, on behalf of himself and all Others similarly situated

Dated: _____, 2021

By: _____

Plaintiff Carlos Peralta, on behalf of himself and all Others similarly situated

Dated: 8/12, 2021

DEFENDANT FRAMING BY SUPERIOR, INC.

By: Eddie L. Still

Name: EDDIE L STILL, PRESIDENT

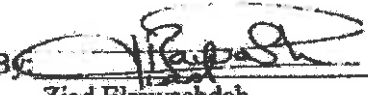
Title: PRESIDENT

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APPROVED AS TO FORM (AND SPECIFICALLY AS TO THE CONFIDENTIALITY PROVISIONS DESCRIBED IN SECTION XIII(Q)):


RAWA LAW GROUP, APC
LAW OFFICES OF J.D. HENDERSON

Dated: February 12, 2021

By: 
Ziad Elrawashdeh
J.D Henderson
Attorneys for REMIGIO GUILLEN and
CARLOS PERALTA on behalf of all other
similarly situated, and the general public

VARNER & BRANDT LLP

Dated: February 16, 2021

By: 
Richard Marca
Jeff T. Olsen
Attorneys for Defendant FRAMING BY
SUPERIOR, INC.