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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
ALAMEDA COUNTY**

FELIX LEON, ALBERTO RAMIREZ, and
SERGIO ROMERO, individually, and on
behalf of all others similarly situated,

Plaintiffs,

v.

D7 ROOFING SERVICES, INC., JEFFREY
L. WILLIAMSON, and DOES 2 through 50,
inclusive,

Defendants.

Case No. RG-14 749708

**ASSIGNED FOR ALL PURPOSES TO:
Hon. George C. Hernandez, Jr.
Department 17**

**JOINT STIPULATION OF CLASS
SETTLEMENT**

1 This Joint Stipulation of Settlement and Release (“Stipulation of Settlement” or
2 “Settlement”) is made and entered into by and between Plaintiffs Felix Leon, Alberto Ramirez,
3 and Sergio Romero (“Plaintiffs” or “Class Representatives”), individually and on behalf of all
4 others similarly situated and Defendants D7 Roofing Services, Inc. (“D7 Roofing”) and Jeffrey
5 L. Williamson (“Williamson”) (collectively “Defendants”). Subject to the terms and conditions
6 hereof and the approval of the Court, this Settlement shall be binding on the Class
7 Representatives and those persons they represent, and on Defendants and their present and
8 former parent companies, shareholders, officers, directors, employees, agents, attorneys,
9 insurers, successors and assigns.

10 **THE PARTIES STIPULATE AND AGREE** as follows:

11 1. Plaintiffs and Defendants are collectively referred to herein as “the Parties.”
12 2. On November 26, 2014, Plaintiffs filed a Class Action Complaint (“the
13 Complaint”) in Alameda County Superior Court, Case No. RG 14749708, captioned *Leon et*
14 *al. v. D7 Roofing Services, Inc.* (referred to herein as “the Action”), for unfair business
15 practices and violations of the California Labor Code, damages, injunctive relief, and
16 attorneys’ fees, and alleging claims for failure to pay for all hours worked, including off-the-
17 clock work, failure to pay overtime premiums, failure to pay the correct prevailing wage,
18 failure to provide meal and rest periods, failure to pay for reporting time, failure to reimburse
19 for expenses, failure to provide itemized wage statements, and breach of oral contract (the
20 “Complaint”). The Complaint seeks recovery of compensatory damages, penalties, restitution,
21 interest, attorneys’ fees and costs, and injunctive and declaratory relief.

22 3. On February 5, 2015, D7 Roofing Services, Inc., filed an Answer to the
23 Complaint, denying all material allegations and asserting affirmative defenses.

24 4. On February 3, 2016, Plaintiffs moved to amend the complaint to include
25 Jeffrey L. Williamson as a Defendant and the Court granted Plaintiffs’ motion on March 1,
26 2016.
27

1 5. On March 7, 2016, Plaintiffs filed their First Amended Class Action Complaint
2 (“the Amended Complaint” or “FAC”) naming Jeffrey L. Williamson as a Defendant.

3 6. On May 25, 2016, Defendants answered Plaintiffs’ First Amended Complaint.

4 7. On May 6, 2016, the Parties and their counsel of record participated in a
5 mediation session with experienced employment law mediator David A. Lowe in San
6 Francisco. The negotiation discussion was vigorous and conducted at arm’s length; however
7 an agreement was not reached at that time.

8 8. On July 27, 2016, after a new mediation session with Mr. Lowe and after
9 lengthy negotiations and review of financial records and documents of Defendants, the Parties
10 reached an agreement.

11 9. For Settlement purposes only, the Parties hereby stipulate and agree to the
12 following:

- 13 a. “Class Members,” “Plaintiff Class,” and “Settlement Class” mean the
14 following: “all hourly construction workers performing roofing work for D7
15 Roofing Services, Inc., in the state of California who were employed by D7
16 Roofing Services, Inc. at any time from November 26, 2010 through July 27,
17 2016.”
- 18 b. The Plaintiff Class is ascertainable and so numerous as to make it impracticable
19 to join all Class Members.
- 20 c. There are common questions of law and fact, including the following: whether
21 Defendants complied with all applicable federal, state, and local laws affecting
22 Plaintiffs and the Plaintiff Class regarding unpaid wages, unpaid overtime,
23 record-keeping violations, meal and rest breaks, wage statements and as to all
24 claims alleged in the Complaint, and whether Plaintiffs and the Plaintiff Class
25 are entitled to the alleged damages, and injunctive or declaratory relief.
- 26 d. Plaintiffs’ claims are typical of the claims of the members of the Plaintiff Class.
27

- 1 e. Plaintiffs and Class Counsel, as defined below, will fairly and adequately
2 protect the interests of the Plaintiff Class.
- 3 f. The prosecution of separate actions by individual members of the Plaintiff Class
4 would create the risk of inconsistent or varying adjudications, which would
5 establish incompatible standards of conduct.
- 6 g. With respect to the Plaintiff Class, questions of law and fact common to the
7 Class Members predominate over any questions affecting any individual
8 member in such Class, and a class action and/or representative action is superior
9 to other available means for the fair and efficient adjudication of the
10 controversy.

11 10. Defendants deny any liability or wrongdoing of any kind whatsoever associated
12 with the claims alleged in Plaintiffs' First Amended Complaint and further deny that, for any
13 purpose other than settling this Lawsuit, this Action is appropriate for class or representative
14 treatment. With respect to Plaintiffs' claims, Defendants contend, among other things, that
15 they have complied with all applicable state, federal, and local laws affecting Plaintiffs and the
16 Settlement Class regarding hours worked, unpaid wages, unpaid overtime, unpaid minimum
17 wages, meal and rest periods, record-keeping violations, wage statements, and as to all claims
18 alleged or could have been alleged in the First Amended Complaint.

19 11. It is the intention of the Parties that this Stipulation of Settlement shall
20 constitute a full and complete settlement and release of all claims arising from or related to the
21 allegations of this class action case against Defendants, which release includes in its effect all
22 present and former parent companies, subsidiaries, related or affiliated companies,
23 shareholders, officers, directors, employees, agents, attorneys, insurers, and successors and
24 assigns of D7 Roofing, and any individual or entity that could be jointly liable with D7
25 Roofing. The Parties acknowledge that this Stipulation of Settlement shall not be construed as
26 an admission of liability whatsoever by any Party, or by any officers, directors, agents, or
27 employees of Defendants.

1 12. Plaintiffs' attorneys have conducted a thorough investigation into the facts of
2 this Action, including a review of relevant documents and data, and have diligently pursued an
3 investigation of Class Members' claims against Defendants. In addition, Plaintiffs' attorneys
4 have reviewed tax returns and financial information of Defendants. Based on their own
5 independent investigation and evaluation, Class Counsel are of the opinion that the Settlement
6 with Defendants for the consideration and on the terms set forth in this Stipulation of
7 Settlement is fair, reasonable and adequate and is in the best interest of the Plaintiff Class in
8 light of all known facts and circumstances, including the risk of significant delay, the risk the
9 Plaintiff Class will not be certified by the Court, defenses asserted by Defendants, and
10 numerous potential appellate issues. Defendants and their counsel also agree that the
11 Settlement is fair and reasonable.

12 13. The Parties agree to cooperate and to take all steps necessary and appropriate to
13 consummate this Settlement and to dismiss this Action with prejudice after all Settlement sums
14 have been paid out and a Final Accounting Hearing has been held in accordance with this
15 Stipulation of Settlement.

16 14. This Stipulated Settlement Agreement has the following requirements:

- 17 a. Defendants will pay six hundred fifty-five thousand dollars (\$655,000), the
18 "Total Settlement Amount."
19 b. The Total Settlement Amount represents the maximum payment Defendants
20 shall be required to make under this Settlement, and this Total Settlement
21 Amount shall be used to make all payments of class settlement awards,
22 enhancement awards to the Class Representatives, all fees and expenses of the
23 Settlement Administrator, all attorneys' fees and costs, and any other amounts
24 related to the matters alleged in the Complaint for which Defendant might be
25 liable to Plaintiffs as described herein.
26 c. Defendants will provide to their workforce a Spanish or English version of the
27 hiring documents to all the future employees, as allowed by law. In addition,

1 Defendants will provide any written communication regarding conditions of the
2 employment in English or Spanish.

3 d. Defendants will provide a copy of Industrial Welfare Commission, Wage Order
4 16-2001 ("Wage Order 16") in English and Spanish to the workers at hiring. In
5 addition, Defendants agree to provide such document to all current workers
6 before the final approval of the settlement.

7 e. Defendants agree to provide tools to those workers who earn less than twice the
8 minimum wage pursuant to Wage Order 16, section 8 (B) and uniforms to their
9 field employees free of charge, as provided by Wage Order 16, section 8 (A).

10 15. It is further understood and agreed that Defendants shall have no obligation to
11 pay any person, entity or organization more than the Total Settlement Amount, except for D7
12 Roofing's share of the federal and state mandated employer payroll taxes, which shall be paid
13 separately and in addition to the Total Settlement Amount. Defendant's total liability under
14 the Settlement, therefore, shall never exceed the sum equal to the Total Settlement Amount
15 plus Defendants' share of the federal and state mandated employer payroll taxes payable under
16 this Stipulation of Settlement.

17 16. This Settlement provides that a check payment shall be made to each Class
18 Member. Settlement Checks will go directly to all Class Members without the need to file a
19 claim form. In other words, no Class Member will have to fill out and submit a claim form in
20 order to receive a payment under this Settlement. The amount in each Settlement Check will
21 be calculated using the specified workweek formula described in Paragraph 17.f (1), below.
22 One hundred and twenty (120) days after the Settlement Checks have been issued and
23 dispersed by the Settlement Administrator, any uncashed Settlement Checks will be cancelled
24 and the unclaimed sum will be distributed, without limitation to the Impact Fund, a non-profit
25 organization providing broad support for complex public interest litigation. The Impact Fund is
26 located at 125 University Avenue, Suite 102, Berkeley, California 94710. Forty-five (45) days
27 prior to the end of the 120-day period, the Settlement Administrator will send a postcard notice

1 to each of the Class Members whose checks remain uncashed, reminding them of the deadline
2 for cashing settlement checks.

3 **TERMS OF THE SETTLEMENT**

4 17. NOW THEREFORE, in consideration of the mutual covenants, promises, and
5 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

6 a. It is agreed by and among Plaintiffs and Defendants that the Action, and
7 any claims, damages, or causes of action arising out of the facts, circumstances and disputes
8 which are the subject of this Action, be fully and finally settled and compromised as between
9 the Plaintiffs and Defendants, subject to the terms and conditions set forth in this Stipulation of
10 Settlement and the approval of the Superior Court of California, Alameda County.

11 b. Effective Date: The Settlement embodied in this Stipulation of
12 Settlement shall become effective when all of the following events have occurred: (1) this
13 Stipulation of Settlement has been executed by all Parties and by counsel for the Plaintiff Class
14 and Defendants; (2) the Court has given preliminary approval to the Settlement; (3) notice has
15 been given to the Class Members, as provided herein; (4) the Court has held a Final Fairness
16 Hearing and entered a final order approving this Settlement Agreement, certifying the Class for
17 settlement purposes only, entering a non-monetary judgment which allows the Court to retain
18 jurisdiction over the parties and the case to enforce the terms of the Settlement Agreement, as
19 necessary; (5) all payments are made to the Settlement Fund by Defendant as described in
20 Paragraph 17.d., below; and (6) the later of the following events occurs: (a) the date the order
21 containing the Court's Final Approval of this settlement ("Final Approval Order") is served, if
22 no objections by Class Members have been filed or if any objections by Class Members have
23 been withdrawn in writing prior to, or on the record at the Final Fairness Hearing, (b) the time
24 for appeal has expired, if an objection has been filed and not withdrawn, or (c) the final
25 resolution of any appeal of objections if an appeal has been filed and not dismissed. In this
26 regard, it is the Parties' intention that the Settlement shall not become effective until the Court
27

1 issues its Final Approval Order, and there is no further recourse by an appellant or objector
2 who seeks to contest the Settlement.

3 c. Total Settlement Amount: To implement the terms of this Settlement,
4 Defendant agrees to pay six hundred fifty-five thousand dollars (\$655,000), the “Settlement
5 Amount.” Defendants represent that 356 persons worked as hourly construction employees
6 performing roofing work for D7 Roofing Services, Inc. in the state of California at any time
7 between November 26, 2010 and July 27, 2016.

8 d. Settlement Consideration: Subject to the provisions hereof, within thirty
9 (30) days after final approval is entered, Defendants will pay a lump sum of one hundred
10 seventy-five thousand dollars (\$175,000) in cash by wire transfer to the Settlement
11 Administrator using wire instructions provided by the Settlement Administrator. Defendants
12 will also deposit twenty-four (24) monthly payments of twenty thousand dollars (\$20,000) that
13 will begin fifteen (15) days after preliminary approval is entered. These monies will be paid
14 by the 10th of each month following the close of the 15-day period after preliminary approval is
15 entered. These monies will be made by wire transfer to the Settlement Administrator using
16 wire instructions provided by the Settlement Administrator and into an escrow account, held
17 and administered by the Settlement Administrator. The Settlement Administrator will be
18 responsible for any tax filings required under the law and will make any required tax payments
19 out of the Settlement Fund. In the event that Defendants do not make the monthly payment on
20 the scheduled date, the Settlement Administrator will give notice to the Parties and their
21 respective counsel within five (5) days. Plaintiffs will have the option to file a Stipulation of
22 Judgment with the Court if Defendants have failed to make timely payments of the monthly
23 settlement amount after 15 days of the due date and after Plaintiffs have given a 15-day written
24 notice to Defendants of the default.

25 e. Additional Consideration and Injunctive Relief: As additional
26 consideration for the Settlement, Defendants have also agreed to the following non-monetary
27 terms:

1 (1) Defendant will post at a central location at its worksites a bulletin
2 notifying its construction employees that they are authorized and permitted to take a first and a
3 second meal period in a manner that complies with California law, and that they are authorized
4 and permitted to take rest periods in a manner that complies with California law. That bulletin
5 will be in English and Spanish and will show Sections 10 and 11 of the Industrial Welfare
6 Commission Wage Order 16-2001 ("Wage Order 16") in the form attached hereto as Exhibit 1
7 or as otherwise approved by the Court.

8 (2) For two (2) years following the Effective Date of the Settlement and
9 Release, Defendant will provide a copy of Wage Order 16 in English or Spanish to workers at
10 hiring and provide such document to all current workers before preliminary approval.

11 f. Net Settlement Amount and Settlement Payments: All settlement
12 checks, all attorneys' fees and costs, any enhancement awards to the Class Representatives, the
13 fees and expenses of the Settlement Administrator, the PAGA payments, and any other
14 payments provided by this Settlement shall be paid out of the Total Settlement Amount.
15 Defendants' share of the employer payroll taxes will be paid separately, according to the
16 percentages set forth below, and shall be paid in addition to the Total Settlement Amount. The
17 Net Settlement Amount shall be calculated by deducting from the Total Settlement Amount all
18 attorneys' fees and litigation costs, as approved by the Court, the enhancement awards to the
19 Class Representatives, in an amount to be decided by the Court, but which shall not exceed
20 \$5,000 (five thousand dollars) for each Class Representative, for a total of \$15,000 (fifteen
21 thousand dollars), the PAGA payment (estimated to be \$32,000), and the fees and expenses of
22 the Settlement Administrator (estimated not to exceed \$11,000 (eleven thousand dollars))
23 ("Net Settlement Amount"). The amounts in the Class Members' settlement payments will be
24 calculated by the Settlement Administrator and paid out of the Net Settlement Amount, as set
25 forth below. Any uncashed Settlement Checks will be cancelled and the unclaimed sum will
26 be delivered to the Impact Fund, 120 days after the Settlement Checks have been issued and
27 dispersed. Forty-five days prior to the 120-day deadline, the Settlement Administrator will

1 send a reminder postcard to all Class Members who have not yet cashed their settlement
2 checks, reminding them of the deadline for doing so.

3 (1) Settlement Awards to Class Members: Settlement Awards to Class
4 Members will be disbursed by the Settlement Administrator based on the number of weeks
5 worked by the individual Class Member for Defendant in a covered position during the Class
6 Period. The settlement amount shall be paid from the “Net Settlement Amount” according to
7 the following formula: a *pro rata* share of the Net Settlement Amount shall be paid to each
8 Class Member, based on the total number of work weeks actually worked during the Class
9 Period (November 26, 2010 to July 27, 2016) by each Class Member for D7 Roofing Services,
10 Inc. in a covered position divided by the total number of weeks actually worked during the
11 Class Period by all Class Members. In other words, each Class Member’s *pro rata* share of the
12 Net Settlement Amount is a fraction, with the individual Class Member’s actual weeks worked
13 as the numerator and the total number of weeks actually worked by all Class Members as the
14 denominator.

15 The number of weeks actually worked by individual Class Members during the
16 Class Period will be calculated by reference to Defendant D7 Roofing’s records, which will be
17 presumed to be correct unless the Class Member timely disputes those records telephonically
18 or in writing to the Settlement Administrator. The amount of time worked will be rounded to
19 the nearest workweek. Class Members who worked at least one day will be treated as working
20 one workweek for purposes of their settlement share calculation. The Settlement
21 Administrator will determine both the number of weeks actually worked by the individual
22 Class Members and the estimated individual settlement awards to be paid to each Class
23 Member. The Settlement Administrator will provide these initial estimates to the Class in the
24 Class Member Information Form (“Information Form”), which will be included as a part of the
25 proposed Notice of Proposed Settlement of Class Action and Final Fairness Hearing Date for
26 Court Approval (“Class Notice” or “Notice”).
27

1 Following receipt of the Class Notices and Information Forms, Class Members
2 may review the initial workweeks and Settlement Check amount estimates and send any
3 proposed corrections back to the Settlement Administrator. Class Members may either
4 postmark their corrected Information Forms and/or place a telephone call to the Settlement
5 Administrator with their proposed correction within ninety (90) calendar days after the mailing
6 of the Class Notices and Information Forms. Class Members may—but are not required to—
7 submit evidence to the Settlement Administrator demonstrating that the Class Members’
8 corrections are accurate. All disputes regarding weeks worked will be resolved and decided by
9 the Settlement Administrator, and the Settlement Administrator’s decision on all such disputes
10 will be final, binding, and non-appealable.

11 Seventy-five (75) days after the Settlement Checks have been issued and
12 dispersed, the Settlement Administrator will send a reminder card to those Class Members who
13 have not cashed their checks. One hundred and twenty (120) days after the Settlement Checks
14 have been issued and dispersed, any uncashed Settlement Checks will be cancelled and the
15 unclaimed sums will be delivered as a *cy pres* distribution to the Impact Fund, as approved by
16 the Court.

17 (2) Allocation of Settlement Awards: All Class Members will be paid a
18 settlement award based on the formula identified in the paragraph above. The individual
19 Settlement Awards payable to eligible Class Members will be allocated as follows: (a) Forty
20 percent (40%) of the Class Members’ settlement payments will be characterized as wages, for
21 which IRS Forms W-2 will be issued; (b) twenty-five percent (25%) of the Class Members’
22 settlement payments will be characterized as expense reimbursement, for which IRS Forms
23 1099 will be issued; (c) thirty percent (30%) of the Class Members’ settlement payments will
24 be characterized as interest, for which IRS Forms 1099 will be issued; and (d) five percent
25 (5%) of the Class Members’ settlement payments will be characterized as penalties, for which
26 IRS Forms 1099 will be issued. The Parties stipulate and agree that Defendants will pay the
27 federal and state mandated employer’s share of payroll taxes related to these Settlement

1 Awards in addition to, and separately from, the amount specified as the Total Settlement
2 Amount.

3 g. Attorneys' Fees and Litigation Costs: Subject to Court approval and/or
4 modification, Defendant agrees not to contest Plaintiffs' attorneys' fees, up to a maximum of
5 30% of the Total Settlement Amount, and costs up to a maximum of thirty-eight thousand
6 dollars (\$38,000) which will be paid out of the Total Settlement Amount. Defendants further
7 agree not to object to Plaintiffs' request for fees and costs in an amount not to exceed 30
8 percent of the Total Settlement Amount plus \$38,000 in costs. The Settlement Administrator
9 will pay Plaintiffs' attorneys' fees and costs awarded by the Court from the Total Settlement
10 Amount.

11 h. Class Representatives' Enhancement Awards: Subject to Court
12 approval, Defendants further agrees not to contest the Named Plaintiffs' enhancement award
13 ("Enhancement Award") from the Total Settlement Amount for their service as Class
14 Representatives, up to a maximum of five thousand dollars (\$5,000) to each of them, for a total
15 of fifteen thousand dollars (\$15,000) to the three Named Plaintiffs. These enhancement
16 awards shall be paid from the Total Settlement Amount. It is understood that the Enhancement
17 Award payments are in addition to any claimed individual Settlement Award to which the
18 Named Plaintiffs are entitled as Class Members. The Settlement Administrator will issue an
19 IRS Form 1099 for the enhancement award payments to the Named Plaintiffs for their service
20 as Class Representatives. Should the Court approve enhancement award payments to the
21 Named Plaintiffs in an amount less than that set forth above, the difference between the lesser
22 amount approved by the Court and the enhancement awards set forth above shall be included
23 within the Net Settlement Amount.

24 i. Settlement Administrator: Subject to Court approval, the Parties
25 stipulate that they will seek appointment of Phoenix Class Action Administration Solutions as
26 the Settlement Administrator. The fees of the Settlement Administrator for work done shall be
27

1 paid from the Total Settlement Amount, is estimated to be \$10,500 (ten thousand five hundred
2 dollars) and shall not exceed \$11,000 (eleven thousand dollars.)

3 j. PAGA Allocation: Subject to Court approval, the Parties have agreed to
4 allocate thirty-two thousand dollars (\$32,000) from the Total Settlement Amount claims under
5 the Labor Code Private Attorney General Act of 2004, California Labor Code §§ 2698 *et seq.*
6 with twenty-four thousand dollars (\$24,000) being awarded to the State of California and eight
7 thousand dollars (\$8,000) reverting to the Net Settlement Amount to be distributed among all
8 the Class Members or Aggrieved Employees. Class Members shall be responsible for the
9 payment of any and all taxes with respect to their share of PAGA penalties and shall hold
10 Defendants harmless from any and all liability with regard thereto.

11 k. Mailing of Settlement Awards: Provided that all required payments
12 have been made to the Total Settlement Fund, the Settlement Administrator shall cause the
13 settlement awards to be mailed to the Class Members within ten (10) calendar days after the
14 Settlement becomes effective, as defined in Paragraph 17.b, above.

15 l. Right of Class Members to Object or Request Exclusion: Class
16 Members will have ninety (90) calendar days from the mailing of the Class Notice and
17 Information Form within which to postmark an objection to the Settlement or to request
18 exclusion (“opt out”) from the Class. Only Class Members who have not opted out may
19 object. To object, a Class Member must mail a letter to the Settlement Administrator stating
20 that he objects to the Settlement. This letter must include his name, address, telephone
21 number, signature, and the reasons for the objection to the Settlement. To opt out, a Class
22 Member must mail a letter to the Settlement Administrator stating that he wants to “opt out” or
23 be excluded from this lawsuit. The Class Member requesting to opt out must include his name,
24 address, telephone number, and signature on this letter. The Parties agree that upon receipt of
25 a letter objecting to the Settlement or a letter requesting exclusion or opt out from the lawsuit
26 or a letter stating a Class Member’s intent to appear at the Final Fairness Hearing, the
27 Settlement Administrator shall contact Plaintiffs’ and Defendant’s Counsel and provide them

1 with a copy of the letter. The Settlement Administrator shall contact Counsel within two (2)
2 business days of receipt of such a letter. If a Class Member submits both an objection and a
3 request to opt out, the Settlement Administrator and Class Counsel may contact the Class
4 Member to clarify what the Class Member wishes to do with regard to the Settlement.

5 m. Payment of Enhancement Award for Class Representatives' Service to
6 the Class: Provided that all required payments have been made to the Total Settlement Fund,
7 the enhancement awards approved by the Court (if any), will be paid from the Total Settlement
8 Fund by the Settlement Administrator to the Class Representatives within ten (10) calendar
9 days after the Settlement becomes effective, as defined in Paragraph 17.b.

10 n. No Reversion to Defendants: The Parties agree that no amount from any
11 uncashed Settlement Checks or any other portion of the Total Settlement Fund will revert to
12 Defendants.

13 **SETTLEMENT ADMINISTRATION**

14 18. The Parties have mutually agreed to seek Court appointment of Phoenix Class
15 Action Administration Solutions as the Settlement Administrator to perform the customary
16 duties of the Settlement Administrator. The Settlement Administrator will send out to the
17 Class Members the Notice and the Information Form within fifteen (15) calendar days after the
18 date the Court issues its order granting preliminary approval of the Settlement. Defendant D7
19 Roofing will provide to the Settlement Administrator a class list which includes names, last
20 known addresses, social security numbers, and dates of employment and weeks worked. The
21 Settlement Administrator shall maintain the confidentiality of the Class Members.

22 Provided that all required payments have been made to the Total Settlement Fund, the
23 Settlement Administrator will issue and send out Settlement award checks to Class Members.
24 The Settlement Administrator shall make all required tax withholdings and deposits, and shall
25 duly report all necessary information to Defendants, to allow them to accurately and timely
26 prepare and file all required payroll tax paperwork. Tax treatment of the Settlement awards
27

1 will be as set forth herein and in accordance with state and federal tax laws. All disputes
2 relating to the Settlement Administrator's performance of its duties shall be referred to the
3 Court, if necessary, which will have continuing jurisdiction over the terms and conditions of
4 this Stipulation of Settlement until all payments and obligations contemplated by this
5 Stipulation of Settlement have been fully carried out.

6 **ATTORNEYS' FEES AND COSTS**

7
8 19. In consideration for settling this matter and in exchange for the release of all
9 claims by the Class, and subject to final approval and/or modification by the Court, as part of
10 and from the Total Settlement Amount, Defendant agrees to payment to Plaintiffs' Counsel's
11 attorneys' fees up to 30 percent of the Total Settlement Amount, and litigation costs not to
12 exceed the total sum of thirty-eight thousand dollars (\$38,000) from the Total Settlement
13 Amount. Defendants will not object to Plaintiffs' Counsel's application for attorneys' fees and
14 costs up to 30 percent of the Total Settlement Amount plus up to \$38,000 in costs. Attorneys'
15 fees and costs approved by the Court will cover all work performed and all fees and costs
16 incurred to date, and all other work to be performed and all fees and costs to be incurred in
17 connection with the approval by the Court of this Stipulation of Settlement, Plaintiffs'
18 Counsel's administration of the Settlement, and final judgment in this case, except as provided
19 for in Paragraph 39, below.

20 20. Provided that all required payments have been made to the Total Settlement
21 Fund, the attorneys' fees and costs approved by the Court shall be paid from the Total
22 Settlement Fund by the Settlement Administrator to Class Counsel within ten (10) calendar
23 days after the Settlement becomes effective as defined in Paragraph 17.b. above. Plaintiffs'
24 Counsel will instruct the Settlement Administrator as the amounts to be paid to each Plaintiffs'
25 Counsel firm.
26
27

NOTICE TO THE SETTLEMENT CLASS

21. Within ten (10) calendar days of preliminary approval of this Settlement by the Court, Defendant D7 Roofing shall provide to the Settlement Administrator all of the following information about each Class Member in a format requested by the Settlement Administrator: (1) Class Member's name, (2) last-known address, (3) last-known telephone number, (4) Social Security Number, (5) dates of employment with Defendant D7 Roofing as non-exempt construction employees during the Class Period and (6) weeks worked as non-exempt construction employees performing roofing work during the Class Period. This database shall be based on Defendant D7 Roofing's payroll and other business records. The Settlement Administrator will maintain this database and all data contained within the database, as private and confidential and shall not disclose such data to any persons or entities. If, as described above, a Class Member files both an objection and a request to opt out of the Settlement, the Settlement Administrator may provide Plaintiffs' Counsel the Class Member's name and contact information. Prior to any mailing, the Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. Within twenty (20) calendar days of preliminary approval of this Settlement, the Settlement Administrator will mail the Notice and the Information Form to the Class Members.

22. The Class Notice, as approved by the Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. Accompanying the Notice will be an Information Form as approved by the Court. The front of each envelope mailed to Class Members shall prominently display the following language: "Court-Ordered D7 Roofing Services, Inc. Class Action Notice and Class Member Information Form Inside. Please Open Immediately. You May Be Entitled to Recover Money in this Class Action Settlement."

23. Any Notices and Information Forms returned to the Settlement Administrator as non-delivered during the ninety (90) calendar day period for returning corrected Information Forms shall be resent to the forwarding address, if any, on the returned envelope. The

1 Settlement Administrator shall use all reasonably available means, such as NCOA searches and
2 skip traces, to find Class Members. The Settlement Administrator will also collaborate with
3 Plaintiffs' Counsel to find former-employee Class Members. Upon completion of these steps
4 by the Settlement Administrator, the Parties and the Settlement Administrator shall be deemed
5 to have satisfied their obligations to provide reasonable Notice to the Members of the Class.
6 The affected Members of the Class (that is, Class Members who do not validly request to be
7 excluded from the Class) shall remain Members of the Class and shall be bound by all the
8 terms of the Stipulation of Settlement and the Court's Final Approval Order and Final
9 Judgment.

10 24. Plaintiffs' Counsel shall provide to the Court, at least twenty-one (21) calendar
11 days prior to the Final Fairness Hearing, a declaration by the Settlement Administrator of due
12 diligence and proof of mailing with regard to the mailing of the Class Notice and the
13 Information Form.

14 **SETTLEMENT AWARD PROCESS**

15 25. Within thirty (30) days of the Final Approval of Class Settlement, Defendant
16 will pay a lump sum of one hundred seventy-five thousand dollars (\$175,000) to the Settlement
17 Administrator. Within fifteen (15) days of the Preliminary Approval of Class Settlement,
18 Defendants will make twenty-four (24) monthly payments of twenty thousand dollars
19 (\$20,000). Defendants will make these monthly payments by the 10th of each month. All these
20 monies will be paid into an escrow account, held and administered by the Settlement
21 Administrator.

22 26. Provided that all required payments have been made to the Total Settlement
23 Fund, the Settlement Administrator will then be responsible for making appropriate
24 deductions, reporting obligations, and issuing the individual settlement awards. Payments to
25 Class Members will be mailed by the Settlement Administrator within ten (10) calendar days
26 after the Settlement becomes effective pursuant to Paragraph 17.b. above. Settlement award
27

checks shall remain valid and negotiable for one hundred and twenty (120) calendar days from the date of their issuance. If a Settlement award check has not been cashed by the Class Member within that time, the Class Member's claims will remain released by the Settlement and the Settlement Administrator will automatically cancel the check and deliver the unclaimed sum to the *cy press* beneficiary, in accordance with this Stipulation, unless otherwise ordered by the Court.

27. If a Settlement Check sent to a Class Member is returned with a forwarding address provided by the United States Postal Service, it shall be re-mailed to the forwarding address provided. If a Settlement Check sent to a Class Member is returned as undeliverable by the United States Postal Service or is otherwise designated by the United States Postal Service as having been sent to an invalid address and the Class Member did not provide the Settlement Administrator with additional address information after the mailing of the Settlement Check, the Settlement Administrator shall contact Plaintiffs' Counsel to attempt to locate the Class Member. Similar to the process for finding former employee Class Members in order to provide Notice, the Settlement Administrator should use all reasonably available and accessible means, such as skip traces, to find updated and current addresses.

28. Forty-five (45) calendar days before the expiration of the 120-day period, the Settlement Administrator will send a notice to Class Members who have been sent settlement award checks but who have not cashed them reminding them of the expiration of the 120-day period. As noted above, uncashed settlement checks will be cancelled and those unclaimed sums, will be delivered to the *cy pres* beneficiary, in accordance with this Stipulation, unless otherwise ordered by the Court.

RELEASE BY THE CLASS

29. Upon final approval by the Court of this Settlement, and except as to such rights or claims as may be created by this Stipulation of Settlement, Plaintiffs, on their own behalf and as Class Representatives, and all Class Members (“Releasing Parties”) shall release and

1 discharge Defendants D7 Roofing Services, Inc. and its present and former owners, parent
2 companies, subsidiaries, related or affiliated companies, partners, officers, directors,
3 employees, agents, attorneys, accountants, insurers, successors and assigns, and any other
4 person acting on their behalf and Defendant Jeffrey L. Williamson (“Released Parties”), from
5 any and all causes of action, claims, rights, damages, punitive or statutory damages, penalties,
6 demands, obligations, debts, liabilities, wages, benefits, attorneys’ fees, expenses and costs,
7 and losses, whether at law or in equity, whether under federal, state, and/or local law, statute,
8 ordinance, regulation, common law, or other source of law, (a) that were brought in the Action;
9 or (b) that arise out of the facts alleged in the Complaint, including without limitation all
10 claims under the California Labor Code, Industrial Welfare Commission Wage Orders and the
11 California Business and Professions Code, claims for restitution and other equitable relief,
12 liquidated damages, punitive damages, or waiting time penalties from November 26, 2010 until
13 July 27, 2016 (“Released Claims”).

14 30. In addition, the Named Plaintiffs Felix Leon, Alberto Ramirez, and Sergio
15 Romero understand and expressly agree that in exchange for receiving an enhancement award
16 of up to five thousand dollars (\$5,000), to each of them, as approved by the Court, this
17 Agreement extends to all claims of every nature and kind whatsoever, known or unknown,
18 suspected or unsuspected, past or present, which the Named Plaintiffs have or may have
19 against the Released Parties, and all rights under section 1542 of the California Civil Code are
20 hereby expressly waived. Such section reads as follows:

21
22 A general release does not extend to claims which the creditor does not know or
23 suspect to exist in his or her favor at the time of executing the release, which if known
24 by him or her must have materially affected his or her settlement with the debtor.

25 31. Additionally, the Releasing Parties acknowledge that, pursuant to the terms of
26 the Settlement Agreement, they have released claims for unpaid wages, overtime, missed meal
27 and rest periods, reporting time pay, waiting time penalties, record keeping violations,

1 reimbursements, and interest in this Agreement. Releasing Parties further acknowledge that
2 Defendants contested these claims on a factual basis and that the settlement reached herein is a
3 compromised resolution of those disputed claims.

4 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

5 32. The Parties shall promptly submit this Stipulation of Settlement to the Alameda
6 County Superior Court of California in support of Plaintiffs' Motion for Preliminary Approval
7 and determination by the Court as to the Settlement's fairness, adequacy, and reasonableness.
8 Promptly upon execution of this Stipulation of Settlement, the Parties shall apply to the Court
9 for the entry of an Order Preliminarily Approving the Settlement, and the following:
10

- 11 a. Conditionally certifying the provisional settlement class of "all non-exempt
12 construction workers performing roofing work for D7 Roofing Services, Inc., in
13 the state of California, who were employed by Defendant at any time from
14 November 26, 2010 through July 27, 2016";
- 15 b. Approving the Named Plaintiffs, Felix Leon, Alberto Ramirez, and Sergio
16 Romero, as Class Representatives of the Settlement Class;
- 17 c. Approving Cristina Molteni of Molteni Employment Law and Albert G. Stoll,
18 Jr., of Albert G. Stoll, Jr., A Law Corporation, as Class Counsel;
- 19 d. Approving Phoenix Class Action Administration Solutions as Settlement
20 Administrator;
- 21 e. Approving as to form and content the Class Notice;
- 22 f. Approving as to form and content the Information Form;
- 23 g. Approving the manner and method for Class Members to request exclusion
24 from the Settlement;
- 25 h. Preliminarily approving the settlement subject only to the objections of Class
26 Members and final review by the Court;
- 27

- 1 i. Scheduling a Fairness Hearing on the question of whether the Settlement,
2 including payment of attorneys' fees and costs, PAGA allocation, and the Class
3 Representatives' enhancement awards should be finally approved as fair,
4 reasonable, and adequate as to the members of the Class.

5 **DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL**

6
7 33. Following final approval by the Court of the Settlement provided for in this
8 Stipulation of Settlement, Counsel for the Class will submit a proposed Judgment on Final
9 Approval of Settlement and Retention of Jurisdiction:

- 10 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable,
11 and adequate, and directing consummation of its terms and provisions;
12 b. Approving Class Counsel's application for an award of attorneys' fees and
13 costs;
14 c. Approving the enhancement award payments to the Class Representatives; and
15 d. Retaining jurisdiction over the Parties to enforce the terms of the judgment,
16 pursuant to California Rules of Court, Rule 3.769.

17 **SETTLEMENT TERMINATION**

18 34. In the event that (a) the Court declines to enter final approval of the Settlement
19 or to enter the Judgment or any part thereof as provided for herein, or the Parties hereto fail to
20 consent to the entry of alternative forms of Judgment, in lieu thereof, or after such consent the
21 Court declines to enter such alternate form of Judgment; or (b) any conditions to the Settlement
22 are not satisfied; or (c) the Court disapproves this Settlement, or any term contained in this
23 Settlement, including any amendments hereto, and such disapproval becomes final by reason
24 of being affirmed on appeal or lapse of time or otherwise; or (d) the Court approves this
25 Settlement, including any amendments hereto, but any such judgment and approval is finally
26 reversed on appeal; or (e) Defendant fails to fund the Settlement and continues to fail to fund
27 the Settlement after written notice provided by Plaintiffs' Counsel; in any such event ((a)

1 through (e)), this Settlement shall be void, and the Preliminary Approval Order and the Final
2 Approval Order and Judgment, if any, shall be vacated upon application to the Court. In such
3 event, (a) this Stipulation and the Settlement shall be terminated and become void, (b) any
4 actions taken or to be taken in connection with this Stipulation and the Settlement shall become
5 void and of no effect; and (c) all pretrial proceedings, including discovery, shall resume 30
6 (thirty) days thereafter as if this Settlement had not been proposed for approval of the Court.

7 **PARTIES' AUTHORITY**

8
9 35. The signatories hereto hereby represent that they are fully authorized to enter
10 into this Stipulation of Settlement and bind the Parties hereto to the terms and conditions
11 thereof.

12 **MUTUAL FULL COOPERATION**

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

23 37. The Parties agree that they will not attempt to encourage or discourage Class
24 Members from submitting Requests for Exclusion and will not discourage Class Members
25 from participating in the Settlement.
26
27

1 **NO PRIOR ASSIGNMENTS**

2 38. The Parties represent, covenant, and warrant that they have not directly or
3 indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
4 any person or entity any portion of any liability, claim, demand, action, cause of action or right
5 herein released and discharged except as set forth herein.

6 **ENFORCEMENT ACTIONS**

7
8 39. In the event that one or more of the Parties to this Stipulation of Settlement
9 institutes any legal action or other proceeding against any other Party or Parties to enforce the
10 provisions of this Stipulation of Settlement or to declare rights and/or obligations under this
11 Stipulation of Settlement, the successful Party or Parties shall be entitled to recover from the
12 unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness
13 fees incurred in connection with any enforcement actions.

14 **CONSTRUCTION**

15 40. The Parties hereto agree that the terms and conditions of this Stipulation of
16 Settlement are the result of arm's-length negotiations between the Parties, and this Stipulation
17 of 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 Stipulation of
19 Settlement.

20 **CAPTIONS AND INTERPRETATIONS**

21
22 41. Paragraph titles or captions contained herein are inserted as a matter of
23 convenience and for reference, and in no way define, limit, extend, or describe the scope of this
24 Stipulation of Settlement or any provision hereof. Each term of this Stipulation of Settlement
25 is contractual and not merely a recital.

1 **MODIFICATION**

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

6 **INTEGRATION CLAUSE**

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

13 **BINDING ON ASSIGNS**

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

17 **CLASS MEMBER SIGNATORIES**

18
19 45. It is agreed that because the members of the Class are so numerous, it is
20 impossible or impractical to have each member of the Class execute this Stipulation of
21 Settlement. The Class Notice will advise all Class Members of the binding nature of the
22 release.

23 **COUNTERPARTS**

24 46. This Stipulation of Settlement may be executed in counterparts and by facsimile
25 or electronically-scanned signatures, and when each Party has signed and delivered at least one
26 such counterpart, each counterpart shall be deemed an original, and, when taken together with
27

1 other signed counterparts, shall constitute one Stipulation of Settlement, which shall be binding
2 upon and effective as to all Parties.

3
4 **STIPULATION FOR ENTRY OF JUDGMENT**

5 47. As part of this Settlement Agreement and to secure Defendants' obligations
6 under this Agreement, the Parties shall execute a Stipulation for Entry of Judgment in the form
7 attached as Exhibit 2, in the amount of six hundred fifty thousand dollars (\$655,000) less any
8 amounts paid pursuant to this Agreement, plus reasonable attorneys' fees and costs incurred in
9 enforcing the Settlement Agreement and collecting the settlement sums. The Stipulation shall
10 be held in trust by Plaintiffs' Counsel and shall only be filed in the event of Defendant's
11 default. In the event that Defendant fails to make timely payments of the monthly settlement
12 amount of twenty thousand dollars (\$20,000) or any other payment called for above for fifteen
13 days, and Plaintiffs' Counsel gives Defendants fifteen days' written notice of the default, and
14 Defendants fail to correct the default, Plaintiffs will have the option to file the Stipulation with
15 the Court and may have judgment entered against Defendants and may enforce this judgment
16 without further notice to Defendants and without further hearing before the Court, the rights to
17 which are waived by Defendants.

18 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
19 Stipulation of Settlement and Release as of the dates set forth below:

20 **Plaintiffs and Class Representatives:**

21 Dated: 10-25-16

PLAINTIFF FELIX LEON

22 By: 
23 Felix Leon

24 Dated: _____

PLAINTIFF ALBERTO RAMIREZ

25 By: _____
26 Alberto Ramirez
27

1 other signed counterparts, shall constitute one Stipulation of Settlement, which shall be binding
2 upon and effective as to all Parties.

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4 **STIPULATION FOR ENTRY OF JUDGMENT**

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8 amounts paid pursuant to this Agreement, plus reasonable attorneys' fees and costs incurred in
9 enforcing the Settlement Agreement and collecting the settlement sums. The Stipulation shall
10 be held in trust by Plaintiffs' Counsel and shall only be filed in the event of Defendant's
11 default. In the event that Defendant fails to make timely payments of the monthly settlement
12 amount of twenty thousand dollars (\$20,000) or any other payment called for above for fifteen
13 days, and Plaintiffs' Counsel gives Defendants fifteen days' written notice of the default, and
14 Defendants fail to correct the default, Plaintiffs will have the option to file the Stipulation with
15 the Court and may have judgment entered against Defendants and may enforce this judgment
16 without further notice to Defendants and without further hearing before the Court, the rights to
17 which are waived by Defendants.

18 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
19 Stipulation of Settlement and Release as of the dates set forth below:

20 **Plaintiffs and Class Representatives:**

21 Dated: _____ PLAINTIFF FELIX LEON

22 By: _____
23 Felix Leon

24 Dated: 10/26/16 PLAINTIFF ALBERTO RAMIREZ

25 By: Alberto Ramirez
26 Alberto Ramirez
27

1 Dated: 10-25-16

PLAINTIFF SERGIO ROMERO

2 By: Sergio Romero
3 Sergio Romero

4
5 **Defendant:**

D7 ROOFING SERVICES, INC.

6 Dated: _____

7 By: _____
8 Its Authorized Officer or Agent

9 **Defendant:**

JEFFREY L. WILLIAMSON

10 Dated: _____

11 By: _____
12 Jeffrey L. Williamson

13 **APPROVED AS TO FORM.**

14 **Plaintiffs' Counsel and Class Counsel:**

15 Dated: _____

MOLTENI EMPLOYMENT LAW

16 By: _____
17 Cristina Molteni
18 Attorney for Plaintiffs

19 Dated: _____

ALBERT G. STOLL, A LAW CORPORATION

20 By: _____
21 Albert G. Stoll, Jr.
22 Attorney for Plaintiffs

23 **Defendants' Counsel:**

24 Dated: _____

COHEN DURRETT, LLP

25 By: _____
26 Jeffrey L. Anderson
27 Attorney for Defendants

1 Dated: _____

PLAINTIFF SERGIO ROMERO

2
3 By: _____
Sergio Romero

4
5 **Defendant:**

D7 ROOFING SERVICES, INC.

6 Dated: _____

7 By: _____
Its Authorized Officer or Agent

8
9 **Defendant:**

JEFFREY L. WILLIAMSON

10 Dated: _____

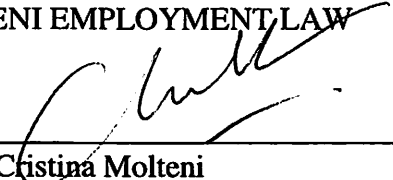
11 By: _____
Jeffrey L. Williamson

12 **APPROVED AS TO FORM.**

13 **Plaintiffs' Counsel and Class Counsel:**

14
15 Dated: 10-26-16

MOLTENI EMPLOYMENT LAW

16
17 By:  _____
Cristina Molteni
Attorney for Plaintiffs

18
19 Dated: 10 / 26 / 2016

ALBERT G. STOLL, A LAW CORPORATION

20 *Albert G. Stoll, Jr.*
21 By: _____
Albert G. Stoll, Jr.
Attorney for Plaintiffs

22 **Defendants' Counsel:**

23
24 Dated: _____

COHEN DURRETT, LLP

25
26 By: _____
Jeffrey L. Anderson
Attorney for Defendants

1 Dated: _____

PLAINTIFF SERGIO ROMERO

2
3 By: _____
Sergio Romero

4
5 **Defendant:**

D7 ROOFING SERVICES, INC.
JEFF WILLIAMSON

6 Dated: 10/25/16

7 By: _____
Its Authorized Officer or Agent

8
9 **Defendant:**

JEFFREY L. WILLIAMSON

10 Dated: 10/25/16

11 By: _____
Jeffrey L. Williamson

12 **APPROVED AS TO FORM.**

13 **Plaintiffs' Counsel and Class Counsel:**

14
15 Dated: _____

MOLTENI EMPLOYMENT LAW

16
17 By: _____
Cristina Molteni
Attorney for Plaintiffs

18
19 Dated: _____

ALBERT G. STOLL, A LAW CORPORATION

20
21 By: _____
Albert G. Stoll, Jr.
Attorney for Plaintiffs

22
23 **Defendants' Counsel:**

24 Dated: 10/25/16

COHEN DURRETT, LLP

25
26 By: _____
Jeffrey L. Anderson
Attorney for Defendants

EXHIBIT 1

LEGAL NOTICE

Leon et al. v. D7 Roofing Services, Inc., et al.
Alameda County Superior Court, Case No. RG14-749708

A California Court authorized this poster.

The California Industrial Welfare Commission Order No. 16-2001 (8 CCR §11160(2)(C) *et seq.*) provides the following:

MEAL PERIODS

(A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of employer and employee. (See Labor Code Section 512.)

(B) An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of employer and employee only if the first meal period was not waived. (See Labor Code Section 512.)

(C) In all places of employment the employer shall provide an adequate supply of potable water, soap, or other suitable cleansing agent and single use towels for hand washing.

(D) Unless the employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an —on duty‖ meal period and counted as time worked. An —on duty‖ meal period shall be permitted only when the nature of the work prevents employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal period is agreed to and complies with Labor Code Section 512.

(E) Collective Bargaining Agreements. Subsections (A), (B), and (D) of Section 10, Meal Periods, shall not apply to any employee covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of the employees, and if the agreement provides premium wage rates for all overtime hours worked and a regular hourly rate of pay for those employees of not less than 30 percent more than the state minimum wage.

(F) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided. In cases where a valid collective bargaining agreement provides final and binding mechanism for resolving disputes regarding enforcement of the meal period provisions, the collective bargaining agreement will prevail.

REST PERIODS

(A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. Nothing in this provision shall prevent an employer from staggering rest periods to avoid interruption in the flow of work and to maintain continuous operations, or from scheduling rest periods to coincide with breaks in the flow of work that occur in the course of the workday. The authorized rest period time shall be

based on the total hours worked daily at the rate of ten (10) minutes net rest time for every four (4) hours worked, or major fraction thereof. Rest periods shall take place at employer designated areas, which may include or be limited to the employees' immediate work area.

(B) Rest periods need not be authorized in limited circumstances when the disruption of continuous operations would jeopardize the product or process of the work. However, the employer shall make up the missed rest period within the same workday or compensate the employee for the missed ten (10) minutes of rest time at his/her regular rate of pay within the same pay period.

(C) A rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.

(D) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided. In cases where a valid collective bargaining agreement provides final and binding mechanism for resolving disputes regarding enforcement of the rest period provisions, the collective bargaining agreement will prevail.

(E) This section shall not apply to any employee covered by a valid collective bargaining agreement if the collective bargaining agreement provides equivalent protection

AVISO LEGAL

Leon et al. v. D7 Roofing Services, Inc., et al.

Corte Superior del Condado de Alameda, Caso No. RG14-749708

Una Corte de California autorizó este cartel.

La Orden de la Comisión de Bienestar Industrial No. 16-2001 de California (8 CCR §11160(2)(C) y siguientes.) establece lo siguiente:

PAUSAS PARA COMER

(A) Ningún empleador deberá emplear a una persona durante un período de trabajo de más de cinco (5) horas sin un período de comida no menor de 30 minutos, excepto que cuando un período de trabajo no mayor de seis (6) horas complete la jornada de trabajo, se podrá renunciar al período de comida por consentimiento mutuo entre el empleador y el empleado. (Consulte el Código Laboral, Sección 512.)

(B) Un empleador no puede contratar a un empleado por un período de trabajo de más de diez (10) horas por día sin proporcionar al empleado un segundo período de comida no menor a 30 minutos, excepto que si el total de horas trabajadas no excede 12 horas, se podrá renunciar al segundo período de comida por consentimiento mutuo entre el empleador y el empleado sólo si no se renunció al primer período de comida. (Consulte el Código Laboral, Sección 512.)

(C) En todos los lugares de trabajo el empleador proporcionará agua potable en cantidades adecuadas, jabón u otro agente limpiador adecuado, así como toallas desechables para secarse las manos al lavarlas.

(D) A menos que el empleado quede libre de todas sus responsabilidades durante un período de comida de 30 minutos, el período de comida será considerado como un período de comida "de guardia" y cuenta como tiempo trabajado. Se permitirá un período de comida "de guardia" sólo cuando la naturaleza del trabajo impida que un empleado sea relevado de toda obligación y cuando por acuerdo escrito entre las partes se convenga un período de comida pagado en el lugar de trabajo y se cumpla el Código Laboral, Sección 512.

(E) Convenio de negociación colectiva Las subsecciones (A), (B) y (D) de la Sección 10, Períodos de comida, no se aplicarán a ningún empleado amparado por un convenio colectivo válido si el convenio prevé expresamente los salarios, las horas de trabajo y condiciones de trabajo de los empleados y si el convenio establece tarifas salariales superiores para todas las horas extraordinarias trabajadas, así como una tarifa de pago por hora regular para los empleados de no menos 30 por ciento más que el salario mínimo estatal.

(F) Si un empleador no puede proporcionar a un empleado un período de comida de acuerdo con las disposiciones aplicables de la presente orden, el empleador debe pagar al empleado una (1) hora de pago a la tarifa regular del empleado como indemnización por cada día laboral en que no se proporcione el período de comida. En los casos donde un convenio colectivo vigente ofrezca un mecanismo definitivo y vinculante para resolver las controversias relativas a la aplicación de las disposiciones del periodo de comida, prevalecerá el acuerdo de negociación colectiva.

PERIODOS DE DESCANSO

(A) Todos los empleadores deben autorizar y permitir a todos los empleados tomar períodos de descanso, que en la medida de lo posible estarán en la mitad de cada período de trabajo. Nada en esta disposición impedirá que un empleador aplique escalonamientos de los períodos de descanso para evitar interrupciones en el flujo de trabajo y para mantener la continuidad de las operaciones o programe períodos de descanso que coincidan con las interrupciones en el flujo de trabajo que se produzca en el transcurso de la jornada de trabajo. El tiempo del periodo de descanso autorizado se basará en el total de horas trabajadas al día, a razón de diez (10) minutos de tiempo de reposo neto por cuatro (4) horas o una fracción importante del mismo. Los períodos de descanso tendrán lugar en las áreas señaladas por el empleador, que pueden incluir o estar limitadas al área de trabajo inmediata de los trabajadores.

(B) No es necesario que los períodos de descanso estén autorizados en circunstancias limitadas, cuando la interrupción de operaciones continuas ponga en peligro el producto o proceso del trabajo. Sin embargo, el empleador deberá compensar el período de descanso perdido dentro de la misma jornada de trabajo o compensar al empleado por la pérdida de diez 10 minutos de descanso a la tarifa de pago regular del empleado en el mismo período de pago.

(C) Sin embargo, no es necesario que un período de descanso tenga que autorizarse para los empleados cuyo total diario de tiempo de trabajo sea menor que tres horas y media (3 1/2). Los períodos de tiempo autorizados se calcularán como horas trabajadas, por lo que no habrá deducción del salario alguna.

(D) Si un empleador no puede proporcionar a un empleado un período de descanso de acuerdo con las disposiciones aplicables de la presente orden, el empleador debe pagar al empleado una (1) hora de pago de la tarifa regular del empleado como indemnización por cada día laboral en que no se proporcione el período de descanso. En los casos en que un convenio colectivo vigente provea un mecanismo definitivo y vinculante para resolver las controversias relativas a la aplicación de las disposiciones del periodo de descanso, prevalecerá el acuerdo de negociación colectiva.

(E) Esta sección se aplicará a cualquier empleado amparado por un convenio de negociación colectiva válido, a menos que el convenio colectivo establezca una protección equivalente.

EXHIBIT 2

Cristina Molteni (Bar No. 244715)
cmolteni@moltenilaw.com
MOLTENI EMPLOYMENT LAW
100 Pine Street, Suite 1250
San Francisco, California 94111
Telephone: (415) 762-0270
Facsimile: (415) 762-0271

Albert G. Stoll (Bar No. 164649)
astoll@stoll-law.com
ALBERT G. STOLL, JR. | A LAW CORPORATION
55 Francisco Street, Suite 403
San Francisco, California 94133
Telephone: (415) 576-1500
Facsimile: (415) 576-1501

Attorneys for Plaintiffs and the Proposed Class

Jeffrey L. Anderson (Bar No. 157982)
janderson@cohendurrett.com
COHEN DURRETT, LLP
2100 Northrop Avenue, Suite 900
Sacramento, California 95825
Phone: (916) 927-8797
Fax: (916) 927-8798

Attorneys for Defendants

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
ALAMEDA COUNTY**

FELIX LEON, ALBERTO RAMIREZ, and
SERGIO ROMERO, individually, and on
behalf of all others similarly situated,

Plaintiffs,

v.

D7 ROOFING SERVICES, INC., JEFFREY
L. WILLIAMSON, and DOES 2 through 50,
inclusive,

Defendants.

Case No. RG-14 749708

**ASSIGNED FOR ALL PURPOSES TO:
Hon. George C. Hernandez, Jr.
Department 17**

**STIPULATION FOR ENTRY OF
JUDGMENT**

1 Plaintiffs Felix Leon, Alberto Ramirez, and Sergio Romero, individually and on behalf
2 of all others similarly situated (collectively "Plaintiffs") and Defendants D7 Roofing Services,
3 Inc. ("D7 Roofing") and Jeffrey L. Williamson ("Williamson") (collectively "Defendants"),
4 hereby declare, agree, and stipulate as follows:

5 1. Defendant hereby consents to the exercise of the jurisdiction of all California
6 Courts with respect to these proceedings, this Stipulation, and any judgment entered herein.

7 2. On or about November 26, 2014, Plaintiffs filed this action, Alameda County
8 Superior Court Case No. RG14-749708 (the "Action"), against D7 Roofing, alleging certain
9 violations of California wage-and-hour laws. On March 7, 2016, Plaintiffs filed an amended
10 complaint naming Williamson as Defendant. The Parties have resolved all claims and issues
11 between them and have executed a Joint Stipulation of Class Settlement ("Settlement
12 Agreement"), attached to this Stipulation as Exhibit A.

13 3. Pursuant to the Settlement Agreement, Defendants have agreed to create a
14 settlement fund in the amount of six hundred fifty-five thousand dollars (\$655,000) to be used
15 to make payments to Plaintiffs and Class Members, pay Private Attorney General Act
16 ("PAGA") allocation, pay attorneys' fees and costs, and pay the administrative costs of
17 settlement. Defendants have agreed to make monthly payments to the settlement fund in the
18 amount of \$20,000.

19 4. In the event that Defendants default in the payment of any amount owed
20 pursuant to the Settlement Agreement, and fail to correct the default within 15 days of
21 Plaintiffs providing written notice of the default, each of the allegations, claims and
22 contentions of Plaintiffs alleged in their Complaint on file herein shall be deemed to have been
23 adjudicated in Plaintiffs' favor and to have the same force and effect as though embodied in
24 formal findings of fact and conclusions of law by a trier of fact, and judgment shall be entered,
25 without further order or notice, in favor of Plaintiffs and against Defendants in the amount of
26 six hundred and fifty-five thousand dollars (\$655,000), less monies paid pursuant to the
27

1 Settlement Agreement, plus reasonable attorneys' fees and costs incurred in enforcing the
2 Settlement Agreement and collecting the settlement sums.

3 5. Defendants hereby stipulate, that in the event of a default as described in the
4 paragraph above, the judgment referred to above shall include findings of fact and conclusions
5 of law that Defendants willfully failed to pay wages owed to Plaintiffs and thereby breached
6 fiduciary duties to Plaintiffs, such that the amounts owed under this Agreement shall be
7 deemed "non-dischargeable" in any bankruptcy, insolvency, or reorganization proceeding.

8 6. A default under the terms of the Settlement Agreement and this Stipulation (as
9 described in paragraph 4, above) shall also include, but not be limited to, the filing of any
10 petition in Bankruptcy, voluntarily or involuntarily, any assignment for the benefit of creditors,
11 and/or any attachment or garnishment pertaining to Defendants which impairs or may impair
12 Defendants' ability to maintain and comply with the terms of the Settlement Agreement and
13 this Stipulation. As it relates to any bankruptcy proceeding, Plaintiffs, on an *ex parte* basis,
14 may use this Stipulation in any manner in the bankruptcy proceeding.

15 7. This Stipulation shall be null and void and shall not be used for any purpose if
16 no default occurs.

17 8. If Judgment is entered, Defendants shall and hereby do agree as follows:

18 a. That judgment will be entered against Defendants;

19 b. That Defendants hereby waive any hearing on the entry of judgment an
20 any and all notices of the entry of judgment;

21 c. That Defendants waive any notice of hearing regarding entry of
22 judgment but Plaintiffs will promptly serve on Defendants any judgment
23 entered;

24 d. That Plaintiffs may request entry of judgment on an Ex Parte
25 Application;
26
27

- 1 e. That the only finding of fact or conclusion of law that may be appealed
2 is whether the payment of six hundred fifty-five thousand dollars (\$655,000)
3 was paid on a timely basis;
- 4 f. That such Judgment shall be deemed a judgment after trial of the action;
- 5 g. That such Judgment shall be final;
- 6 h. That the execution on such Judgment may be levied immediately,
7 without further notice to Defendants;
- 8 i. That any Judgment entered in accordance with the terms and conditions
9 of the Stipulation may be rendered and entered by a Court Commissioner;
- 10 j. To waive any right to appeal such Judgment except as to (d) herein.

11 9. This Stipulation for Entry of Judgment shall be binding upon and inure to the
12 benefit of the Parties hereto and their respective successors, assigns, heirs, and personal
13 representatives.

14 10. No extension, modification or waiver of this Stipulation of Entry of Judgment
15 shall be deemed effective, unless it is in writing and signed by all Parties hereto, or their
16 respective counsel.

17 11. Defendants hereby waive California Code of Civil Procedure § 581 and any and
18 all other sections relating to limitations or dismissals of this action.

19 12. The Court shall retain and reserve jurisdiction over the Parties hereto, and the
20 subject matter of this action, for the purposes of enforcement of this Stipulation for Entry of
21 Judgment pursuant to California Code of Civil Procedure § 664.6.

22 13. This Agreement may be executed in one or more counterparts, each of which
23 shall be deemed an original, and all of which together shall constitute one and the same
24 instrument.

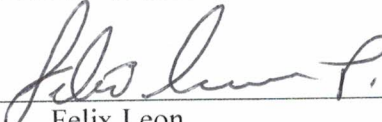
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26 //

1 **Plaintiffs and Class Representatives:**

2 Dated: 10-25-16

PLAINTIFF FELIX LEON

3 By: 
4 Felix Leon

5 Dated: _____

PLAINTIFF ALBERTO RAMIREZ

7 By: _____
8 Alberto Ramirez

9 Dated: _____

PLAINTIFF SERGIO ROMERO

11 By: _____
12 Sergio Romero

13
14 **Defendant:**

D7 ROOFING SERVICES, INC.

15 Dated: _____

16 By: _____
17 Its Authorized Officer or Agent

18
19 **Defendant:**

JEFFREY L. WILLIAMSON

20 Dated: _____

21 By: _____
22 Jeffrey L. Williamson

1 **Plaintiffs and Class Representatives:**

2 Dated: _____

PLAINTIFF FELIX LEON

3 By: _____

4 Felix Leon

5 Dated: 10/26/16

PLAINTIFF ALBERTO RAMIREZ

7 By: Alberto Ramirez

8 Alberto Ramirez

9 Dated: 10-25-16

PLAINTIFF SERGIO ROMERO

11 By: Sergio Romero

12 Sergio Romero

13 **Defendant:**

D7 ROOFING SERVICES, INC.

15 Dated: _____

16 By: _____

17 Its Authorized Officer or Agent

18 **Defendant:**

JEFFREY L. WILLIAMSON

19 Dated: _____

20 By: _____

21 Jeffrey L. Williamson

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4 By: _____
Felix Leon

5
6 Dated: _____ PLAINTIFF ALBERTO RAMIREZ

7
8 By: _____
Alberto Ramirez


9
10 Dated: _____ PLAINTIFF SERGIO ROMERO

11
12 By: _____
Sergio Romero

13
14 **Defendant:**

D7 ROOFING SERVICES, INC.

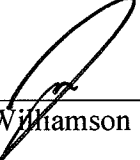
15 Dated: 10/25/16

16 By: 
Its Authorized Officer or Agent

17
18 **Defendant:**

JEFFREY L. WILLIAMSON

19 Dated: 10/25/16

20 By: 
Jeffrey L. Williamson

1 **APPROVED AS TO FORM.**

2 **Plaintiffs' Counsel and Class Counsel:**

3 Dated: 10-26-16

MOLTENI EMPLOYMENT LAW

5 By: 

6 Cristina Molteni
7 Attorney for Plaintiffs

8 Dated: 10 / 26 / 2016

ALBERT G. STOLL, A LAW CORPORATION

9 By: 

10 Albert G. Stoll, Jr.
11 Attorney for Plaintiffs

12 **Defendants' Counsel:**

13 Dated: _____

COHEN DURRETT, LLP

15 By: _____

16 Jeffrey L. Anderson
17 Attorney for Defendants

1 **APPROVED AS TO FORM.**

2 **Plaintiffs' Counsel and Class Counsel:**

3 Dated: _____

MOLTENI EMPLOYMENT LAW

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6 Cristina Molteni
7 Attorney for Plaintiffs

8 Dated: _____

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10 Albert G. Stoll, Jr.
11 Attorney for Plaintiffs

12 **Defendants' Counsel:**

13 Dated: 10/25/16

COHEN DURRETT, LLP

15 By: _____

16 Jeffrey L. Anderson
17 Attorney for Defendants
18
19
20
21
22
23
24
25
26
27