This stipulation is entered into between qui tam plaintiffs and relators Bill Haley, Harry Rotz and Lew Long (collectively "Plaintiffs") and defendants Balfour Beatty Infrastructure, Inc., Crandall Bates, Reginald Chamberlain, C. William Clark, Brian Miller, Travis Price and Chris Rutherford (collectively "Defendants"). Defendants and Plaintiffs stipulate through counsel as follows:

- 1. In light of the Court's ruling that the individual defendants named in the First Amended Complaint will not be stricken, the parties agree that, while this action was removed in good faith, there is no longer a basis for federal jurisdiction over it based on the allegations in the First Amended Complaint.
- 2. There is no diversity jurisdiction, because at least some of the Defendants are, and were when the action was filed, citizens of California, as are the Plaintiffs.
- 3. There is no federal-question jurisdiction, because the causes of action pleaded on the face of the First Amended Complaint are based in state law, not federal law. Nor is Section 301 of the Labor-Management Relations Act implicated based on the allegations in the First Amended Complaint.
- 4. There is no other basis for federal jurisdiction over this action at this time based on the allegations in the First Amended Complaint.
- 5. Pending completion of the remand and the other steps outlined in this agreement, Plaintiffs will not request entry of Defendants' defaults.
- 6. The parties stipulate that no later than 45 days after entry of the order to remand, Plaintiffs will file a Second Amended Complaint that pleads the per-person ratio that applied to the hiring of Laborer apprentices by virtue of variance letters issued by the Division of Apprenticeship Standards, rather than the per-hour requirement. The Second Amended Complaint will add no new causes of action or additional allegations other than those needed to allege violations of the per-person ratio requirement. The parties will execute any stipulation and proposed order needed for the Superior Court's permission to file the Second Amended Complaint.

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- 7. The parties agree that, once Plaintiffs file the Second Amended Complaint, a stay of the action is appropriate until the California First District Court of Appeal issues its decision in Henson v. C. Overaa & Co. Accordingly, within 10 days of the filing of the Second Amended Complaint, the parties agree to execute and file an appropriate stipulation and proposed order to stay the action until the California First District Court of Appeal issues its decision in Henson v. C. Overaa & Co. The parties agree to execute any stipulation and proposed order needed for the Superior Court's permission to stay the action until the California First District Court of Appeal issues its decision in Henson v. C. Overaa & Co. The stay will extend the time within which Defendants would otherwise be required to respond to or address the Second Amended Complaint. The stay will be vacated once the Court of Appeal issues its decision in Henson v. C. Overaa & Co.
- 8. Defendants will not respond to the Second Amended Complaint before the stay takes effect. Defendants' response(s) must be filed within 30 days after the stay is vacated.
  - 9. This agreement does not constitute an admission by any party.

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1	10. In light of the lack of federal jurisdiction over this action at this time based on	
2	the allegations in the First Amended Complaint, the parties request that the Court REMAND	
3	the case back to Department 17 of the Alameda County Superior Court before Judge George C.	
4	Hernandez, Jr.	
5	SO STIPULATED.	
6	DATED: July 16, 2014	Respectfully submitted,
7		MARKS, FINCH, THORNTON & BAIRD, LLP
8		
9		By: /s/ P. Randolph Finch Jr. P. RANDOLPH FINCH JR.
10		DUSTIN R. JONES
11		Attorneys for Defendants Balfour Beatty Infrastructure, Inc., Crandall Bates, Reginald Chamberlain, C. William
12		Clark, Brian Miller, Travis Price and Chris Rutherford E-mail(s): pfinch@mftb.com djones@mftb.com
13		djones@inito.com
14	DATED: July 16, 2014	DAVIS, COWELL & BOWE, LLP
15		
16		By: /s/ John J. Davis Jr. JOHN J. DAVIS, JR.
17		ERIC B. MYERS Attorneys for Qui Tam Plaintiffs and Relators Bill Haley,
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MARKS, FINCH, THORNTON & BAIRD, LLP 4747 Executive Drive - Suite 700 San Diego, CA 92121 (858) 737-3100

## ORDER

PURSUANT TO STIPULATION and based on the absence of federal jurisdiction over this action, this action is hereby REMANDED to Department 17 of the Alameda County Superior Court before Judge George C. Hernandez, Jr.

DATED: July 17, 2014

WILLIAM H. ORRICK United States District Judge