

NOTICE OF CLASS ACTION SETTLEMENT

Torres v. Balfour Beatty Construction, LLC, et al.

Superior Court of California for the County of Los Angeles Case No. 20STCV46969

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Balfour Beatty’s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the class settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Daniel Torres and Defendants Balfour Beatty Construction, LLC. and Balfour Beatty Construction Company, Inc. (“Defendants”) (Plaintiff and Defendants are collectively referred to as the “Parties”) in the case entitled *Torres v. Balfour Beatty Construction, LLC, et al.*, Los Angeles County Superior Court, Case No. 20STCV46969 (“Action” or “Lawsuit”), which may affect your legal rights. On July 25, 2022, the Court granted preliminary approval of the settlement and scheduled a hearing on January 23, 2023 at 10:30 a.m. (“Final Approval Hearing”) to determine whether the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

“**Class**” means all current and former hourly-paid or non-exempt employees employed by Defendants at any time during the Class Period.

“**Class Member**” means a member of the Class.

“**Class Period**” means the time period from December 9, 2016 through July 25, 2022.

“**Class Settlement**” means the settlement and release of the Released Claims that do not arise under the Private Attorneys General Act, California Labor Code section 2698, *et seq.*

“**PAGA Group Members**” means Plaintiff and all Class Members employed by Defendants at any time during the PAGA Period.

“**PAGA Period**” means the time period from June 3, 2019 through July 25, 2022.

“**PAGA Settlement**” means the settlement and release of the Released Claims that do arise under the Private Attorneys General Act, California Labor Code section 2698, *et seq.*

II. BACKGROUND OF THE LAWSUIT

On December 9, 2020, Plaintiff commenced the above-captioned putative class action against Defendants. Through the Action, Plaintiff asserted, on behalf of all current and former hourly or non-exempt employees who worked for Defendants in the State of California at any time during the period of December 9, 2016 to final judgment, the following causes of action: 1) failure to pay all wages owed including minimum and overtime wages, 2) failure to provide legally compliant meal breaks, 3) failure to provide legally compliant rest periods, 4) failure to reimburse all necessary business expenses, 5) failure to provide accurate wage statements, 6) failure to pay all wages due at the end of employment, 7) Unfair Competition and 8) Private Attorney General Act claims (“PAGA”), including, but not limited to, claims for injunctive relief; punitive damages; liquidated damages, penalties of any nature; interest; fees; costs; and all other claims and allegations made or which could have been made in the Action, from December 9, 2016 through Preliminary Approval (“Released Claims”). Defendants deny all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action Settlement (“Settlement” or “Settlement Agreement”).

On July 25, 2022, the Court entered an order preliminarily approving the Settlement. The Court has appointed Phoenix Settlement Administrators as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Daniel Torres as representatives of the Class (“Class Representatives”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Jake D. Finkel, Esq.
jake@lawfinkel.com
LAW OFFICES OF JAKE D. FINKEL
3470 Wilshire Blvd., Suite 830
Los Angeles, CA 90010
Tel: (213) 787-7411

Mehrdad Bokhour
mehrdad@bokhourlaw.com
BOKHOUR LAW GROUP, P.C.
1901 Avenue of the Stars, Suite 450
Los Angeles, California 90067
Tel: (310) 975-1493; Fax: (310) 675-0861

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will only receive an Individual Settlement Payment of your Individual PAGA Share), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Action have merit or that Defendants have any liability to Plaintiff, Class Members, or PAGA Group Members. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members’ claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is two-hundred seventy-five thousand dollars (\$275,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys’ Fees in an amount not to exceed a third of the Gross Settlement Amount (i.e., \$91,666.666) and Litigation Costs in an amount not to exceed fifteen thousand dollars (\$15,000.00) to Class Counsel; (2) Incentive Payments in an amount not to exceed eight thousand dollars (\$8,000.00) to Plaintiff for his services in the Action; (3) PAGA Settlement Amount in the amount of twenty-thousand dollars (\$20,000.00) allocated toward penalties under PAGA, of which 75% (i.e., \$15,000.00), will be paid to the LWDA (“LWDA Payment”) and the remaining 25% (i.e., \$5,000.00), will be distributed to PAGA Group Members; and (4) Settlement Administration Costs in an amount not to exceed ten thousand dollars (\$10,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as an hourly-paid or non-exempt employee during the Class Period (“Workweeks”), which will be calculated by the Settlement Administrator by calculating the number of days between each Class Member’s start and end dates of employment during the Class Period, divided by seven (7).

The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Class Weekly Rate,” and multiplied each Class Member’s individual Workweeks by the Class Weekly Rate to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below). Class Members who do not submit a valid and

timely Opt Out Request (“Settlement Class Members”) will be issued payment of their final Individual Settlement Share.

PAGA Group Members eligible to receive payment under the Settlement of their *pro rata* share of the PAGA Settlement Amount (“Individual PAGA Share”) based on the number of Workweeks each PAGA Group Member worked for Defendants during the PAGA Period (“PAGA Workweeks”).

The Settlement Administrator has divided the PAGA Settlement Amount, i.e., 25% of the PAGA Settlement Amount, by the total number of PAGA Workweeks of all PAGA Group Members to yield the “PAGA Weekly Rate,” and multiplied each PAGA Group Member’s individual PAGA Workweeks by the PAGA Weekly Rate to yield his or her Individual PAGA Share (which is listed in Section III.C below).

Each Individual Settlement Share will be allocated as thirty percent (30%) wages which will be reported on an IRS Form W2; and seventy percent (70%) penalties and interest which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of Individual Settlement Shares, resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, interest, and non-wage damages.

If the Court grants final approval of the Settlement, Individual Settlement Payments and Individual PAGA Payments will be mailed to Settlement Class Members and PAGA Group Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and PAGA Workweeks Based on Defendants’ Records

According to Defendants’ records:

From December 9, 2016 to July 25, 2022, you worked for Defendants as an hourly-paid or non-exempt employee for [_____] Workweeks.

According to Defendants’ records, you have been credited with [_____] Workweeks.

From June 3, 2019 to July 25, 2022, you worked for Defendants as an hourly-paid or non-exempt employee for [_____] Workweeks.

According to Defendants’ records, you have been credited with [_____] PAGA Workweeks.

If you wish to dispute the accuracy of the Workweeks credited to you, you must submit a timely and valid written letter (“Workweek Dispute”) to the Settlement Administrator. The Workweek Dispute must: (a) contain your full name, address, telephone number, last four digits of your Social Security number, and signature; (b) contain the case name and number of the Action (*Torres v. Balfour Beatty Construction, LLC, et al.*, Los Angeles County Superior Court, Case No. 20STCV46969); (c) contain a clear statement explaining that you dispute the number of Workweeks credited to you and what you contend is the correct number of Workweeks that should be credited to you; (d) include any documentation that you have to support the dispute; and (e) be mailed to the Settlement Administrator, postmarked **no later than October 21, 2022**, at the following address:

**Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503
Email: notice@phoenixclassaction.com**

C. Your Estimated Individual Settlement Share and Individual PAGA Share

As explained above, your estimated Individual Settlement Share and Individual PAGA Share is based on the number of Workweeks and PAGA Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ _____. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholding with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The Individual PAGA Share will not undertake any payroll tax deductions or withholdings in connection with the Individual PAGA Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Share reflected in this Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Share may be higher or lower.

D. Settlement Checks

The Settlement Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments and Individual PAGA Payments by way of check to the Settlement Class Members and PAGA Group Members in accordance with the Settlement. When issuing payments, the Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the intended recipient for both payments is one individual. Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred eighty (180) calendar days from the date the checks are issued, and thereafter, shall be cancelled. All funds associated with such cancelled checks will be transmitted to the Controller of the State of California. Settlement Class Members whose Individual Settlement Payment checks and PAGA Group Members whose Individual PAGA Payment checks are cancelled shall, nevertheless, be bound by this Settlement Agreement.

E. Release of Claims

Upon the Effective Date, Plaintiffs and all Class Members who do not submit a valid and timely Opt Out Request (i.e., Settlement Class Members) will be deemed to have fully released and discharged the Released Parties of and from all Released Claims that do not arise under PAGA and that all PAGA Group Members will be deemed to have fully released and discharged the Released Parties of and from all of the Released Claims that do arise under PAGA.

“Released Claims” means any and all claims for wages, damages, unpaid costs, penalties, liquidated damages, interest, attorney fees, litigation costs, restitution, or equitable relief, which Plaintiffs and Settlement Class Member had, or may claim to have, against any of the Released Parties, arising during the Class Period, that were pled or that could have been pled based on the factual allegations set forth in the Operative Complaint, including all claims for failure to pay wages (including overtime wages and minimum wages under California Labor Code §§ 510, 1194, 1197, 1197.1 and 1198), failure to provide meal and/or rest periods and associated premium payments under California Labor Code §§ 226.7 512(a), failure to pay wages timely during employment and upon termination and associated claims for waiting time penalties under California Labor Code §§ 203 and 204, failure to provide compliant wage statements under California Labor Code § 226(a), failure to maintain requisite payroll records under California Labor Code § 1174(d), failure to reimburse business expenses under Labor Code §§ 2800 and 2802, claims under California Labor Code § 2699, *et seq.* (“PAGA”) claims based on the California Labor Code sections alleged or could have been alleged in the Operative Complaint based on the factual allegations set for the in the Operative Complaint, and unfair business practices in violation of California Business and Professions Code § 17200 *et seq.*

“Released Parties” means Defendants and all of its officers, directors, shareholders, investors, employees, agents, insurers, parent companies, affiliates, subsidiaries, successors, and assigns.

F. Attorneys’ Fees and Litigation Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed a third of the Gross Settlement Amount (i.e., attorneys’ fees in an amount of up to \$91,666.66) (“Attorneys’ Fees”) and reimbursement of litigation costs and expenses in an amount of up to fifteen thousand dollars (\$15,000.00) (“Litigation Costs”), subject to approval by the Court. All Attorneys’ Fees and Costs awarded by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

G. Incentive Payment to Plaintiff

Plaintiff will seek the amount of eight thousand dollars (\$8,000.00) (“Incentive Payment”), in recognition of his services in connection with the Action). The Incentive Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to his Individual Settlement Payments and Individual PAGA Payments that he is entitled to under the Settlement, subject to approval by the Court.

H. Settlement Administration Costs to the Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed ten thousand dollars (\$10,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Opt Out Requests, Objection notices, and Workweek Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Shares, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement. PAGA Group Members may not opt out or exclude themselves from the PAGA Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Claims described in Section III.E above. As a Class Member, you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a timely and valid written request (“Opt Out Request”) to the Settlement Administrator.

The Opt Out Request must: (a) contain your full name, address, telephone number, last four (4) digits of your Social Security Number, and signature; (b) contain a clear statement indicating that you wish to exclude yourself from the Class Settlement which references the Action by name and/or case number (*Torres v. Balfour Beatty Construction, LLC, et al.*, Los Angeles County Superior Court, Case No. 20STCV46969); and (c) be mailed to the Settlement Administrator, postmarked **no later than October 21, 2022**, at the address listed in Section III.B above.

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Opt Out Request will not be entitled to receive any payment from the Class Settlement, will not be bound by the Class Settlement (and the release of claims described in Section III.E above), and will not have any right to object to, appeal, or comment on the Class Settlement. Any Class Members who do not submit a valid and timely Opt Out Request will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.E above, as well as any judgment that may be entered by the Court based thereon.

Notwithstanding the above, all PAGA Group Members will be bound to the PAGA Settlement and will receive their Individual PAGA Share irrespective of whether they submit a Opt Out Request.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted an Opt Out Request, by submitting a timely and valid written objection (“Objection”) to the Settlement Administrator.

The Objection must: (a) contain your full name, address, telephone number, last four digits of your Social Security number, and signature; (b) contain the words “Notice of Objection” or “Formal Objection”; (c) contain the case name and number of the Action (*Torres v. Balfour Beatty Construction, LLC, et al.*, Los Angeles County Superior Court, Case No. 20STCV46969); (d) contain a clear and concise statement, including factual and legal arguments, explaining your objection(s) to the Class Settlement; (e) contain a statement indicating whether or not you are represented by counsel and identifying any such legal counsel; (f) contain a statement indicating whether you intend to appear at the Final Approval Hearing to present your objection(s); (g) list any witnesses you may call to testify at the Final Approval Hearing; and (h) be mailed to the Settlement Administrator, at the address listed in Section III.B above, postmarked **no later than October 21, 2022**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 12 of the Los Angeles County Superior Court, located at the Spring Street Courthouse, 312 North Spring Street Los Angeles, California 90012, on January 23, 2023 at 10:30 a.m., to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys’ Fees and Litigation Costs to Class Counsel, Incentive Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members and PAGA Group Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Action for a fee by making an appointment in advance and visiting the civil clerk’s office, located at the Spring Street Courthouse, 312 North Spring Street Los Angeles, California 90012, during business hours, or by online by visiting the following website: <https://www.lacourt.org>.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: (800) 523-5773, OR YOU MAY ALSO CONTACT CLASS COUNSEL.