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plaintiff Hani Almorisi ("Plaintiff"), individually and on behalf of the Settlement Class, as defined below, on the one hand; and defendant M. A. Mortenson Company ("Defendant"), on the other hand; in the lawsuits entitled Almorisi v. M.A. Mortenson Company, et al., filed in the Kern County Superior Court, Case Nos. BCV-23-100727 ("Class Action") and BCV-23-101522 ("PAGA Action" and collectively with the Class Action, the "Action"). Plaintiff and Defendant shall be, at times, collectively referred to as the "Parties" and individually as a "Party". This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge and settle the claims in the Action as set forth herein, based upon and subject to the terms and conditions of this Agreement.

This Joint Stipulation re: Class Action and Representative Action Settlement

DEFINITIONS 1.

- A. "Class Action" means Almorisi v. M.A. Mortenson Company, et al. filed in the Kern County Superior Court, Case No. BCV-23-100727.
- B. "PAGA Action" means Almorisi v. M.A. Mortenson Company, et al. filed in the Kern County Superior Court, Case No. BCV-23-101522.
 - C. "Action" means, collectively, the Class Action and the PAGA Action.
- D. "Aggrieved Employees" or "PAGA Employees" means all current and former non-exempt employees of Defendant who worked during the PAGA Period in California.
- E. "Class Counsel" means: Jasmin K. Gill of J. Gill Law Group, P.C. The term "Class Counsel" shall be used synonymously with the term "Plaintiff's Counsel."
 - F. "Class Period" means the period from March 9, 2019 through April 14, 2024.
- G. "Court" means the Superior Court of the State of California for the County of Kern.
- H. "Class Notice" means and refers to the notice sent to Class Members after preliminary approval of the Settlement in the manner described in Paragraph 9(A) of this Agreement.
 - I. "Defendant" shall refer to defendant M. A. Mortenson Company.

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- "Effective Date" means when all of the following events have occurred: (1) the Court has granted final approval of this Settlement ("Final Approval"); and (2) the later of the following events: (a) if no timely objections are filed, sixty-one days after the Court enters an order granting Final Approval of this Settlement; or (b) in the event there are written objections filed prior to the formal fairness hearing, which are not later withdrawn or denied, the later of the following events: (i) when the period for filing any appeal opposing the Settlement has elapsed without any appeal being filed; (ii) when any appeal opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or (iii) when any appeal or other appellate proceeding has upheld the Court's order granting Final Approval of the Settlement.
- K. "Employer Taxes" means employer-funded taxes and contributions imposed on the wage portions of the Individual Settlement Payments under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions required of employers, such as for unemployment insurance.
- L. "General Release" means the general release of claims by Plaintiff, which is in addition to his limited release of claims as a Participating Class Member and Aggrieved Employee.
- M. "Gross Settlement Amount" or "GSA" means a non-reversionary fund in the sum of Two Million Nine Hundred Fifty Thousand Dollars and Zero Cents (\$2,950,000.00), \$50,000 of which is specifically designated to make payments to the PAGA Employees and the Labor Workforce Development Agency ("LWDA") to settle the PAGA Action. The Gross Settlement Amount shall be paid by Defendant, and from which all of the following payments will be made: (1) payments to the Participating Class Members for their share of the Net Settlement Amount (defined below); (2) Payments to the PAGA Employees; (3) Plaintiff's Counsel's attorneys' fees; (4) Plaintiff's Counsel's litigation costs and expenses; (5) Settlement Administration Fees and Costs; (6) payment of a Service Award to Plaintiff; (7) the payment to the LWDA of its share of the Net Settlement Amount under the Labor Code Private Attorneys' General Act of 2004 ("PAGA," codified at Labor Code section 2698, et seq.); (8) employee side

payroll taxes; and (9) interest. The Gross Settlement Amount expressly excludes Employer Taxes, which shall be paid by Defendant separate and apart from the Gross Settlement Amount.

- N. "Individual PAGA Payment" means a payment to an Aggrieved Employee of his or her share of the PAGA Payment.
- O. "Individual Settlement Payment" means a payment to a Participating Class Member of his or her net share of the Net Settlement Amount, excluding any Individual PAGA Payment to which he or she may be entitled if he or she is also an Aggrieved Employee.
- P. "Individual Settlement Share" means the gross amount of the Net Settlement Amount that a Settlement Class Member is projected to receive based on the number of Workweeks that he or she worked as a Settlement Class Member during the Class Period, excluding any Individual PAGA Payment to which he or she may be entitled if he or she is also an Aggrieved Employee.
- Q. "LWDA Payment" means the payment to the LWDA for its seventy-five percent (75%) share of the total amount allocated toward penalties under the PAGA, which is to be paid from the Gross Settlement Amount.
- R. "Net Settlement Amount" or "Class Employee Fund" means the portion of the Gross Settlement Amount that is available for distribution to Participating Class Members after deductions for the Court-approved allocations for Settlement Administration Fees and Costs, Service Award to Plaintiff, an award of attorneys' fees, reimbursement of litigation costs and expenses to Class Counsel, and the LWDA Payment and the PAGA Payment.
- S. "Operative Complaint or "Complaint" means the First Amended Complaint to be filed with the Court in the Class Action to effectively consolidate the allegations of the Class Action and the PAGA Action within the Class Action.
- T. "PAGA Payment" or "PAGA Employee Payment" is the \$12,500.00 payment payable to Aggrieved Employees on a *pro rat*a Pay Period basis in addition to their Individual Settlement Share if they do not opt out of the Settlement.
- U. "PAGA Period" means the period from March 9, 2022 through April 14, 2024.

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- V. "Participating Class Members" means all Settlement Class Members who do not submit a timely and valid Request for Exclusion.
- W. "Participating Individual Settlement Share" means the gross amount of the Net Settlement Amount that a Participating Class Member is eligible to receive based on the number of Workweeks that he or she worked during the Class Period once all opt-outs have been factored in, excluding any Individual PAGA Payment to which he or she may be entitled if he or she is also an Aggrieved Employee.
 - **X.** "Parties" shall refer to Plaintiff and Defendant collectively.
- Y. "Pay Period" means the number of actual pay periods that a PAGA Employee worked for Defendant in a non-exempt position during the PAGA Period in California, based on payroll records, hire dates, re-hire dates (as applicable) and termination dates (as applicable).
 - **Z.** "Plaintiff" shall refer to Plaintiff Hani Almorisi.
- **AA.** "**Preliminary Approval Date**" means the date on which the Court enters an Order granting preliminary approval of the Settlement.
- **BB.** "Released Parties" shall mean M. A. Mortenson Company, as well as its parent, subsidiaries, assigns, and affiliates, and Edwards Sanborn Solar III, LLC, as well as its parent, subsidiaries, assigns, affiliates, predecessors, and successor entities.
- CC. "Response Deadline" means the deadline for Settlement Class Members to mail any Requests for Exclusion, objections, or Workweek disputes to the Settlement Administrator, which is forty-five (45) calendar days from the date that the Class Notice is first mailed in English and Spanish by the Settlement Administrator, unless a Class Member's notice is re-mailed. In such an instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing, or forty-five (45) calendar days from the date of the initial mailing, whichever is later, in which to postmark a Request for Exclusion, Workweek Dispute or objection. The date of the postmark shall be the exclusive means for determining whether a Request for Exclusion, objection, or Workweek Dispute was submitted by the Response Deadline. The Settlement Administrator shall inform the Class Member of the extended deadline with the re-mailed Class Notice.

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- DD. "Request for Exclusion" means a written request to be excluded from the Settlement Class pursuant to Section 9.C below.
- "Service Award(s)" means monetary amount to be paid to Plaintiff Hani Almorisi EE. of Ten Thousand Dollars and Zero Cents (\$10,000.00), which, subject to Court approval, will be paid out of the Gross Settlement Amount.
- FF. "Settlement Administration Costs" means all costs incurred by the Settlement Administrator in administration of the Settlement, including, but not limited to, translating the Class Notice to Spanish, the distribution of the Class Notice to the Settlement Class in English and Spanish, calculating Individual Settlement Shares and Individual Settlement Payments and associated taxes and withholdings, providing declarations, generating Individual Settlement Payment checks and related tax reporting forms, doing administrative work related to unclaimed checks, transmitting payment to Class Counsel for the Court-approved amounts for attorneys' fees and reimbursement of litigation costs and expenses, to Plaintiff for his Service Award, and to the LWDA from the LWDA Payment, providing weekly reports of opt-outs, objections and related information, and any other actions of the Settlement Administrator as set forth in this Agreement, all pursuant to the terms of this Agreement. The Settlement Administration Costs are estimated not to exceed \$18,550. If the actual amount of the Settlement Administration Costs is less than \$18,550, the difference between \$18,550 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$18,550, then such excess will be paid solely from the Gross Settlement Amount and Defendant will not be responsible for paying any additional funds in order to pay these additional costs.
- GG. "Settlement Administrator" means the Third-Party Administrator, ILYM Group, Inc., chosen to be responsible for the administration of the Settlement including, without limitation, translating the Class Notice in Spanish, the distribution of the Individual Settlement Payments to be made by Defendant from the Gross Settlement Amount and related matters under this Agreement.

- HH. "Settlement Class", "Settlement Class Members" or "Class Members" means all persons currently or formerly employed by Defendant as non-exempt employees during the Class Period in the State of California.
- II. "Workweek" means the number of weeks that a Settlement Class Member worked for Defendant in a non-exempt position during the Class Period in California, based on payroll records, hire dates, re-hire dates (as applicable) and termination dates (as applicable).

2. <u>BACKGROUND</u>

- A. On or around March 9, 2023, Plaintiff filed with the LWDA and served on Defendant and Edwards Sanborn Solar III, LLC a notice under Labor Code section 2699.3 (the "PAGA Notice") stating Plaintiff intended to serve as a proxy of the LWDA to recover civil penalties for Aggrieved Employees. The PAGA Notice alleged various violations of the Labor Code.
- **B.** On March 9, 2023, Plaintiff filed the Class Action. Plaintiff alleged that during the Class Period, with respect to Plaintiff and the Settlement Class Members, Defendant and Edwards Sanborn Solar III, LLC, *inter alia*, failed to pay overtime and minimum wages; failed to provide complaint meal and rest periods or compensation in lieu thereof; waiting time penalties; wage statement violations; violated Labor Code section 2802; and engaged in unfair competition based on the alleged Labor Code violations. Thereafter, on May 15, 2023, Plaintiff filed the PAGA Action alleging Plaintiff's related representative allegations and claims for civil penalties under PAGA.
- C. Shortly after the filing of the Action, the Parties agreed to exchange formal and informal discovery and attend an early mediation. Prior to mediation, Defendant agreed to provide Class Counsel with, among other things: (1) all employee handbooks and wage-and-hour policies in effect during the Class Period; (2) the number of current and former non-exempt employees of Defendant in the Class Period and the number of current and former non-exempt employees of Defendant in the PAGA Period; (3) hire dates, re-hire dates (if applicable), separation dates (if applicable), and information regarding the rates of pay for each current and former non-exempt employee in the Class Period; (4) a 20% sampling of time and payroll record

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for the estimated 2,566 Class Members; (5) contact information for Class Members pursuant to a stipulated protective order; (6) a list of all job titles in effect during the Class Period and all job descriptions for those job titles; and (7) all documents pertaining to Plaintiff.

- D. On February 14, 2024, the Parties participated in a mediation before Gig Kyriacou, Esq., a well-regarded mediator experienced in mediating complex civil disputes. With the aid of the mediator's evaluation and full-day of settlement discussions through the mediator on the day of mediation, the Parties reached the Settlement to resolve the Action. As part of the Settlement, the Parties agreed to stipulate to Plaintiff being granted leave to file a First Amended Complaint in the Class Action to effectively consolidate the claims and allegations of the Class Action and the PAGA Action within the Class Action for the purpose of settlement approval. The parties further agreed that upon acceptance of the filing of the First Amended Complaint, Plaintiff shall dismiss the PAGA Action. In the event that the Court does not grant final approval of this Settlement, Plaintiff will be permitted to separately refile the PAGA Action without prejudice and the filing shall relate back to the original filing date of the PAGA Action.
- E. Class Counsel has conducted significant investigation of the law and facts relating to the claims asserted in the Action and the PAGA Notice, and has concluded that the Settlement set forth herein is fair, reasonable, adequate, and in the best interests of the Settlement Class, taking into account the sharply contested issues involved, the expense and time necessary to litigate the Action through trial and any appeals, the risks and costs of further litigation of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, the information learned through informal discovery regarding Plaintiff's allegations, and the substantial benefits to be received by the Settlement Class Members.
- F. Defendant has concluded that, because of the substantial expense of defending against the Action, the length of time necessary to resolve the issues presented herein, and the inconvenience involved, and the concomitant disruption to their business operations, it is in its best interest to accept the terms of this Agreement. Defendant denies each of the allegations and claims asserted against it in the Action. However, Defendant nevertheless desires to settle the

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Action for the purpose of avoiding the burden, expense and uncertainty of continuing litigation and for the purpose of putting to rest the controversies engendered by the Action.

G. This Agreement is intended to and does effectuate the full, final, and complete resolution of all Class Released Claims, as defined below in paragraph 7(A), on behalf of Plaintiff and Participating Class Members, and all PAGA Released Claims, as defined below in paragraph 7(B), of Plaintiff and, to the fullest extent permitted by law, of the State of California and Aggrieved Employees.

3. **JURISDICTION**

The Court has jurisdiction over the Parties and the subject matter of the Action. The Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the applicable statutes. After the Court has granted Final Approval of the Settlement and entered judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the judgment pursuant to California Rule of Court, rule 3.769, subdivision (h).

4. STIPULATION OF CLASS CERTIFICATION

The Parties stipulate to the certification of the Settlement Class under this Agreement for purposes of settlement only.

5. MOTIONS FOR APPROVAL OF SETTLEMENT AND AMENDMENT OF **PLEADING**

After full execution of this Agreement, Plaintiff will move for an order granting preliminary approval of the Settlement, approving and directing the mailing of the proposed Class Notice attached hereto as Exhibit "A", conditionally certifying the Settlement Class for settlement purposes only, and approving the deadlines proposed by the Parties for the submission of Requests for Exclusion, Workweek Disputes, and objections. If and when the Court preliminarily approves the Settlement, and after administration of the Class Notice in a manner consistent with the Court's Preliminary Approval Order, Plaintiff will move for an order finally approving the Settlement and seek entry of a Judgment in line with this Settlement. If the Court does not grant preliminary approval or conditions preliminary approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on

behalf of the Parties, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

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6. **STATEMENT OF NO ADMISSION**

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Defendant denies any wrongdoing of any sort and further denies any liability to Plaintiff, the Settlement Class and Aggrieved Employees with respect to any claims or allegations asserted in the Action. This Agreement shall not be deemed an admission by Defendant of any claims or allegations asserted in the Action. Except as set forth elsewhere herein, in the event that this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or remedies, or defenses in the Action, and Defendant will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the Action. The Parties shall be restored to their respective positions in the Action prior to the entry of this Settlement.

7. **RELEASE OF CLAIMS**

Α. Release by All Participating Class Members.

Effective only upon the Effective Date, and payment by Defendant to the Settlement Administrator of the full Gross Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff and all Participating Class Members release the Released Parties of all claims against the Released Parties asserted in the Operative Complaint, and any and all claims that could have been asserted against the Released Parties based on the factual or legal allegations in the Operative Complaint, as follows: For Participating Class Members, the release includes, for the duration of the Class Period: (a) all claims for failure to pay all wages owed, whether due to alleged off the clock work, failure to accurately calculate the regular rate, or any other theory of liability for the underpayment of the minimum wage or overtime; (b) all claims for failure to provide duty-free meal periods or pay premiums at the regular rate of pay in lieu thereof; (c) all claims for failure to provide duty-free rest breaks or pay premiums at the regular rate of pay in lieu thereof; (d) all claims for failure to reimburse business expenses; (e) all claims for penalties for failure to timely pay wages during employment or at the time of termination (voluntary or

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involuntary); (f) all claims for failure to provide accurate wage statements; (g) unfair business practices; (h) claims for the attorney's fees and costs incurred in prosecuting the Action on behalf of Class Employees except as otherwise stated herein; and (i) any other claims, remedies, penalties, or interest that were alleged or could have been alleged based on the factual allegations contained in Plaintiff's Operative Complaint (the "Class Released Claims").

В. Release by All Aggrieved Employees

For Aggrieved Employees, the release includes, for the duration of the PAGA Period, all claims asserted in the PAGA Notice and alleged under PAGA in the Operative Complaint, including all claims for civil penalties under PAGA arising out of Labor Code Sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 based on the factual allegations and Labor Code sections alleged to have been violated in the PAGA Notice and Operative Complaint or could have been alleged, which includes, without limitation, Labor Code sections 96(k), 98.6, 200, 201, 202, 203, 204, 204b, 204.1, 205, 205.5, 206, 206.5, 210, 221, 223, 226, 226.3, 226.7, 227.3, 232, 232.5, 246 et seq., 248.2, any code sections regarding COVID-19 Supplemental Sick Leave Laws, 432, 510, 512, 558, 558.1, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 2699, et seq., 2802, 2810.5, claims for the violation of the provisions of the applicable Wage Orders regarding minimum wage, overtime, meal periods and rest periods, as well as allegations regarding the late payment of final wages, inaccurate wage statements (the "PAGA Released Claims"). The Class Released Claims and PAGA Released Claims shall be referred to herein as the "Released Claims".

C. **Claims Not Released**

The releases above expressly exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, claims arising under the Fair Employment and Housing Act and California Family Rights Act, and any other claims outside of the Class Released Claims of Participating Class Members, including Plaintiff, arising during the Class Period and the PAGA Released Claims of Aggrieved Employees, including Plaintiff (and, to the extent permitted by law, the State of California) arising outside of the PAGA Period.

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D. General Release.

Effective only upon the Effective Date, and payment by Defendant to the Settlement Administrator selected of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, in addition to the Released Claims, the Plaintiff makes the additional following General Release: Plaintiff releases the Released Parties from all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the Released Parties through the date of full execution of this Agreement in connection with Plaintiff's employment with Defendant or termination thereof, except for any and all other claims that may not be released as a matter of law through this Agreement. To the extent of the General Release provided herein, Plaintiff stipulates and agrees that, upon the Effective Date and payment by Defendant to the Settlement Administrator selected of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, he shall have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Plaintiff's limited release of claims as a Participating Class Member and Aggrieved Employee, as well as his General Release and Civil Code section 1542 waiver expressly excludes any claims for workers compensation benefits, including Plaintiff's currently pending workers compensation matter(s) and claim(s).

8. <u>SETTLEMENT ADMINISTRATOR</u>

Plaintiff and Defendant, through their respective counsel, have selected ILYM Group, Inc. to administer the Settlement, which includes but is not limited to translating the Class Notice

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to Spanish, distributing and responding to inquiries about the Class Notice and calculating all amounts to be paid from the Gross Settlement Amount. Charges and expenses of the Settlement Administrator, currently estimated to be \$18,550 will be paid from the Gross Settlement Amount. If the actual amount of the Settlement Administration Costs is less than \$18,550, the difference between \$18,550 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$18,550, then such excess will be paid solely from the Gross Settlement Amount and Defendant will not be responsible for paying any additional funds in order to pay these additional costs.

9. NOTICE, WEEKLY PAY PERIOD DISPUTE, OBJECTION, AND EXCLUSION PROCESS

A. Notice to the Settlement Class Members.

(1) Within fifteen (15) calendar days after the Preliminary Approval Date, Defendant's Counsel shall provide the Settlement Administrator, in Microsoft Excel format, with information with respect to each Settlement Class Member, including his or her: (1) name, last known address(es) and last known telephone number(s) currently in Defendant's possession, custody, or control; (2) Social Security Number in Defendant's possession, custody, or control; and (3) the hire dates, re-hire dates (if applicable) and termination dates (if applicable) for each Settlement Class Member ("Class List"). The Settlement Administrator shall perform an address search using the United States Postal Service National Change of Address ("NCOA") database and update the addresses contained on the Class List with the newly found addresses, if any. Within seven (7) calendar days of receiving the Class List from Defendant, the Settlement Administrator shall mail the Class Notice in English and Spanish to the Settlement Class Members via first-class regular U.S. Mail using the most current mailing address information available. The Settlement Administrator shall maintain a list with names and all addresses to which notice was given, and digital copies of all the Settlement Administrator's records evidencing the giving of notice to any Settlement Class Member, for at least four (4) years from the Final Approval date. Such information shall be available to Class Counsel and Defendant's Counsel upon request.

1	(2)	The C	Class Notice will set forth:
2		(a)	the Settlement Class Member's estimated Individual Settlement
3			Share and Individual PAGA Payment, and the basis for each;
4		(b)	the information required by California Rule of Court, rule 3.766,
5			subdivision (d);
6		(c)	the material terms of the Settlement;
7		(d)	the proposed Settlement Administration Costs;
8		(e)	the definition of the Settlement Class;
9		(f)	a statement that the Court has preliminarily approved the
10			Settlement;
11		(g)	how the Settlement Class Member can obtain additional
12			information, including contact information for Class Counsel;
13		(h)	information regarding opt-out and objection procedures;
14		(i)	the date and location of the Final Approval Hearing; and
15		(j)	that the Settlement Class Member must notify the Settlement
16			Administrator no later than the Response Deadline if the
17			Settlement Class Member disputes the accuracy of the number of
18			Workweeks as set forth on his or her Class Notice ("Workweek
19			Dispute"). If a Settlement Class Member fails to timely dispute
20			the number of Workweeks attributed to him or her in conformity
21			with the instructions in the Class Notice, then he or she shall be
22			deemed to have waived any objection to its accuracy and any claim
23			to any additional settlement payment based on different data.
24	(3)	If a	Class Notice from the initial notice mailing is returned as
25	undeliverable, the S	Settleme	nt Administrator will attempt to obtain a current address for the
26	Settlement Class Member to whom the returned Class Notice had been mailed, within five (5)		
27	calendar days of receipt of the returned Class Notice, by: (1) contacting the Settlement Class		
28	Member by phone, if possible, and (2) undertaking skip tracing. If the Settlement Administrator		

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is successful in obtaining a new address, it will re-mail the Class Notice to the Settlement Class Member within three (3) business days. Further, any Class Notices that are returned to the Settlement Administrator with a forwarding address before the Response Deadline shall be promptly re-mailed to the forwarding address affixed thereto within three (3) business days by the Settlement Administrator.

(4) No later than seven (7) calendar days from the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the completion of the notice process, including the number of attempts to obtain valid mailing addresses for and re-sending of any returned Class Notices, as well as the identities, number of, and copies of all Requests for Exclusion and objections/comments received by the Settlement Administrator.

B. Objections.

Only Participating Class Members may object or comment regarding the Settlement. In order for any Participating Class Member to object to this Settlement in writing, or any term of it, he or she must do so by mailing a written objection to the Settlement Administrator at the address or phone number provided on the Class Notice no later than the Response Deadline. The Settlement Administrator shall email a copy of the objection forthwith to Class Counsel and Defendant's counsel and attach each objection, if any, to the declaration that Class Counsel files with the Court in support of the Motion for Final Approval. The objection should set forth in writing: (1) the objector's name; (2) the objector's address; (3) the last four digits of the objector's Social Security Number; (4) the objector's signature; (5) a statement of whether the objector plans to appear at the Final Approval Hearing; and (6) the reason(s) for the objection, along with whatever legal authority, if any, the objector asserts in support of the objection. If a Participating Class Member objects to the Settlement, the Participating Class Member will remain a member of the Settlement Class and if the Court approves this Agreement, the Participating Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Participating Class Member who does not object. The date of mailing of the Class Notice to the objecting Participating Class Member shall be conclusively determined according to the records

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of the Settlement Administrator. Participating Class Members need not object in writing to be heard at the Final Approval Hearing; they may object or comment in person at the hearing at their own expense. Class Counsel and Defendant's Counsel may respond to any objection lodged with the Court up to five (5) court days before the Final Approval Hearing.

C. Requesting Exclusion.

Any Settlement Class Member may request exclusion from (i.e., "opt out" of) the Class Action Settlement by mailing a written request to be excluded from the Settlement ("Request for Exclusion") to the Settlement Administrator, postmarked on or before the Response Deadline (or the extended Response Deadline if the Class Notice is re-mailed). To be valid, a Request for Exclusion must include: (1) the Class Member's name; (2) the Class Member's Social Security Number; (3) the Class Member's signature; and (4) the following statement or something to its effect: "Please exclude me from the Settlement Class in the Almorisi v. M.A. Mortenson Company, et al. matter" or any statement standing for the proposition that the Class Member does not wish to participate in the Settlement. The Settlement Administrator shall immediately provide copies of all Requests for Exclusion to Class Counsel and Defendant's Counsel and shall report the Requests for Exclusions that it receives, to the Court, in its declaration to be provided in advance of the Final Approval Hearing. Any Settlement Class Member who requests exclusion using this procedure will not be entitled to receive any payment from the Settlement and will not be bound by the Settlement Agreement or have any right to object to, appeal, or comment on the Settlement. Any Settlement Class Member who does not opt out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by all terms of the Settlement, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if Final Approval of the Settlement is granted. A Settlement Class Member cannot submit both a Request for Exclusion and an objection. If a Settlement Class Member submits an objection and a Request for Exclusion, the Request for Exclusion will control and the objection will be void. Settlement Class Members who worked during the PAGA Period that submit a valid Request for Exclusion will still be deemed Aggrieved Employees, will still

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receive their Individual PAGA Payment, and will be bound by the release encompassed in the PAGA Released Claims.

D. Disputes Regarding Settlement Class Members' Workweeks Data.

Class Members will have an opportunity to dispute the information provided in their Class Notice. To the extent Class Members dispute the number of Workweeks to which they have been credited, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by the Class Member and provide a recommendation to the Parties' counsel for their review and approval, after which the Parties' counsel will collectively make the final decision as to the number of Workweeks worked in California that should be applied. All such disputes are to be resolved not later than ten (10) calendar days after the Response Deadline. If the Parties cannot come to an agreement within ten (10) calendar days after the Response Deadline, the dispute will be submitted to the Court.

E. Extension of Response Deadline for Remailing

If a Class Member's notice is re-mailed, the Class Member shall have fifteen (15) days from the re-mailing, or forty-five (45) days from the date of the initial mailing, whichever is later, in which to postmark a Request for Exclusion, written Objection or to dispute their attributed workweek count in the Class Period and/or PAGA Period.

F. Cooperation

If the Settlement Administrator, Defendant, or Class Counsel are contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received a Class Notice, the Parties will expeditiously meet and confer, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Settlement Administrator will send, via email or overnight delivery, a Class Notice

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requiring them to exercise options under this Agreement not later than fifteen (15) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

10. <u>INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA</u> PAYMENTS TO PARTICIPATING CLASS MEMBERS

Individual Settlement Payments will be calculated and distributed to Participating Class Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class Members' respective number of Workweeks worked during the Class Period. Individual PAGA Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees from the PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective number of Pay Periods worked during the PAGA Period. Specific calculations of the Individual Settlement Shares and Individual PAGA Payments to Aggrieved Employees will be made as follows:

- A. The Settlement Administrator will determine the total number of Workweeks worked by each Settlement Class Member during the Class Period ("Class Member's Workweeks"), as well as the aggregate number of Workweeks worked by all Settlement Class Members during the Class Period ("Class Workweeks") based on information provided by Defendant. The Net Settlement Amount will then be divided by the total Class Workweeks to determine the Workweek Value. An Individual Settlement Share = Class Member's Workweeks x Workweek Value.
- **B.** After the time to opt out ends pursuant to the terms of this Agreement, and assuming final approval of the Settlement is provided, this calculation will be revised to reflect only the Workweeks of the Participating Class Members as follows:

The Settlement Administrator will determine the total number of Workweeks worked by each Participating Class Member during the Class Period ("Participating Class Member's Workweeks"), as well as the aggregate number of Workweeks worked by all Participating Class Members during the Class Period ("Participating Class Workweeks"). The Net Settlement Amount will then be divided by the total Participating Class Workweeks to determine the Workweek Value. An Individual Settlement Payment = Participating Class

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Member's Workweeks x Workweek Value. The net amount of the Participating Individual Settlement Share is to be paid out to Participating Class Members by way of check and is referred to as "Individual Settlement Payment(s)".

- C. Additionally, the Settlement Administrator will determine the total number of Pay Periods worked by each Aggrieved Employee during the PAGA Period ("Aggrieved Employee's Pay Periods") based on information provided by Defendant, as well as the aggregate number of Pay Periods worked by all Aggrieved Employees during the PAGA Period ("PAGA Pay Periods"). \$12,500 will then be divided by the total PAGA Pay Periods to determine the PAGA Pay Period Value. An Individual PAGA Payment = Aggrieved Employee's Pay Periods x PAGA Pay Period Value.
- D. Individual Settlement Payments and Individual PAGA Payments shall be paid to Participating Class Members and/or Aggrieved Employees by way of check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment.

11. **DISTRIBUTION OF PAYMENTS**

Α. **Distribution of Individual Settlement Payments.**

Participating Class Members will receive an Individual Settlement Payment. All Aggrieved Employees, regardless of whether they submit a valid Request for Exclusion or not, will receive their Individual PAGA Payment. Individual Settlement Payment checks and Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance. Within seven (7) calendar days after expiration of the 180-day period, checks for such payments shall be canceled and funds associated with such checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil Procedure section 384 ("Unpaid Residue"). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil Procedure section 384, shall be transmitted as follows: to Legal Aid at Work, 180 Montgomery St., Suite 600 San Francisco, California 94104 for use in the County of Kern, State of California. The Parties and their counsel, by signing this Agreement, agree that they have no interest in the governance of the

cy pres recipient, nor do they have a conflict of interest with the cy pres recipient designated herein. The Settlement Administrator shall prepare a report regarding the distribution plan pursuant to Code of Civil Procedure section 384 and the report shall be presented to the Court by Class Counsel along with a proposed amended judgment that is consistent with the provisions of Code of Civil Procedure section 384.

B. Funding of Settlement.

Within fifteen (15) business days after the Effective Date of the Settlement, Defendant shall deposit the full amount of the Gross Settlement Amount of Two Million Nine Hundred Fifty Thousand Dollars and Zero Cents (\$2,950,000.00) plus the employer's share of payroll taxes to the Settlement Administrator in addition to Employer's Taxes pursuant to Internal Revenue Code section 1.468B-1 for deposit in an interest-bearing qualified settlement account ("QSA") with an FDIC insured banking institution, for distribution in accordance with this Agreement and the Court's orders and subject to the conditions described herein.

Individual Settlement Payments and Individual PAGA Payments shall be paid exclusively from the QSA, pursuant to the settlement formula set forth herein. Payments from the QSA shall be made for (1) the Service Award to Plaintiff as specified in this Agreement and approved by the Court; (2) the attorneys' fees and costs awarded to Class Counsel, as specified in this Agreement and approved by the Court; (3) the Settlement Administration Costs, as specified in this Agreement and approved by the Court; (4) the LWDA Payment, as specified in this Agreement; and (5) the PAGA Payment. The balance and any accrued interest thereon remaining shall constitute the Net Settlement Amount from which Individual Settlement Payments shall be made to Participating Class Members, less applicable taxes and withholdings. All interest accrued shall be for the benefit of Participating Class Members and distributed on a *pro rata* basis.

C. Time for Distribution.

No more than seven (7) calendar days after payment of the full Gross Settlement Amount by Defendant, as well as Employer Taxes, the Settlement Administrator shall distribute all payments due under the Settlement, including the Individual Settlement Payments to

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Participating Class Members and Individual PAGA Payments to Aggrieved Employees, as well as the Court-approved payments for the Service Award to Plaintiff, attorneys' fees and litigation costs and expenses to Class Counsel, administration costs to the Settlement Administrator, and the LWDA Payment to the LWDA.

12. ATTORNEYS' FEES AND LITIGATION COSTS

Class Counsel shall apply for, and Defendant shall not oppose, an award of attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount, which shall amount to One Million Thirty-Two Thousand Five Hundred Dollars and Zero Cents (\$1,032,500.00). Class Counsel shall further apply for, and Defendant shall not oppose, an application or motion by Class Counsel for reimbursement of actual costs associated with Class Counsel's prosecution of this matter as set forth by declaration testimony in an amount up to Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00). Awards of attorneys' fees and costs shall be paid out of the Gross Settlement Amount, for all past and future attorneys' fees and costs necessary to prosecute, settle, and obtain Final Approval of the settlement in the Action. The "future" aspect of the amounts stated herein includes, without limitation, all time and expenses expended by Class Counsel (including any appeals therein), except for any matters that arise from Defendant's failure to materially comply with the terms of this Agreement. There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendant for such work unless, in the event of a material breach of this Agreement by Defendant, Plaintiff is required to move the Court for enforcement of this Agreement. Should the Court approve attorneys' fees and/or litigation costs and expenses in amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

13. <u>SERVICE AWARD TO PLAINTIFF</u>

Plaintiff shall seek, and Defendant shall not oppose, a service award for Plaintiff in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) for his participation in and assistance with the Action. Any Service Award awarded to Plaintiff shall be paid from the Gross Settlement Amount and shall be reported on an IRS Form 1099. If the Court approves a

Service Award to Plaintiff in less than the amounts sought herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

14. TAXATION AND ALLOCATION

local withholding codes or regulations.

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A. Each Participating Individual Settlement Share shall be allocated as follows: 20% as wages (to be reported on an IRS Form W2); and 80% as interest and penalties (to be reported on an IRS Form 1099). The Individual PAGA Payments to the Aggrieved Employees shall be allocated entirely as penalties (to be reported on an IRS Form 1099). The Parties agree that the employee's share of taxes and withholdings with respect to the wage-portion of the Participating Individual Settlement Share will be withheld from the Participating Individual Settlement Share in order to yield the Individual Settlement Payment. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or

- **B.** Forms W-2 and/or Forms 1099 will be distributed by the Settlement Administrator at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, is changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes.
- C. All Employer Taxes shall be paid by Defendant separate, apart and above from the Gross Settlement Amount. Defendant shall remain liable to pay the employer's share of payroll taxes as described above.
- **D.** Neither Counsel for Plaintiff nor Defendant intends anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

15. PRIVATE ATTORNEYS' GENERAL ACT ALLOCATION

The Parties agree to allocate Fifty Thousand Dollars and Zero Cents (\$50,000.00) of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent (75%) of the amount allocated toward PAGA (\$37,500.00) will be paid to the LWDA (*i.e.*, the LWDA Payment), and twenty-five percent (25%) of the amount allocated toward PAGA (\$12,500.00) shall be deemed the "PAGA Payment" and distributed to Aggrieved Employees on a *pro rata* basis based upon their respective number of Pay Periods worked during the PAGA Period (*i.e.*, the Individual PAGA Payments).

16. <u>COURT APPROVAL</u>

This Agreement is contingent upon an order by the Court granting Final Approval of the Settlement, and that the LWDA does not intervene and/or object to the Settlement. Plaintiff is responsible for providing notice of the settlement and the preliminary approval hearing to the LWDA as required by PAGA. In the event it becomes impossible to secure approval of the Settlement by the Court and the LWDA, the Parties shall be restored to their respective positions in the Action prior to entry of this Settlement. If this Settlement Agreement is voided, not approved by the Court or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when denying approval; and/or (b) there are any terms and conditions in this Settlement Agreement specifically stated to survive the Settlement Agreement being voided or not approved, and which control in such an event.

17. INCREASE IN WORKWEEKS

Defendant represents that there are no more than 84,000 Workweeks worked as of the date of the mediation on February 14, 2024. In the event the number of Workweeks encompassed within the Class Period increases by more than 10% (i.e., if the total Workweeks is more than 92,400 as of April 14, 2024), then the Gross Settlement Amount shall be increased proportionally by the Workweeks worked in excess of 92,400 multiplied by the Workweek Value. The Workweek Value shall be calculated by dividing the Gross Settlement Amount by 84,000. The Parties agree that the Workweek Value amounts to \$35.12 per Workweek (\$2,950,000 / 84,000

Workweeks). Thus, for example, should there be 95,000 Workweeks in the Class Period, then the Gross Settlement Amount shall be increased by \$91,312 (95,000 Workweeks - 92,400 Workweeks x \$35.12/Workweek).

18. <u>VOIDING OF SETTLEMENT AND RETURN OF GROSS SETTLEMENT</u> AMOUNT AND EMPLOYERS' TAXES

Defendant has the option of voiding this Agreement within ten (10) calendar days after expiration of the opt-out period if more than ten percent (10%) of the Settlement Class Members opt out of the Settlement, which option shall be exercised by providing written notice to Class Counsel and the Settlement Administrator no later than ten (10) calendar days after expiration of the opt-out period. If the foregoing occurs, this Agreement shall be null and void *ab initio*, no Party shall be bound by the terms thereof, and this Agreement shall not be admissible or offered into evidence in the litigation or any other action for any purpose whatsoever, and any order or judgment entered by the Court in furtherance of this Agreement shall be treated as withdrawn or vacated by stipulation of the Parties. In such case, the Parties shall be returned to their respective positions as of the date immediately prior to the execution of this Agreement, the Parties shall proceed in all respects as if this Agreement had not been executed, and Defendant shall have no obligation to make any payments to Plaintiff, Counsel for Plaintiff, the LWDA, or any Class Member. In the event that Defendant voids the Settlement pursuant to the terms of this Agreement, any amounts owed to the Settlement Administrator shall be paid by Defendant solely.

Either Plaintiff or Defendant may terminate this Settlement by giving written notice to the other party (through its counsel) no later than ten (10) calendar days after receiving notice that one of the following has occurred: (i) the Court declines to enter the Preliminary Approval Order or the Final Approval Order in substantially the form submitted by the Parties; (ii) the Settlement does not become final because of any appellate court action; or (iii) the Court's final approval of the Settlement is reversed or materially modified on appellate review.

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19. NOTICE OF JUDGMENT

In addition to any duties set out herein, the Settlement Administrator shall provide notice of the Final Judgment entered in the Action by posting the same on its website for at least four (4) years after the Judgment becomes final.

20. MISCELLANEOUS PROVISIONS

A. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes.

This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

B. Attorney Authorization.

Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Class Representative and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

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C. No Prior Assignments.

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

D. No Tax Advice.

Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

E. Modification of Agreement.

This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

F. Agreement Binding on Successors.

This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

G. Applicable Law.

All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

H. Cooperation in Drafting.

The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

I. Confidentiality.

To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the

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execution of this Agreement.

J. Headings.

The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

K. Stay of Litigation.

The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that in the event that the Court does not grant final approval of the Settlement, this Agreement shall constitute a stipulation pursuant to CCP section 583.330 extending the date to bring a case to trial under CCP section 583.310 for the entire period of the settlement process.

L. Interpretation of the Agreement.

This Agreement constitutes the entire agreement between Plaintiff and Defendant with respect to its subject matter. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary or contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the laws of the State of California, both in its procedural and substantive aspects, without regard to its conflict of law provisions. Any claim arising out of or relating to the Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California for the County of Kern, and Plaintiff and Defendant hereby consent to the personal jurisdiction of the Court in the Action over it solely in connection therewith. Plaintiff, on Plaintiff's own behalf and on behalf of the Settlement Class, and Defendant participated in the negotiation and drafting of this Agreement and had available to them the advice and assistance of independent counsel. As such, neither Plaintiff nor Defendant may claim that any ambiguity in this Agreement should be construed against the other. The Agreement may be modified only by a writing signed by the Parties or their successors in interest and approved by the Court.

M. Further Cooperation.

Plaintiff, Defendant, and their respective attorneys shall proceed diligently to prepare and execute all documents, to seek the necessary approvals from the Court, and to do all things reasonably necessary to consummate the Settlement as expeditiously as possible. The Parties agree that they will not take any action inconsistent with this Agreement, including, without limitation, encouraging Class Members to opt out of the Settlement. In the event the Court finds that any Party has taken actions inconsistent with the Settlement, including, without limitation, encouraging Class Members to opt out of the Settlement, the Court may take any corrective actions, including enjoining any Party from communicating regarding the Settlement on an *ex parte* basis, issuing (a) corrective notice(s), awarding monetary, issue, evidentiary and/or terminating sanctions against that Party, and/or enforcing this Agreement despite the presence of opt-outs and/or objections.

N. Counterparts.

The Agreement may be executed in one or more actual or non-original counterparts, all of which will be considered one and the same instrument and all of which will be considered duplicate originals.

P. Authority.

Each individual signing below warrants that he or she has the authority to execute this Agreement on behalf of the party for whom or which that individual signs.

Q. No Third-Party Beneficiaries.

Plaintiff, Participating Class Members, Aggrieved Employees, Class Counsel, and Defendant are direct beneficiaries of this Agreement, but there are no third-party beneficiaries.

R. Deadlines Falling on Weekends or Holidays.

To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or legal holiday, that deadline shall be continued until the following business day.

S. Severability.

In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or

unenforceability shall in no way effect any other provision if Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

T. Jurisdiction of the Court

Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

U. Publicity.

Neither Plaintiff nor Class Counsel will use Defendant's name or location to publicize this settlement, through a press release, posting on counsels' website, in social media or by any other public means, other than necessary court filings and proceedings associated with the settlement. Nothing in this provision is intended to prohibit (i) Plaintiff from discussing this settlement with his spouse or partner, attorneys, tax advisor or financial advisor; (ii) Plaintiff's counsel from identifying the Action on future Court filings to demonstrate Plaintiff's counsel's adequacy as class counsel; or (iii) Plaintiff's counsel from communicating with putative class members in this case or with the court in which this Action is pending.

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unenforceability shall in no way effect any other provision if Defendant's Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

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Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

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By: Mark Donahue Its: Senior Vice President

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1	AGREED AS TO FORM ON	LY:	
2	8/8/2024		Jasmin Gill
3	Dated:	, 2024	JASMIN K. GILL
4			SACHA POMARES
5			J. Gill Law Group, P.C. Counsel for Plaintiff Hani Almorisi
6			
7	Dated:August 14, 2024	, 2024	Jes e. Long
8		,	JODY A. LANDRY CHRISTINA H. HAYES
9			Littler Mendelson, P.C.
10			Counsel for Defendant M. A. Mortenson Company
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EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL APPROVAL

Hani Almorisi v. M.A. Mortenson Company, et al. (County of Kern, California Superior Court Case No. BCV-23-100727, Related Case No. BCV-23-101522)

As a current or former non-exempt California employee for M. A. Mortenson Company you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of M. A. Mortenson Company ("Mortenson") shows you are a "Class Member" and/or an "Aggrieved Employee", and therefore entitled to a payment from this class action settlement. Class Members are all persons currently or formerly employed by Mortenson as non-exempt employees in the State of California any time from March 9, 2019 through April 14, 2024 ("Class Period"). Aggrieved Employees are all persons currently or formerly employed by Mortenson as non-exempt employees in the state of California any time from March 9, 2022 through April 14, 2024 ("PAGA Period").

- The settlement resolves a class action and PAGA lawsuit, *Hani Almorisi v. M.A. Mortenson Company, et al.* (the "Lawsuit"), which alleges Mortenson: (1) failed to pay Class Members overtime wages, (2) failed to pay Class Members minimum wages, (3) failed to provide Class Members legally-compliant meal and rest breaks under California law, (4) failed to provide Class Members with legally compliant wage statements, (5) failed to timely pay all wages due upon termination or resignation, (6) failed to reimburse employees for business expenses, and (7) engaged in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiff also seeks penalties under the California Labor Code Private Attorney Generals Act ("PAGA") for violation of a number of Labor Code statutes, discussed further below, pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699.
- Mortenson vigorously denies the claims in the Lawsuit and contends that it fully complied with all applicable laws.
- The parties have agreed to settle this matter to avoid uncertainty, inconvenience, disruption to business, and the expense of protracted litigation.
- On ______, the Kern County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. .

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT				
DO NOTHING AND RECEIVE PAYMENT	Get a payment, and give up your legal rights to pursue claims released by the settlement of the Lawsuit.			
OPT OUT OF THE SETTLEMENT	Exclude yourself from the settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked during the PAGA Period as a non-exempt employee of Mortenson as well, then you will be deemed an "Aggrieved Employee" and you will still receive your share of the proceeds available from the settlement of the PAGA			

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

	Released Claims, defined below, (your "Individual PAGA Payment") regardless of whether you opt out of the class settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out of the class action settlement, you may write to the settlement administrator, ILYM Group ("Settlement Administrator"), about why you object to the settlement and they will forward your concerns to counsel, who will then provide your objection to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. If you timely object, you or your attorney may also address the Court during the final approval hearing scheduled for [DATE AND TIME] in the Bakersfield Courthouse of Kern County Superior Court, located at 1215 Truxton Avenue, Bakersfield, California 93301.

The final fairness and approval hearing on the adequacy, reasonableness, and fairness of the settlement will be held at .m. on _______, in the Bakersfield Courthouse of Kern County Superior Court, located at 1215 Truxton Avenue, Bakersfield, California 93301. You are not required to attend the hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Mortenson's records show that you currently work, or previously worked, for Mortenson as a non-exempt employee in the State of California any time from March 9, 2019 through April 14, 2024. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a Settlement Administrator appointed by the Court, will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Case About?

Hani Almorisi was a non-exempt employee for Mortenson in California. He is the "Plaintiff" in this case and is suing on behalf of himself, Class Members, and Aggrieved Employees for Mortenson's alleged failure to pay overtime wages, failure to pay minimum wages, failure to provide legally-compliant meal and rest breaks under California law, failure to provide compliant wage statements, failure to timely pay all wages due upon termination or resignation, failure to reimburse employees for business expenses, and engagement in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiff also seeks to recover penalties under the California Labor Code Private Attorney Generals Act pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699.

Mortenson denies all of the allegations made by Plaintiff and denies that it violated any law. The Court has made no ruling on the merits of Plaintiff's claims. The Court has only preliminarily approved this settlement. The Court will decide whether to give final approval to the settlement at the final fairness and approval hearing.

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Summary of the Settlement Terms

Plaintiff and Mortenson have agreed to settle this case on behalf of themselves and the Class Members for the gross settlement amount of \$2,950,000.00 ("Gross Settlement Amount"), unless the Gross Settlement Amount is escalated pursuant to the settlement agreement ("Agreement"). The Gross Settlement Amount includes: (1) administration fees and costs of up to \$18,550.00; (2) a service payment of up to \$10,000.00 to Plaintiff Hani Almorisi for his time and effort in pursuing this case and in exchange for a broader release of claims against Mortenson; (3) up to 35% in attorneys' fees which, unless the Gross Settlement Amount is escalated pursuant to the Agreement, amounts to \$1,032,500.00 in attorneys' fees; (4) actual litigation costs up to \$35,000.00 to Class Counsel; and (5) payment allocated to PAGA penalties in the amount of \$50,000.00, \$37,500.00 of which will be payable to the Labor and Workforce Development Agency ("LWDA") and \$12,500.00 of which will be payable to Aggrieved Employees. After deducting these sums, a total of approximately \$1,803,950.00 will be available for distribution to Class Members ("Net Settlement Amount"). An additional \$12,500.00 will be payable to and divided among Aggrieved Employees on a *pro rata* pay period basis. In addition to the Gross Settlement Amount, Mortenson will separately pay all employer-side payroll tax payments due and payable to federal and state tax authorities as a result of this Settlement. Per the terms of the Settlement, Mortenson shall pay the full sum of the Gross Settlement Amount within 15 business days of the effective date of the settlement.

Distribution to Class Members and Aggrieved Employees

Class Members who do not opt out will receive a *pro rata* payment based on the number of verified actual weeks worked by Class Members for Mortenson during the Class Period ("Class Member's Workweeks"). Specifically, the Settlement Administrator will determine the aggregate number of workweeks worked by all Class Members during the Class Period ("Class Workweeks") and the Net Settlement Amount will then be divided by the total Class Workweeks to determine the "Workweek Value." Class Members' payments will be calculated by multiplying the number of Class Member's Workweeks by the Workweek Value. Otherwise stated, the formula for a Class Member is: Class Member's Workweeks x (Net Settlement Amount ÷ Class Workweeks). In addition, Aggrieved Employees who worked during the PAGA Period will receive a *pro rata* share of the \$12,500 allocated as PAGA penalties, whether or not they opt out of the class action settlement, based on the number of pay periods worked by the Aggrieved Employee during the PAGA Period. The Settlement Administrator will determine the total number of pay periods worked by each Aggrieved Employee during the PAGA Period ("Aggrieved Employee's Pay Periods"), as well as the aggregate number of pay periods worked by all Aggrieved Employees during the PAGA Period ("PAGA Pay Periods"). \$12,500 will then be divided by the total PAGA Pay Periods to determine the "PAGA Pay Period Value." An Individual PAGA Payment = Aggrieved Employee's Pay Periods x PAGA Pay Period Value.

Mortenson's records indicate that you worked [Eligible Workweeks] as a non-exempt employee in California during the Class Period and [Eligible Pay Periods] during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [\$Estimated Award] and your estimated payment for PAGA civil penalties as an Aggrieved Employee would be [\$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [RESPONSE DEADLINE]. Please include any documentation you have that you contend supports your dispute. This is an estimate and is subject to change.

Tax Reporting

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties reported on an IRS Form 1099; 20% of each Class Member's settlement payment will be allocated as wages and reported on an IRS Form W-2; and 80% will be allocated as penalties and interest reported on an IRS Form 1099. This notice is not intended to provide legal or tax advice on your settlement share.

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Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your settlement check because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the settlement and receive a settlement payment. In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment set forth above.

Settlement payment checks must be cashed soon after receipt. The settlement checks will be able to be cashed for 180 days after they are issued. Within 7 days after expiration of the 180-day period, the settlement checks will no longer be able to be cashed. Any funds represented by settlement checks remaining uncashed for more than 180 days after issuance shall be considered unpaid, unclaimed or abandoned funds and shall be transmitted to Legal Aid at Work, 180 Montgomery Street, Suite 600, San Francisco, California 94104 for use in the County of Kern, State of California.

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged M. A. Mortenson Company, as well as its parent, subsidiaries, assigns, and affiliates, and Edwards Sanborn Solar III, LLC, as well as its parent, subsidiaries, assigns, affiliates, predecessors, and successor entities (the "Released Parties") of all Released Claims (defined below) he or she may have or had upon final approval of this settlement, entry of judgment, and payment by Mortenson to the Settlement Administrator of the full Gross Settlement Amount and employer taxes pursuant to the Agreement.

"Class Released Claims" means all claims asserted in the First Amended Complaint of the Lawsuit, and any and all claims that could have been asserted against the Released Parties based on the factual or legal allegations in the First Amended Complaint of the Lawsuit, as follows for the duration of the Class Period: (a) all claims for failure to pay all wages owed, whether due to alleged off the clock work, failure to accurately calculate the regular rate, or any other theory of liability for the underpayment of the minimum wage or overtime; (b) all claims for failure to provide duty-free meal periods or pay premiums at the regular rate of pay in lieu thereof; (c) all claims for failure to provide duty-free rest breaks or pay premiums at the regular rate of pay in lieu thereof; (d) all claims for failure to reimburse business expenses; (e) all claims for penalties for failure to timely pay wages during employment or at the time of termination (voluntary or involuntary); (f) all claims for failure to provide accurate wage statements; (g) unfair business practices; (h) claims for the attorney's fees and costs incurred in prosecuting the Action on behalf of Class Employees except as otherwise stated herein; and (i) any other claims, remedies, penalties, or interest that were alleged or could have been alleged based on the factual allegations contained in the First Amended Complaint.

"PAGA Released Claims", which applies to all Aggrieved Employees, means all claims asserted in the PAGA Notice and alleged under PAGA in the First Amended Complaint or could have been alleged, including all claims for civil penalties under PAGA arising out of Labor Code Sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 based on the factual allegations and Labor Code sections alleged to have been violated in the PAGA Notice and First Amended Complaint, which includes, without limitation, Labor Code sections 96(k), 98.6, 200, 201, 202, 203, 204, 204b, 204.1, 205, 205.5, 206, 206.5, 210, 221, 223, 226, 226.3, 226.7, 227.3, 232, 232.5, 246 et seq., 248.2, any code sections regarding COVID-19 Supplemental Sick Leave Laws, 432, 510, 512, 558, 558.1, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 2699, et seq., 2802, 2810.5, claims for the violation of the provisions of the applicable Wage Orders regarding minimum wage, overtime, meal periods and rest periods, as well as allegations regarding the late payment of final wages, inaccurate wage statements.

The Class Released Claims and PAGA Released Claims shall be referred to herein as the "Released Claims."

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Class Member settlement, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must expressly and clearly indicate that you do not want to participate in the settlement, and you desire to be excluded from the settlement. The written request for exclusion must include your name, your Social Security Number, your signature, and the following statement or something to its effect: "Please exclude me from the Settlement Class in the *Hani Almorisi v. M. A. Mortenson Company, et al.* matter" or any statement standing for the proposition that you do not wish to participate in the settlement. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail to the address below.

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of the PAGA Released Claims. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, you will still receive an Individual PAGA Payment for the PAGA Released Claims and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right to individually pursue only the remaining Class Released Claims.

[Settlement Administrator] [Mailing Address]

The written request to be excluded from the Settlement must be postmarked or received by the Administrator not later than [RESPONSE DEADLINE]. If you exclude yourself from the settlement then you will get no payment as a Class Member, and retain your legal rights to pursue claims, other than the PAGA Released Claims, that would otherwise be released by the settlement of the Lawsuit.

Option 3 – File an Objection to the Settlement

If you do not exclude yourself from the settlement and wish to object to the settlement, you may file an objection in writing stating why you object to the settlement. Your objection must provide your full name, your address, the last 4 digits of your social security number, your signature, a statement of whether you plan to appear at the final fairness and approval hearing, and your reasons for why you think the Court should not approve the settlement, along with any legal authority, if any, you assert supports your objection. Your objection must be mailed to the Settlement Administrator no later than [RESPONSE DEADLINE]. Please note that you cannot both object to the Settlement and exclude yourself. If the Court overrules your objection, you will be bound by the Settlement and will receive your Class Member settlement payment.

Final Fairness Hearing

You may, if you wish, also appear at the Final Fairness and Approval Hearing set for ______ at _____.m. in the Bakersfield Courthouse of Kern County Superior Court, located at 1215 Truxton Avenue, Department T2, Bakersfield, California 93301, and discuss your objections with the Court and the parties at your own expense. You may also retain an attorney to represent you at the hearing at your own expense.

Change of Address

If you move after receiving this notice, if it was misaddressed, or if for any reason you want your settlement payment or future correspondence concerning this Lawsuit to be sent to a different address, you must supply your preferred address to the Settlement Administrator.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the settlement. For a more detailed statement of the matters involved in this case and the settlement, you may visit www.___.com, call the Settlement Administrator at PHONE NUMBER] or Class Counsel, who may be reached as follows:

J. GILL LAW GROUP, P.C.

Jasmin K. Gill (jasmin@jkgilllaw.com)
Sacha Pomares (sacha@jkgilllaw.com)
515 South Flower Street, Suite 1800
Los Angeles, CA 90071

Telephone: (213) 459-6023 (habla Español)

Facsimile: (310) 728-2137

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Office of the Clerk of the Kern County Superior Court, located at [ADDRESS], during regular business hours of each court day.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the settlement should be directed to the Settlement Administrator.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, MORTENSON, OR MORTENSON'S ATTORNEYS WITH INQUIRIES.