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Attorneys for Plaintiff SHARI RILEY,
individually, and on behalf of other
members of the general public
similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES- CENTRAL

SHARI RILEY, individually, and on behalf of
other members of the general public similarly
situated;

Plaintiff,

v.

PRIMITIVE COMPANY, a California
corporation; and Jubal Jones, an individual;
Mitch Bhatia, an individual, Paul Rodriguez,
Jr., an individual; and DOES 1 through 50,
inclusive;

Defendants.

CASE NO. 20STCV07175

**DECLARATION OF PRESTON H. LIM
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: November 29, 2021
Time: 9:00 a.m.
Dept.: 17

Assigned to the Hon. Maren E. Nelson Dept 17

Complaint filed: 2/25/20
Trial date: None

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1. I am an active member of the Bar of the State of California and the principal of Lim Law Group, P.C., co-counsel for Plaintiff Shari Riley, individually and on behalf of all others similarly situated. I make this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement in the related matter entitled *Riley, et al. v. Primitive Company, et al.*, Case No. 20STCV07175 (Superior Court of Los Angeles). Except for those matters stated on information and belief, I make this declaration based upon personal knowledge and, if called upon to do so, I could and would so testify.

2. Plaintiff Shari Riley filed her action on February 25, 2020 in Los Angeles Superior Court. Plaintiff's complaint alleges that Defendant systematically violated various Labor Code, including: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide compliant meal and rest periods; (4) waiting time penalties; (5) failure to reimburse business expenses; (6) failure to provide accurate itemized statements; and (7) Unfair Business Practices.

4. On November 30, 2020, the Parties participated in a joint mediation with James Johnston of the Mediation Offices of James Johnston, an experienced mediator who handles class

1 action cases. Mr. Johnston helped to manage the Parties' expectations and provided a useful,
2 neutral analysis of the issues and risks to both sides. With Mr. Johnston's guidance, the Parties
3 were able to come to a settlement agreement during mediation. The terms of the settlement are
4 set forth in complete and final form in the Stipulation of Settlement. At all times, the Parties'
5 negotiations were adversarial and non-collusive. The Settlement therefore constitutes a fair,
6 adequate, and reasonable compromise of the claims at issue. A true and correct copy of the
7 Settlement Agreement is attached hereto as Exhibit A. A redlined draft providing changes made
8 to the previous Settlement Agreement is attached here to Exhibit B. Given that there are
9 approximately 67 Settlement Class Members, and an estimate net class recovery of \$31,700, the
10 average net recovery per class member is approximately \$473.13.

11 5. The investigation entailed the exchange of information pursuant to informal
12 discovery methods through a months-long meet and confer process. We received hundreds of
13 pages of documents via formal discovery, and also received hundreds more electronic pages of
14 time and/or payroll data in an informal exchange of information prior to mediation. These
15 documents which represented a substantial sampling of the putative class, were used to estimate
16 the damages exposure for the class. In sum, Plaintiff has obtained sufficient discovery on both
17 liability and damages to apprise the Court of the fairness of the settlement. Overall, I investigated
18 the claims at issue, which included: (1) determining Plaintiff's suitability as putative class
19 representatives through analyses of her employment files and related records; (2) evaluating all of
20 Plaintiff's potential claims; (3) reviewing sampling of payroll records for other employees; (4)
21 analyzing Defendants' labor policies and practices; and (5) participating in mediation where
22 Defendants' view of the case, and evidence in support thereof, were weighed against the case's
23 merits. The document and data exchange have allowed me to appreciate the strengths and
24 weaknesses of the claims alleged against Defendants and the benefits of the proposed Settlement,
25 given that the payroll records only showed a minimum of violations – mainly relating to late meal
26 periods. No depositions were taken in this case and no witnesses were interviewed other than
27 Plaintiff.

28 6. Pursuant to Labor Code section 2699(1)(2), on November 2, 2021, a copy of the

1 Stipulation of Settlement, this motion and declarations in support thereof, have been filed
2 concurrently with the Labor and Workforce Development Agency (“LWDA”).

3 **ESTIMATE OF THE CLAIMS**

4 7. Plaintiff estimated the maximum value of actual loss to be somewhere around
5 \$809,151.08. This was based on the following calculations:

6 8. Meal Period: Plaintiff contends that she was unable to take her meal period on time
7 or did not receive her meal periods at all on some occasions. Defendants refute Plaintiff’s
8 contention claiming that it’s meal period policy was lawful and that late lunches by the choice of
9 each employee rather than caused by Defendant. Defendants contend that employees were not
10 prevented from taking their lunch breaks on time and had every opportunity to take their meal
11 periods in a timely manner. Based on the records, the total number of shifts over 5 hours in length
12 to was approximately 18,585. Based on that figure, the records indicated approximately 6,483
13 shifts where meal breaks were recorded after the end of the 5th hour. There were approximately
14 197 shifts with no meal breaks recorded between the 5th and 6th hour and approximately 560
15 shifts where no meal break was recorded for hours more than 6th hours. There were
16 approximately 4,527 shifts where meal periods were less than 30 minutes for shifts greater than 5
17 hours. Based on these figures, there were meal period violations totaling approximately 11,767
18 shifts (approximately 63% violation rate). Using an average rate of pay of \$17.31/hr, the total
19 estimated damages is approximately \$203,686.77.

20 9. Rest Breaks: Plaintiff contends that she was unable to take timely rest break
21 approximately three times per week. Defendants refute Plaintiff’s contention claiming that it’s
22 rest period policy was lawful and that late rest breaks by the choice of each employee rather than
23 caused by Defendant. Defendants contend that employees were not prevented from taking their
24 rest periods on time and had every opportunity to take their rest periods in a timely manner.
25 Assuming a similar violation rate as the meal periods, at 63%, Plaintiff estimates that of the
26 19,838 total shifts, approximately 12,497.94 shifts resulted in late rest periods. Based on these
27 figures, Plaintiff estimates approximately \$216,339.34 in total premiums that were unpaid
28 (12,497.94 x \$17.31/hr).

1 10. Unpaid Wages: Plaintiff alleges that Defendants failed to compensate putative class
2 members for off-the-clock work relating to responding to text messages before and/or after their
3 shifts. Defendants contend that text messages were not sent by Plaintiff. Defendants contend that
4 while chats were used using computers, they were not in use prior to or after an employee's shift
5 and that the chat was not installed in personal cell phones. Notwithstanding, assuming
6 approximately 6 minutes per shift for responding to text messages off-the-clock, Plaintiff
7 estimates a value of \$51,509.37 (6 minutes (0.1) of average overtime rate (\$25.97) x 19,838).

8 11. Wage Statement Penalties: There were approximately 1,400 pay periods during the
9 relevant liability period, which equates to \$134,050 in wage statement penalties.

10 12. Waiting Time Penalties: There are approximately 49 former employees who fall
11 within the liability period for this claim multiplied by \$4,154.40 (\$17.31 average hourly rate x 8
12 hours = \$138.48 daily rate x 30 days = \$4,154.40) provides an exposure of \$203,565.60.

13 13. Here, the settlement is within a range of reasonableness in light of the fact the
14 Gross Settlement Amount accounts for 18.4% of the high estimate of actual loss. These figures
15 were based on the sample records of 17 employees out of 67 class members. With a 21% margin
16 of error at 95% confidence interval, which was the result of the sample size, adding 21% to the
17 estimated actual loss still results in the settlement being within the range of reasonableness.
18 Rather than 12.36% the figure would be 10.21%, which is still within the range of reasonableness.
19 For the purpose of mediation only, we confirmed her damages expert that the sampling would
20 provide useful information to extrapolate damages figures.

21 14. PAGA Penalties: There are approximately 2,839 pay periods during the relevant
22 liability period for this claim with approximately 45 aggrieved employees. The total aggregate
23 amount of PAGA penalties is \$600 for each initial pay period, and \$1,700 for each subsequent pay
24 periods. Even applying the initial pay period penalties, with 2,839 pay periods and 45 aggrieved
25 employees, the total penalties equal \$76,653,000.

26 15. Risk Evaluation: These figures are estimates of exposure. There are substantial
27 risks involving certification, maintaining certification through trial, summary judgment, and
28 factual and procedural risks, as well as the risk of appeal. The law is constantly changing and

1 there is always a chance that the law changes in a manner unfavorable to employees if a case
2 continues for several years, as class actions regularly do. There is considerable risk involved in
3 meal and rest break claims where the basis of the claim is not a common illegal policy. There a
4 common issue is practice, such as it appears here, the risk of certification is higher and the
5 difficulty in proving class wide damages is greater. Plaintiff's theories of liability and damages
6 may not result in a full award of the high end estimated value of the claims. With respect to off-
7 the-clock work, although the California Supreme Court has essentially eliminated the *de minimus*
8 defense, there might be instances where it could apply. Such as if the type of off-the-clock work
9 was intermittent and difficult to record. Plaintiff claims that the off-the-clock work was mainly
10 responding to text messages pre and/or post shift that were not compensated. These tasks,
11 however, are varied as different job positions may have resulted in different duties, and it may be
12 that certification cannot be maintained through trial and/or the damages cannot be proven to the
13 high end estimated here. Plaintiff was the only production assistant at the workplace. As such,
14 the circumstances of her workplace may be differed from that of a warehouse worker who were
15 not required to correspond via text message. All this pose significant risk factors that Plaintiff
16 considered settling.

17 16. The statutory penalty claims for inaccurate wage statement and late payment of
18 wages as the basis for waiting time penalties, are all derivative of the underlying wage claim and
19 have the same risk factors. However, in addition, there are additional elements for these derivative
20 penalties, including willfulness and suffering injury. So even if the trier of fact were to find in
21 favor of employees for the underlying wage claim, the penalties would not be awarded unless in
22 addition to the facts were willful and the inaccurate wage statements resulted in a suffering injury.
23 These are additional risk factors that were considered.

24 17. The PAGA penalties have additional and separate risks. Defendants assert that
25 these civil penalties are not mandatory but permissive and discretionary. The same risks apply as
26 the PAGA penalty depends on a finding of legal violation, just as the wage claims do. However,
27 there is the argument that the full penalties would be unjust. There is no clear law on what the
28 Court should use to determine whether the full penalties would be unjust. That said, given the

1 award of the underlying wage claims, it may necessity a finding that the additional penalties
2 would be unnecessary.

3 18. PAGA penalties are assessed on a pay period by pay period basis. As such, two
4 employees with two violations, who worked for two pay periods each. If the first employee's
5 violations occurred in two pay periods and the second employee's violations occurred in only a
6 single pay period, their damages would be very different. To that end, there is a likelihood that
7 Plaintiff's damage estimates of taking an average violation rate in fact over-estimates the available
8 damages in a PAGA claim.

9 19. Furthermore, with off-the-clock work, not every employee suffered the same way
10 and for every shift. As the nature of the work and duties differed, these violations would apply
11 differently in that some jobs may have consistent violations while other jobs having none at all.
12 While the policy may be uniform, the application could vary drastically depending on the facts of
13 the job. Because of the manner of assessing penalties under PAGA, damages would be over-
14 estimated for settlement calculations as compared to trial when it would be necessary to prove the
15 damages per pay period, per each aggrieved employee, which may very well result in a lesser
16 maximum penalty than estimated here. The amount allocated to PAGA is reasonable in light of
17 the real risks of only obtaining a modest award at trial, and especially in light of the goal of
18 Plaintiff to help negotiate a settlement of wages - a goal specifically approved of by the California
19 Labor Commissioner as State shares the same goal of favoring repayment of wages over
20 assessment of civil penalties. Proportionally, \$2,500 (25% of \$10,000) comes to approximately
21 \$0.88/ per pay period (45 aggrieved employees x 63 pay periods each). With the PAGA Amount
22 at \$2,500, the average net recovery per each PAGA Group Member is approximately \$55.55.

23 20. I calculated the sample sizes using the software provided at
24 <http://www.raosoft.com/samplesize.html>. That website also describes what the margin of error
25 means and what the corresponding confidence level means.

26 21. Based on my experience, I believe that all our claims have merit and should be
27 certified. At the same time, however, I recognize there are risks at certification that vary
28 depending on the common issues that are used as the basis for certification on the various

1 subclasses. In particular, I recognize that the rest period theory has greater risks than the meal
2 period theory and that both break theories have greater risks than the remaining theories.

3 22. Additionally, there are risks at trial for Plaintiff's PAGA claim, for various reasons.
4 There is the risk of prevailing on violations, most specifically proving that the time worked was
5 actually worked and compensable, and proving that meal and rest periods that were not taken were
6 not voluntary or in essence freely waived without any interference or encouragement. Plaintiff
7 understands there are risks in proving that any violations actually proven weren't knowing and
8 intentional. Moreover, typically, PAGA cases that go to trial and judgment where employees
9 ultimately prevail, obtain a judgment that is a small fraction of the total possible PAGA penalty
10 that could have been awarded by the courts.

11 **LEGAL EXPERIENCE AND EXPERIENCE WITH COMPLEX LITIGATION**

12 23. I graduated college in three years from the University of California, Berkeley with
13 a degree in History. Thereafter, I studied law at Washington University in St. Louis, School of
14 Law. During law school, I externed for a federal magistrate judge for the United States District
15 Court for the Eastern District of California under the Honorable Theresa A. Goldner (*ret.*). As a
16 second year law student, I interned for the Department of Justice – Civil Division, in Washington,
17 D.C. and served as the executive articles editor for the Technology, Innovation, and Commerce
18 Law Review.

19 24. I received my law degree in 2010 and served as a judicial law clerk for the
20 Honorable S. James Otero for the United States District Court for the Central District of
21 California. There, I assisted the court in preparing minute orders on various substantive motions,
22 including, among other things, class-action related motions.

23 25. After my one-year term as a judicial law clerk, I worked at Dykema Gossett, LLP,
24 where, among other things, I served as class counsel defending numerous class action lawsuits
25 involving asbestos litigation, automotive, banking, and housing. In 2012, I worked as a litigation
26 associate at Bird, Marella, Boxer, Wolpert, Nissim, Drooks, Lincenberg, and Rhoads, P.C., a
27 litigation boutique law firm located in Century City, CA. There, I represented individuals and
28 companies as trial counsel in various high-stakes litigation matters. Notably, during my tenure at

1 Bird Marella, I was part of a trial team that obtained one of the top defense results in 2013, which
2 was published by The Daily Journal.

3 26. Thereafter, in 2014, I worked as a litigation associate at Stubbs, Alderton, and
4 Markiles, LLP, where, among other things, I served as trial counsel on litigation matters and class
5 counsel on a high-profile ERISA class action lawsuit on behalf of California Longshoremen
6 against their healthcare plan, its administrators, and beneficiaries for failure to provide coverage
7 on preauthorized claims. *See Lorena Armijo, et al. v. ILWU-PMA Welfare Plan, et al.*, (C.D. Cal.,
8 Case No. 2:15-cv-1403-MWF (MRWx)).

9 27. Since January 2016, I have been the principal of my own law firm, Lim Law
10 Group, P.C., where I have devoted the vast majority of my practice representing plaintiffs in
11 employment litigation. I have been the lead or sole counsel on nearly all of my firm's cases in
12 state and federal courts in California, totaling hundred plus cases since I started my own practice.
13 Within the span of three years, I have relentlessly litigated my cases and collected millions of
14 dollars for my clients, including most recent settlements of \$1,350,000, \$750,000, \$500,000,
15 \$400,000, 300,000, and \$250,000.

16 28. I have attended and continue to attend professional meetings relating to my legal
17 practice and have served on the board of the Korean American Bar Association, as well as served
18 on the board of governors for the International Association of Korean Attorneys. I am currently
19 an active member of the California Employment Lawyers Association (CELA). I have also
20 attended numerous trial related colleges, including the Trial Lawyers College, founded by Gerry
21 Spence, where I attended a number of regional seminars relating to trial practice and advocacy. I
22 have also been selected as Super Lawyer-Rising Star consecutively from 2016 to 2020, and was
23 selected to be on the "Up and Coming 100" list for Super Lawyers. I have been selected as Super
24 Lawyer for 2022.

25 29. Aside from my experience as class counsel at my previous firms, I have been
26 approved as class counsel on *Martinez v. David's Bridal, Inc.*, (Sacramento Sup. Ct., Case No.
27 2018-00240652-CU-OE-GDS) (served as counsel and on November 18, 2019 obtained approval
28 of a \$1,350,000 settlement on behalf of workers alleging wage and hour violations, with a rate of

1 \$600 per hour for attorneys' fees). I have also been approved as counsel for Private Attorney
2 General Act (PAGA) settlement on *Hurtado v. Atrium Hospitality, L.P.*, et al., (Los Angeles
3 Superior Court, Case No. 18STCV02036.

4 30. I am also currently prosecuting as counsel of record a number of other class action
5 and various representative PAGA actions, including, *Lowe v. Terminix*, Los Angeles Superior
6 Court, Case No. 20STCV18623, *Rosenberg v. Woodward HRT, Inc.*, Los Angeles Superior Court,
7 Case No. 20STCV39415, *Zavala, et al. v. PLS Check Cashers of California, Inc.*, Los Angeles,
8 Superior Court, Case No. 20STCV42586, *Joh v. Wang Globalnet*, Los Angeles Superior Court,
9 Case No. 21STCV21663, all of which are wage and hour claims affecting potentially thousands of
10 employees across California.

11 **COSTS**

12 31. I have reviewed the costs incurred in this case. All of these costs and expenses were
13 reasonable and necessary to bring this case to closure and are typically billed to a client. The
14 amount of my outstanding costs are approximately \$9,869.23. Attached as Exhibit D is a true and
15 correct copy of the costs my office has expended on this case.

16 32. With Spanish translation to the Notice, the estimated Settlement Administrator cost
17 will be approximately is an additional charge of \$5,750.00. Attached as Exhibit E is a true and
18 correct copy of the estimated invoice from the Settlement Administrator.

19 **HOURLY RATE, LODESTAR, AND FEE SPLIT**

20 **Hourly Rate and Lodestar**

21 33. My hourly rate is \$700.00. I believe this hourly rate to be justified in light of my
22 experience and the results I have achieved in the past, as detailed above, as well as the rates I have
23 been awarded in the past.

24 34. It is my opinion that \$700 is a reasonable hourly rate in this case given my
25 experience, the complexity of the matter in litigation, and the rates for similarly experienced
26 principal attorneys in the Los Angeles area. Further, as recently as November 2017, I was
27 approved for the hourly rate of \$525 for successfully prevailing on an anti-SLAPP motion
28 defeating the plaintiff's complaint by Los Angeles Superior Court Judge Dalila Corral Lyons. In

1 September 2019, I was also approved for an hourly rate of \$600 per hour in connection with
2 prosecuting a class action matter before Judge Alan G. Perkins of the Sacramento Superior Court.
3 As of the year 2021, I believe that an hourly rate of \$700 is consistent with the standard increases
4 in attorneys' fees and is considered a reasonable increase.

5 35. My total lodestar to date is \$32,480.00 (46.40 hours x \$700 per hour), not including
6 time compiling my time records. Attached as Exhibit C is a true and correct copy of my billing
7 records on this case. I anticipate having to expend an additional 10 to 20 hours on this case dealing
8 with class member issues regarding the settlement and attending the final approval hearing.

9 36. I have performed the following work on this case, among other things: (1)
10 interviewing Plaintiff about her experience working for Defendants; (2) drafting PAGA/catalyst
11 letters; (3) drafting pleadings; (4) drafting informal discovery requests for documents; (5)
12 reviewing documents informally produced in this case and analyzing the data to compute
13 damages; (6) drafting mediation brief; (7) attending mediation; (8) negotiating, drafting, and
14 executing all final settlement documents; and (9) keeping Plaintiff informed about all
15 developments in the case, and preparing them for the case.

16 **Fee Split**

17 37. Attorneys' fees in this case are being shared between Law Offices of Lloyd Lee and
18 the Lim Law Group, P.C. on a 50/50 split basis. *See* Exhibit F the fee sharing agreement.

19 **CONTINGENCY NATURE OF RECOVERY**

20 38. This class action was filed just prior to the Covid-19 pandemic. For Class Counsel,
21 the fees were wholly contingent in nature, and Class Counsel's attention to this case during an
22 uncertain time in our community and economy was undertaken in lieu of work on other cases. I
23 have not been paid to date on this case and will only receive payment if the settlement is approved.

24 39. This case carried a degree risk of no recovery on my part, or the part of my firm
25 and co-counsel's firm, that no fees would ever be recovered, including for the chance of loss at
26 trial and, if we won at trial, the chance of non-collectability of any judgment.

27 I declare under penalty of perjury under the laws of the State of California, that the foregoing
28 is true and correct to the best of my knowledge.

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Executed this 2th day of November 2021, at Gardena, California.

/s/ Preston H. Lim

Preston H. Lim

EXHIBIT A

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Shari Riley (“Plaintiff”), individually and on behalf of all members of the Settlement Class, defined below, and Defendants Primitive Company (“Primitive”), Jubal Jones, Mitch Bhatia, and Paul Rodriguez, Jr. (collectively “Defendants”). Plaintiff and Defendants are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Preston H. Lim of Lim Law Group, P.C. and Lloyd J. Lee of The Law Offices of Lloyd Lee (“Class Counsel”). Defendants are represented by Nicole Kamm and Hannah Sweiss of Fisher & Phillips, LLP.

Plaintiff filed a Class Action Complaint (“Complaint”) against Defendants on February 25, 2020 in Los Angeles County Superior Court, Case No. 20STCV07175 (“Lawsuit”), which alleges causes of action for: (1) violation of labor code section 226.7 and 512; (2) violation of labor code sections 510 and 1194; (3) violation of labor code section 203; (4) violation of labor code section 226; (5) violation of labor code section 2802; and (6) business and professions code section 17200 *et seq.* Plaintiff filed a First Amended Class Action Complaint (“FAC”) on or around April 30, 2020, adding an additional cause of action under the Private Attorneys General Act (“PAGA”) for penalties based on alleged labor code violations (the Complaint and FAC are collectively referred to herein as the “Lawsuit”).

Given the risks and uncertainties of litigation, the Parties have agreed to settle this Lawsuit on the terms set forth herein and subject to the approval of Court. Nothing herein shall be construed as an admission of any wrongdoing or of liability as the Settlement Agreement is intended solely to allow the Parties to buy their peace and resolve the disputed claims asserted in this Lawsuit.

1. Certification for Settlement Purposes. For the purposes of this Settlement Agreement only, the Parties stipulate to certification of the following Settlement Class:

Settlement Class - All current and former non-exempt or hourly paid employees of Primitive that have worked for Primitive in the State of California at any time from February 25, 2016 through the date of Preliminary Approval by the Court (“Settlement Class” or “Settlement Class Members”).

PAGA Group Members – All current and former non-exempt or hourly paid employees of Primitive that have worked for Primitive in the State of California at any time from February 3, 2019 through the of Preliminary Approval by the Court (“PAGA Group Members”).

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure or Federal Rule of Civil Procedure Rule 23.

If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect

in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. Releases.

- A. **Releases by Settlement Class Members.** Upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, and the employer's share of payroll taxes Plaintiff and every member of the Settlement Class (except those who opt out, as described below) who do not submit a valid and timely Request for Exclusion to exclude themselves from the Settlement will fully release and discharge Defendants, and all of their past and present owners, officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the "Released Parties") for all claims, demands, rights, liabilities and causes of action that were pled or could have been pled in any of the Complaints in the Lawsuit based on the factual allegations therein, that arose during the Class Period with respect to the following claims: (a) failure to pay meal and rest period compensation (Cal. Lab. Code §§ 226.7, 512); (b) failure to pay compensation for all hours worked, minimum wage violations, and overtime (Cal. Lab. Code §§ 216, 510, 1194, 1194.2, 1197); (c) waiting time penalties (Cal. Lab. Code § 203); (d) failure to provide accurate itemized statements (Cal. Lab. Code § 226, IWC Wage Order); (e) failure to reimburse business expenses (Cal. Lab. Code §2802); (f) all claims arising out of unfair business practices under Business & Professions Code § 17200, *et seq.* that could have been premised on the facts, claims, causes of action or legal theories described above; and (g) all claims under California's Private Attorneys General Act of 2004 that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the "Released Claims"). For members of the Settlement Class who do not validly opt out, the release period shall run from February 25, 2016, through the date of Preliminary Approval by the Court ("Class Period").
- B. **Releases by PAGA Group Members.** Upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, Plaintiff and every member of the PAGA Group, including the State of California, will fully release and discharge the Released Parties from any and all claims for civil Penalties under PAGA [Cal. Lab. Code §§ 2699, *et seq.*] based on the labor code violations alleged and that are based upon or arise from the factual allegations in Plaintiff's notice(s) sent to the LWDA and alleged in the operative Complaint, including all attorneys' fees and costs related thereto ("Released PAGA Claims").
- C. **Plaintiff's Release of Unknown Claims.** In light of her Class Representative Enhancement Payment, Plaintiff, Shari Riley, has agreed to release, in addition to the Released Claims described above, all claims, whether known or unknown,

under federal law or state law against the Released Parties. Plaintiff understands that this release includes unknown claims and that she is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

However, to the extent that Plaintiff has claims that cannot be released as a matter of law (i.e., workers' compensation claims), then those claims will not be released.

3. **Settlement Payment.** In exchange for the releases set forth in this Settlement Agreement, Primitive agrees to pay a common fund of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) (the "Maximum Settlement Amount") in full and complete settlement of this matter, as follows:
- A. The Maximum Settlement Amount shall be deposited with the Settlement Administrator within thirty (30) days after the date the Court enters an order granting final approval of the settlement or, solely in the event that there are any objections to the settlement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (i) the last date on which any appeal might be filed or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review; ("the Final Effective Date").
 - B. This is a non-reversionary settlement. The Maximum Settlement Amount includes:
 - (1) All payments to the Settlement Class;
 - (2) All fees and expenses of the Settlement Administrator associated with the administration of the settlement, which are anticipated to be no greater than Ten Thousand Dollars and Zero Cents (\$10,000.00);
 - (3) Up to Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff's Enhancement Payment, subject to Court approval, in recognition of Plaintiff's general release of claims, contributions to the Lawsuit, and service to the Settlement Class. In the event that the Court reduces or does not approve the requested Enhancement Payment, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding;
 - (4) Up to one-third (33.3%) of the Maximum Settlement Amount in attorneys' fees, which is currently estimated to be Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Zero Cents (\$33,300.00), plus up to Ten Thousand Dollars and Zero Cents (\$10,000.00) in verified costs and expenses related to

the Lawsuit as supported by declaration. In the event that the Court reduces or does not approve Class Counsel's requested fees and costs, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding; and

- (5) Ten Thousand Dollars and Zero (\$10,000.00) of the Maximum Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) or Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) will be payable to the Settlement Class as the "PAGA Amount."C. Defendants' share of payroll taxes shall be paid by Primitive separately from, and in addition to, the Maximum Settlement Amount.

4. **Settlement Award Procedures.** Settlement Class Members are not required to submit a claim form to receive their Individual Settlement Award. Individual Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Maximum Settlement Amount the amounts approved by the Court for the Settlement Administrator's fees and expenses, Plaintiff's Enhancement Payment, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the LWDA's share of the PAGA payment. The remaining amount shall be known as the "Net Settlement Fund."
- B. From the Net Settlement Fund, the Settlement Administrator will calculate each Settlement Class Member's Individual Settlement Award.

Settlement Awards shall be based on the following formula:

- i. **Waiting Time Amount:** Ten percent (10%) of the Net Settlement Fund shall be designated as the "Waiting Time Amount." Each participating Settlement Class Member who separated their employment from Primitive at any time from February 25, 2016, through the date of Preliminary Approval by the Court, shall receive an equal, pro-rata share of the Waiting Time Amount.
- ii. **PAGA Amount:** Each participating Settlement Class Member who was employed by Primitive at any time from February 3, 2019, through the date of Preliminary Approval by the Court, shall receive a portion of the Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) of the Net Settlement Fund that has been designated as the "PAGA Amount" proportionate to the number of pay periods that he or she worked during the period from February 3, 2019, through the date of Preliminary Approval by the Court.

- iii. The remainder of the Net Settlement Fund shall be distributed to each participating Settlement Class Member based on their proportionate share of Eligible Workweeks (defined below) during the Class Period, by multiplying the remaining Net Settlement Fund by a fraction, the numerator of which is the participating Settlement Class Member's Eligible Workweeks during the Class Period, and the denominator of which is the total Eligible Workweeks of all participating Settlement Class Members during the Class Period.

An "Eligible Workweek" shall be any workweek in which the Class Member worked at least one day during the workweek based on Primitive's records.

- C. Within fifteen (15) days following the funding of the Maximum Settlement Amount with the Settlement Administrator by Primitive, the Settlement Administrator will calculate Individual Settlement Award amounts and will prepare and mail Individual Settlement Awards to participating Settlement Class Members.
- D. For purposes of calculating applicable taxes and withholdings for the Settlement Class Members, twenty percent (20%) of each Individual Settlement Award shall be designated as wages subject to W-2 reporting and normal payroll withholdings; the remaining eighty percent (80%) of each Individual Settlement Award shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Notwithstanding the treatment of the payments to each Settlement Class Member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- E. Each Settlement Class Member who receives an Individual Settlement Award must negotiate the settlement check within one hundred eighty (180) days from the date of issuance. The one hundred eighty (180) day expiration of the settlement checks will be pre-printed on the front of the settlement check. Any funds payable to Settlement Class Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued and shall be transferred to the California's Secretary of State Controller's Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member.
- F. Neither Plaintiff nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by her or its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Class Counsel's Attorneys' Fees and Litigation Costs.** Defendants will not object to a request for a total award of attorneys' fees to Class Counsel of one-third (33.3%) of the Maximum Settlement Amount, which is currently estimated to be Thirty-Three Thousand Three Hundred Dollars and Zero Cents (\$33,300.00) plus up to Ten Thousand Dollars and Zero Cents

(\$10,000.00) in verified costs and expenses related to the Lawsuit as supported by declaration. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised, responses to any intervenors and any appeals necessitated by those objections or intervenors. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award as approved by the Court.

6. **Plaintiff's Enhancement Payment.** Defendants will not object to a request for a Class Representative Enhancement Payment for Plaintiff of Five Thousand Dollars and Zero Cents (\$5,000.00) in exchange for the general release of her claims, her time and risks in prosecuting this case, and her service to the Settlement Class. This payment will be in addition to Plaintiff's Individual Settlement Award as a Settlement Class Member and shall be reported on an IRS Form 1099 by the Settlement Administrator. It is the intent of the Parties that the Enhancement Payment to the Plaintiff is for her services in connection with this Lawsuit and is not wages, therefore the Settlement Administrator shall not withhold any taxes from the Enhancement and shall report it on an IRS Form 1099, which shall be provided to Plaintiff and to the pertinent taxing authorities as required by law. Although it is the contemplation of the Parties that the Enhancement does not represent wages, the Internal Revenue Service, the California Franchise Tax Board, or some other taxing authority may take the position that some or all of the Enhancements constitute wages for income tax and withholding purposes. Plaintiff agrees to assume the responsibility of remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, to be withheld by Defendants from the Enhancement paid under this Settlement Agreement. In addition, Plaintiff shall hold Defendants, Released Parties and Class Counsel harmless and indemnify Defendants, Released Parties and Class Counsel for all taxes, interest, penalties, other payments and costs, incurred by Defendants by reason of any claims relating to the non-withholding of taxes from the Enhancement.

7. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrators. as Settlement Administrator nor to Class Counsel seeking Court approval to pay up to Ten Thousand Dollars and Zero Cents (\$10,000.00) from the Maximum Settlement Amount for its services. The Settlement Administrator shall be responsible for sending all required notices, calculating the Net Settlement Fund, calculating each Class Member's Individual Settlement Award amount, preparing all checks and mailings and disbursing all residuals resulting from uncashed settlement checks as set forth in Section 4(E). The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount by Class Counsel only after checks have been mailed to all Settlement Class Members.

8. **Preliminary Approval.** Plaintiff shall apply to the Court for the entry of an Order:
- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
 - B. Appointing Preston H. Lim of Lim Law Group, P.C. and Lloyd J. Lee of The Law Offices of Lloyd Lee as Class Counsel;

- C. Appointing Shari Riley as Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Class Notice Packet (which is comprised of the Class Notice, Request for Exclusion Form, and Objection Form), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

9. **Notice Procedures.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within thirty (30) days after entry of an order preliminarily approving this Settlement Agreement, Primitive will provide the Settlement Administrator with a class list including the names, last known addresses, and social security numbers (in electronic format) of Settlement Class Members, as well as the total workweeks worked by each member of the Settlement Class during the Class Period (to the extent all such information is available).
- B. Within ten (10) days from receipt of the class list information, the Settlement Administrator shall: (i) run the names of all Settlement Class Members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class Members; (ii) update the addresses of any Settlement Class Member for whom an updated address was found through the NCOA search; and (iii) mail the Notice Packet to each Settlement Class Member at their last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. The Settlement Administrator shall use its best professional efforts, including utilizing a “skip trace,” to track any Settlement Class Member’s mailing returned as undeliverable, and will re-send the Notice Packet promptly upon identifying updated mailing addresses through such efforts. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member.
- D. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline (defined below) shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member immediately, and in any event within three (3) business days of obtaining

the updated address. Settlement Class Members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion, challenge or objection.

- E. **Opt-Out/Request for Exclusion Procedures.** Any Settlement Class Member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Request for Exclusion Form must: (1) contain the name, address, telephone number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the class settlement; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion Form fails to comply with items (1)-(3), it will not be deemed a valid Request for Exclusion from this settlement, except a Request for Exclusion Form not containing a Class Member’s telephone number will be deemed valid. The date of the postmark on the Request for Exclusion Form, shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement (although the PAGA settlement and release provisions will apply to each such individual, and such individual shall be entitled to their of the PAGA Amount) or have any right to object, intervene, appeal or comment thereon. Any Settlement Class Member who does not submit a Request for Exclusion Form is automatically deemed a participating Settlement Class Member.
 - ii. Settlement Class Members who do not submit a valid and timely Request for Exclusion to exclude themselves from the Settlement. Upon the date the Court enters an order granting final approval of the Settlement and Defendant funding the Gross Settlement Amount, and the employer’s share of payroll taxes, all Class Members who do not timely submit a valid Request for Exclusion do and will be deemed to have fully, finally and forever released, settled, compromised, relinquished and discharged Defendants from all Released Claims. The Released Claims will cover all Class Members who do not exclude themselves.
- F. **Objections.** Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant’s counsel as well as filing them with the Court). Defendants’ counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless

filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days to respond. To be valid, any objection must: (1) contain the objecting Settlement Class member's full name and current address; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) Objections must be postmarked on or before the Response Deadline.

- G. **Challenges to Individual Settlement Award Calculations.** Each Notice Packet mailed to a Settlement Class Member shall disclose the amount of the Settlement Class Member's estimated Settlement Award as well as all of the information that was used from Defendant's records in order to calculate the Settlement Award, including the Settlement Class member's number of Workweeks during the Class Period, the number of Workweeks worked during the PAGA period, and whether the Settlement Class Member's employment ended during the period of February 25, 2016, through the date of Preliminary Approval by the Court. Settlement Class Members will have the opportunity, should they disagree with Primitive's records regarding the number of Eligible Workweeks stated in their Notice Packet and/or whether their employment ended between February 25, 2016, through the date of Preliminary Approval by the Court, to challenge the data provided. In order to challenge Primitive's data, the Settlement Class Member must provide documentation and/or an explanation demonstrating that Primitive's data is incorrect and evidencing the correct number of Eligible Workweeks that the Settlement Class Member believes they should have been credited with and/or evidence of the correct date their employment ended. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. The Settlement Administrator shall provide a copy of the challenge and any supporting documentation to counsel for the Parties within five (5) days of receipt.
- H. **Dispute Resolution.** The Settlement Administrator shall have the responsibility of resolving all disputes that arise during the settlement administration process, including, without limitation, disputes (if any) regarding the calculation of Settlement Class Member's Individual Settlement Awards, the allocation of W-2 wages, and the number of Eligible Workweeks. Where the information submitted by Primitive from its records differs from the information submitted by the Settlement Class Member, the Settlement Administrator shall request a conference call between the Settlement Administrator, Class Counsel, and defense counsel to discuss and resolve the dispute. In advance of the conference call, the Settlement Administrator shall email copies of all available information to all counsel. After consulting with the Parties to determine whether an adjustment is warranted, the Settlement Administrator will finally determine the eligibility for and amount of any Settlement Award. Such determination shall be binding upon the Settlement Class Member and the Parties.

10. **Final Approval Process.** Following preliminary approval and the close of Response Deadline under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's application for Settlement Administrator's fees and expenses, Plaintiff's Enhancement Payment, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the LWDA's share of the PAGA payment; and
- C. Entering judgment pursuant to California Rule of Court 3.769.

11. **Non-Admission.** Defendants deny that they have engaged in any unlawful activity, that they have failed to comply with the law in any respect, that they have any liability to anyone under the claims asserted in the Lawsuit, and that but for this settlement a class should not be certified in this Lawsuit. Nothing in this Settlement Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendants. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. The Parties have entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

12. **No Publicity.** Plaintiff and her counsel agree that they have not and will not publish the settlement in any form of media, including, but not limited to all forms of social media, and that the settlement shall remain fully confidential until preliminary approval. In response to any inquiries, Plaintiff will state that "the case was resolved, and it was resolved confidentially." Plaintiff's counsel shall not report the settlement in any medium or in any publication, including, but not limited to all forms of social media, shall not post or report anything regarding the claims of Plaintiff or the class or the settlement on their website, and shall not contact any reporters or media regarding the settlement. However, Plaintiff's counsel is authorized to make disclosures to the Court and the LWDA for the purposes of obtaining the approval of the settlement. This disclosure is limited to court filings and neither Plaintiff nor her counsel or representatives are permitted to disseminate or publish, distribute or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court. Notwithstanding the foregoing, Plaintiff's counsel may include the settlement (and/or a summary of the settlement) in future declarations filed in support of Plaintiff's counsel's experience and/or adequacy to represent PAGA aggrieved employees or class members.

13. **Amendments or Modifications.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery or by e-mail at the addresses set forth below, or such other addresses as the Parties may designate in writing from time to time:

if to Defendants:

Nicole Kamm
Hannah Sweiss
FISHER & PHILLIPS, LLP
444 South Flower Street, Suite 1500
Los Angeles, CA 90071
hsweiss@fisherphillips.com

if to Plaintiff:

Preston H. Lim, Esq.
LIM LAW GROUP, P.C.
1504 W. Artesia Square, Suite B
Gardena, CA 90248
phl@limlawgroup.com

Lloyd J. Lee, Esq.
LAW OFFICES OF LLOYD LEE
25050 Ave Kearny., Suite 107-A
Valencia, CA 91355
lloyd@pro-esq.com

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

EXECUTION BY PARTIES AND COUNSEL

DATED: 11/02/21

Primitive Company

DocuSigned by:
By: Jubal Jones
961FE174743142D...
CO-CEO
Its: _____

DATED: 11/02/21

Jubal Jones

DocuSigned by:
By: Jubal Jones
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DATED: 11/02/21

Mitch Bhatia

DocuSigned by:
By: Mitch Bhatia
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DATED: 11/02/21

Paul Padmanabhan, Jr.

DocuSigned by:
By: Paul Padmanabhan, Jr.
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DATED:

Shari Riley

By: _____
Plaintiff and Settlement Class Representative

EXECUTION BY PARTIES AND COUNSEL

DATED: Primitive Company

By: _____

Its:

DATED: Jubal Jones

By: _____

DATED: Mitch Bhatia

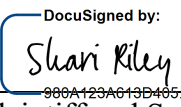
By: _____

DATED: Paul Rodriguez, Jr.

By: _____

DATED: 11/1/2021

Shari Riley

By:  _____
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Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 11/02/21

FISHER & PHILLIPS LLP

By: 

Hannah Sweiss
Attorneys for Defendants

DATED:

LIM LAW GROUP, P.C.

By: _____
Preston H. Lim
Attorneys for Plaintiff

DATED:

LAW OFFICES OF LLOYD LEE

By: _____
Lloyd J. Lee
Attorneys for Plaintiff

APPROVED AS TO FORM:

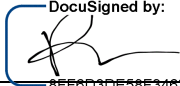
DATED:

FISHER & PHILLIPS LLP

By: _____
Hannah Sweiss
Attorneys for Defendants

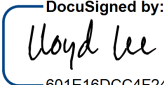
DATED: 11/1/2021

LIM LAW GROUP, P.C.

By:  _____
DocuSigned by:
8FF6D3DE58F3402...
Preston H. Lim
Attorneys for Plaintiff

DATED: 11/1/2021

LAW OFFICES OF LLOYD LEE

By:  _____
DocuSigned by:
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Lloyd J. Lee
Attorneys for Plaintiff

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Riley, et al. v. Primitive Company, et al.
Case No. 20STCV07175

NOTICE OF CLASS ACTION SETTLEMENT

A Court approved this Notice. This is not a solicitation from an attorney.

To: ALL CURRENT AND FORMER HOURLY NON-EXEMPT EMPLOYEES OF PRIMITIVE COMPANY. WHO WORKED WITHIN CALIFORNIA AT ANY TIME DURING THE PERIOD OF FEBRUARY 25, 2016 THROUGH [INSERT PRELIMINARY APPROVAL DATE].

PLEASE READ THIS NOTICE CAREFULLY
AS YOUR LEGAL RIGHTS MAY BE AFFECTED.

YOU MAY BE ENTITLED TO RECEIVE MONEY
FROM THIS SETTLEMENT.

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS

WHY DID I GET THIS NOTICE?

You are receiving this Notice because you are or were an hourly non-exempt employee of Primitive Company who worked in California from February 25, 2016 to [insert preliminary approval date] (“Settlement Class Member”) and may be entitled to recover money from a class action settlement.

This Notice informs you of your rights to share in the settlement of the class action lawsuit *Riley, et al. v. Primitive Company, et al. Case No. 20STCV07175* (the “Lawsuit”). This Notice is being sent to you by the order of the Superior Court of California, County of Los Angeles, which preliminarily approved this class action settlement on [TBD]. This Notice informs you of your rights to share in the settlement, or, if you so choose, to exclude yourself from the settlement or to object to the settlement terms.

If you wish to participate in the settlement and receive a settlement payment, you need not take any action at this time. If the Court approves the settlement, you will be mailed a settlement check at the address on file with the Settlement Administrator.

WHAT IS THIS LAWSUIT AND SETTLEMENT ABOUT?

The Lawsuit was filed by plaintiff, Shari Riley (“Plaintiff”) against Primitive Company, Jubal Jones, Mitch Bhatia, and Paul Rodriguez, Jr. (collectively “Defendants”), on behalf of all hourly non-exempt employees who worked for Primitive Company in California during the time period of February 25, 2016 through [insert preliminary approval date]. The Lawsuit sought, and seeks, monetary and statutory damages, interest, attorneys’ fees, and civil penalties for the following alleged claims: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide compliant meal and rest periods; (4) waiting time penalties; (5) failure to reimburse business expenses; (6) failure to provide accurate itemized statements; and (7) unfair business practices and (8) civil penalties pursuant to Labor Code Section 2699, *et seq.* premised on the above claims. Plaintiff sought all damages, penalties, interest, fees, costs, and other amounts recoverable under the above causes of action under California law, including but not limited to under the California Labor Code.

Defendants deny Plaintiff’s allegations or that it violated the law and asserts that it has no liability for any of Plaintiff’s or the Settlement Class Members’ claims under any statute, wage order, common law, or equitable theory. The Court did not decide in favor of Plaintiff or Defendants and there was no trial. Plaintiff thinks she could prevail. Defendants think Plaintiff would have no ability to prevail at trial. Defendants do not admit any of the claims alleged in the Lawsuit and denies any money is owed to Plaintiff or to the Settlement Class Members for any of the alleged claims. Defendants have entered into this settlement solely for purposes of resolving this dispute and so the Parties may buy their peace and avoid further time and costs associated with litigation. Plaintiff and her attorneys think the settlement is best for the Settlement Class Members.

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

WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Shari Riley is the Class Representative or Named Plaintiff in the Lawsuit, and asserts claims on behalf of herself and on behalf of employees who are similarly situated and have similar claims, who are referred to as “Class Members.” A class action allows the Court to resolve the claims of all the class members at the same time, rather than litigating or settling multiple individual lawsuits. A class member is bound by the determination or judgment entered in the case and may not file his or her own lawsuit on the same claims that were decided in the class action, unless he/she excludes him/herself from the Class.

WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All current and former hourly non-exempt employees of Primitive Company in California who worked during the period of February 25, 2016 to [insert date of preliminary approval]. The “Settlement Class Members” shall not include any person who submits a timely and valid request for exclusion as provided in this Notice.

If the Court approves the compromise of the claim for civil penalties pursuant to Labor Code Section 2699, *et seq.* (“PAGA claim”), all current and former hourly non-exempt employees of Primitive Company in California who worked during the “PAGA Period” of February 3, 2019 to [insert date of preliminary approval] (“PAGA Group Members”) are nevertheless bound by the Court’s resolution of the PAGA claim. Class Members who are also PAGA Group Members who submit a request for exclusion will nevertheless receive their pro-rata share of the \$2,500 allocated for PAGA penalties.

WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

Defendants agreed to pay \$100,000 (“Gross Settlement Amount”) to cover (a) Individual Settlement Payments to Settlement Class Members; (b) the Class Representative Enhancement Payment to the named Plaintiff, not to exceed \$5,000; (c) Private Attorney General Act (“PAGA”) penalties in the amount of \$10,000 of which 75% or \$7,500 will be paid to the Labor Workforce Development Agency (“LWDA”) and 25% or \$2,500 to PAGA Group Members; (d) Claims Administration Expenses not to exceed \$10,000; and (e) attorney’s fees and costs awarded by the Court to Class Counsel (the “Class Counsel Award”), not to exceed \$33,300 in fees and \$10,000 in costs. After deducting items b, c, d and e from the Gross Settlement Amount, the remaining balance is the “Net Settlement Amount.” The Net Settlement Amount will be distributed to all Settlement Class Members who do not exclude themselves from the Settlement. Per item c, \$2,500 from the Gross Settlement Amount will be distributed to all PAGA Group Members. The Class Counsel Fees and Costs and the Class Representative Enhancement Payment are subject to Court approval.

This class action settlement includes a release of Defendants by Settlement Class Members, who do not submit a valid and timely Request for Exclusion to exclude themselves from the Settlement. Upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, and the employer’s share of payroll taxes, all Class Members who do not timely submit a valid Request for Exclusion will fully release and discharge Defendants, and all of their past and present owners, officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and

predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the “Released Parties”) for all claims, demands, rights, liabilities and causes of action that were pled or could have been pled in any of the Complaints in the Lawsuit based on the factual allegations therein, that arose during the Class Period with respect to the following claims: (a) failure to pay meal and rest period compensation (Cal. Lab. Code §§ 226.7, 512); (b) failure to pay compensation for all hours worked, minimum wage violations, and overtime (Cal. Lab. Code §§ 216, 510, 1194, 1194.2, 1197); (c) waiting time penalties (Cal. Lab. Code § 203); (d) failure to provide accurate itemized statements (Cal. Lab. Code § 226, IWC Wage Order); (e) failure to reimburse business expenses (Cal. Lab. Code § 2802); (f) all claims arising out of unfair business practices under Business & Professions Code § 17200, *et seq.* that could have been premised on the facts, claims, causes of action or legal theories described above; and (g) all claims under California’s Private Attorneys General Act of 2004 that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the “Released Claims”). For members of the Settlement Class who do not validly opt out, the release period shall run from February 25, 2016, through the date of Preliminary Approval by the Court (“Class Period”).

Furthermore, upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, the State of California and all PAGA Group Members (regardless of whether PAGA Group Member submits a valid and timely Request for Exclusion to exclude themselves from the Settlement), will fully release and discharge the Released Parties from any and all claims for civil Penalties under PAGA [Cal. Lab. Code §§ 2699, *et seq.*] based on the labor code violations alleged and that are based upon or arise from the factual allegations in Plaintiff’s notice(s) sent to the LWDA and alleged in the operative Complaint, including all attorneys’ fees and costs related thereto (“Released PAGA Claims”).

HOW MUCH WILL MY PAYMENT BE?

Your share of the settlement will depend on (i) the final number of Settlement Class Members who have not excluded themselves from the Settlement; and (ii) the number of workweeks you were employed during the Class Period and PAGA Period.

“Workweeks” are determined by calculating the number of days you were an hourly non-exempt employee of Primitive Company in California between February 25, 2016 to [insert date of preliminary approval].

The Settlement Administrator will calculate the total workweeks for all Settlement Class Members. The Net Settlement Amount (not including the \$2,500 allocated for PAGA Group Members) is then divided by the total number of workweeks worked by all Class Members during the Class Period, and then multiplying this amount by each Class Members’ total number of workweeks to provide that employee’s individual share of the Net Settlement Amount.

In addition, the Settlement Administrator will calculate the total workweeks for all PAGA Group Members during the PAGA Period. The \$2,500 allocated for PAGA penalties to PAGA Group Members is then divided by the total number of workweeks worked by all PAGA Group Members during the PAGA Period, and then this amount is multiplied by each PAGA Group Members’ total number of workweeks to provide that employee’s individual share of the \$2,500 allocated for PAGA penalties.

Primitive Company's records show that you were employed by Primitive Company as an hourly non-exempt employee who worked in California from [start date] to [end date] between February 25, 2016 to [insert date of preliminary approval] and worked _[##]_ workweeks. (You may have worked for Primitive Company prior to February 25, 2016, but that time period is not included for purposes of this settlement.) If the settlement is approved, based on those records, your estimated payment is \$[XXX.XX], less applicable taxes and payroll deductions. This amount is only an estimate. The actual amount of the Individual Settlement Payment may increase or decrease based on several factors, including the number of employees who exclude themselves from the settlement.

If you disagree with the employment dates listed above for employment during the periods between February 25, 2016 to [insert date of preliminary approval], please contact the Settlement Administrator no later than _____, 2021. You will be asked to provide documents to support your dispute. If you do not provide any documents or other evidence to support your challenge, the Settlement Administrator may reject your challenge.

Contact information for the Settlement Administrator is provided below.

Riley, et al. v. Primitive Company, et al.

c/o CLAIMS ADMINISTRATOR

Mailing Address

Telephone numbers

A portion, or twenty percent (20%), of each Individual Settlement Payment shall be considered settlement of alleged unpaid wages and subject to the withholding of federal, state and local income taxes, including FICA taxes, among other legally required withholdings and deductions. The remaining portions, or eighty percent (80%) of each Individual Settlement Payment shall not be subject to payroll withholding and 100% of each PAGA Groups Members pro-rate share of the \$2,500 allocated for PAGA penalties shall be allocated as penalties and shall not be subject to payroll withholding.

The Settlement Administrator shall issue to each Settlement Class Member an IRS Form W-2 for the portion of the individual settlement that is designated as unpaid wages. The Settlement Administrator may issue an IRS Form 1099 to each Settlement Class Member and PAGA Group Member for the remaining portion of the Individual Settlement Payment that is not designated as unpaid wages and other amounts paid pursuant to this settlement. All Settlement Class Members will be responsible for correctly characterizing this income for tax purposes and for paying any taxes on the amounts received.

Each Settlement Class Member who receives an Individual Settlement Award must negotiate the settlement check within one hundred eighty (180) days from the date of issuance. The one hundred eighty (180) day expiration of the settlement checks will be pre-printed on the front of the settlement check. Any funds payable to Settlement Class Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued and shall be transferred to the California's Secretary of State Controller's Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member.

WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT?

To receive a settlement payment, you do not need to do anything. If the Court approves this settlement at the Final Approval Hearing, the Settlement Administrator will mail you a check within approximately sixty days from the date the Court grants final approval, unless an appeal is filed. If you do not exclude yourself from the Settlement, you will receive an Individual Settlement Payment and you will be bound by the terms of the Settlement Agreement.

HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the settlement, you must submit a written request for exclusion to the Settlement Administrator at the following address or fax number:

Riley, et al. v. Primitive Company, et al.

c/o CLAIMS ADMINISTRATOR

Mailing Address

Telephone numbers

To be valid and timely, a written request for exclusion must: (1) explicitly and unambiguously state “I wish to exclude myself from the settlement reached in the matter of *Riley, et al. v. Primitive Company, et al. Case No. 20STCV07175*, I understand by excluding myself, I will not receive any money from the settlement reached in this matter;” (2) contain the name, address, telephone number and the last four digits of the Social Security number of the person requesting exclusion; (3) be signed by the Settlement Class Member; and (4) **be postmarked or fax stamped by _____, 2021** and returned to and received by the Settlement Administrator at the specified address or fax telephone number above. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement, including the Release of Claims described in this Notice.

If you timely request to be excluded from the settlement, you will not be entitled to receive any payment under the settlement, and you cannot object to the settlement. Class Counsel will not represent your interests in this Lawsuit if you request to be excluded. If you are PAGA Group Member, however, you will not be permitted to exclude yourself from the settlement of the PAGA claim. If you are a PAGA Group Member, you will still receive a pro-rata share of the \$2,500 allocated to the PAGA Group Members and be bound by the release of the Released PAGA Claims.

WHAT IF I DO NOTHING?

If you do nothing, you will receive a settlement payment and you will be bound by the terms of the Settlement Agreement.

FINAL APPROVAL HEARING

You may appear at the hearing where the Court will make a final decision whether or not to approve the settlement (the “Final Approval Hearing”). The Final Approval Hearing is scheduled to take place on **, 2021, at 8:30 a.m., in Department “17”** at the Los Angeles Superior Court –Spring Street Courthouse located at 312 North Spring Street, Los Angeles, California 90012.

WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

A Settlement Class Member who wishes to object may mail to the Settlement Administrator (at the address above) or fax a written statement of objection (“Notice of Objection”), postmarked or faxed by no later than _____, 2021. A Settlement Class Member may also appear at the Final Approval hearing. You are not required to appear at the Final Approval/Settlement Fairness Hearing in order for the Court to consider your objection. You have the right to retain your own attorney, at your own expense, to submit an objection or appear on your behalf at the Final Approval Hearing. If you choose to appear at the Final Approval Hearing, you can appear remotely by visiting the Court’s website at <https://www.lacourt.org/lacc/> for instructions on how to schedule your remote appearance.

Submitting an objection will *not* exclude you from the Settlement Class. You will still have the right to receive an Individual Settlement Payment, unless you request to be excluded.

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING?

Objecting is simply telling the Court that you disagree with the terms of the settlement. You can object only if you stay in the Settlement Class. If you submit an objection, you will still receive an Individual Settlement Payment and be bound by the Settlement, if it is approved by the Court.

Excluding yourself is telling the Court that you don’t want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you and you will not receive any Settlement Payment.

WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The settlement, if finally approved by the Court, will bind all Settlement Class Members who do not request to be excluded from the settlement whether or not they timely cash their Individual Settlement Payments.

Final approval of the settlement will bar any Settlement Class Member who does not request to be excluded from the settlement from hereafter initiating a lawsuit or proceeding regarding a Released Claim originating between February 25, 2016 and [insert preliminary approval date], which was alleged or that could have been alleged in the Lawsuit based on the facts alleged in the operative complaint. Notice of the final judgment will be mailed to the Settlement Class Members by the Settlement Administrator or in the manner specified by the Court.

The Settlement Agreement contains additional details about the settlement terms and the scope of the release.

DO I HAVE A LAWYER IN THIS CASE?

The Court has ordered that, for purposes of this Settlement, the interests of Plaintiff and the Settlement Class Members are represented by:

LIM LAW GROUP, P.C.
Preston H. Lim (SBN 275249)
p hl@limlawgroup.com
1504 W. Artesia Sq., Suite B

Gardena, CA 90248
Telephone: (213) 900-3000
Facsimile: (213) 204-3000

LAW OFFICES OF LLOYD LEE

Lloyd J. Lee (SBN 276453)
lloyd@pro-esq.com
25050 Ave Kearny, Suite 107-A
Valencia, CA 91355
Telephone: (661) 480-2420
Facsimile: (213) 995-6344

Settlement Class Members will not be charged for these lawyers. Instead, they will be paid from the settlement fund.

WHAT IF MY INFORMATION CHANGES?

If your address has changed or you plan to change your address in the near future, please contact the Settlement Administrator

Riley, et al. v. Primitive Company, et al.

c/o CLAIMS ADMINISTRATOR

Mailing Address

Telephone numbers

IT IS YOUR RESPONSIBILITY TO KEEP AN UPDATED ADDRESS ON FILE WITH THE SETTLEMENT ADMINISTRATOR. YOUR FAILURE TO UPDATE YOUR ADDRESS COULD RESULT IN YOUR SETTLEMENT PAYMENT BEING TRANSMITTED TO THE CALIFORNIA STATE CONTROLLER UNCLAIMED PROPERTY.

FURTHER INFORMATION

The foregoing is only a summary of the settlement. To see a copy of the Joint Stipulation for Class Action Settlement, the Court's Preliminary Approval Order, Motion for Final Approval, the operative Complaint filed in the Lawsuit, and other filed documents related to the Lawsuit and this Settlement, you may view all such files at the Civil Clerk's Office at the Los Angeles Superior Court – Stanley Mosk Courthouse located at 111 North Hill Street, Los Angeles, California 90012 or by visiting www.lacourt.org and clicking on the "online services" tab and selecting "Case Document Images" to set-up an account to purchase the Court documents regarding this action that are available on-line..

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [REDACTED]. Please refer to the *Riley, et al. v. Primitive Company, et al.* Class Action Settlement.

If you have any questions about the settlement, you can contact Class Counsel:

LIM LAW GROUP, P.C.

Preston H. Lim (SBN 275249)

phl@limlawgroup.com

1504 W. Artesia Sq., Suite B

Gardena, CA 90248

Telephone: (213) 900-3000

Facsimile: (213) 204-3000

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lloyd@pro-esq.com

25050 Ave Kearny, Suite 107-A

Valencia, CA 91355

Telephone: (661) 480-2420

Facsimile: (213) 995-6344

***PLEASE DO NOT TELEPHONE OR CONTACT THE COURT FOR INFORMATION
REGARDING THIS SETTLEMENT.***

***PLEASE DO NOT CONTACT DEFENDANT, ITS MANAGERS, OR ATTORNEYS FOR
INFORMATION ABOUT THIS SETTLEMENT.***

EXHIBIT B

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Shari Riley (“Plaintiff”), individually and on behalf of all members of the Settlement Class, defined below, and Defendants Primitive Company (“Primitive”), Jubal Jones, Mitch Bhatia, and Paul Rodriguez, Jr. (collectively “Defendants”). Plaintiff and Defendants are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Preston H. Lim of Lim Law Group, P.C. and Lloyd J. Lee of The Law Offices of Lloyd Lee (“Class Counsel”). Defendants are represented by Nicole Kamm and Hannah Sweiss of Fisher & Phillips, LLP.

Plaintiff filed a Class Action Complaint (“Complaint”) against Defendants on February 25, 2020 in Los Angeles County Superior Court, Case No. 20STCV07175 (“Lawsuit”), which alleges causes of action for: (1) violation of labor code section 226.7 and 512; (2) violation of labor code sections 510 and 1194; (3) violation of labor code section 203; (4) violation of labor code section 226; (5) violation of labor code section 2802; and (6) business and professions code section 17200 *et seq.* Plaintiff filed a First Amended Class Action Complaint (“FAC”) on or around April 30, 2020, adding an additional cause of action under the Private Attorneys General Act (“PAGA”) for penalties based on alleged labor code violations (the Complaint and FAC are collectively referred to herein as the “Lawsuit”).

Given the risks and uncertainties of litigation, the Parties have agreed to settle this Lawsuit on the terms set forth herein and subject to the approval of Court. Nothing herein shall be construed as an admission of any wrongdoing or of liability as the Settlement Agreement is intended solely to allow the Parties to buy their peace and resolve the disputed claims asserted in this Lawsuit.

1. Certification for Settlement Purposes. For the purposes of this Settlement Agreement only, the Parties stipulate to certification of the following Settlement Class:

Settlement Class - All current and former non-exempt or hourly paid employees of Primitive that have worked for Primitive in the State of California at any time from February 25, 2016 through the date of Preliminary Approval by the Court (“Settlement Class” or “Settlement Class Members”).

PAGA Group Members – All current and former non-exempt or hourly paid employees of Primitive that have worked for Primitive in the State of California at any time from February 3, 2019 through the of Preliminary Approval by the Court (“PAGA Group Members”).

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure or Federal Rule of Civil Procedure Rule 23.

If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect

in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. Releases.

A. **Releases by Settlement Class Members.** Upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, and the employer's share of payroll taxes Plaintiff and every member of the Settlement Class (except those who opt out, as described below) who do not submit a valid and timely Request for Exclusion to exclude themselves from the Settlement will fully release and discharge Defendants, and all of ~~their~~ past and present owners, officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the "Released Parties") for all claims, demands, rights, liabilities and causes of action that were pled or could have been pled in any of the Complaints in the Lawsuit based on the factual allegations therein, that arose during the Class Period with respect to the following claims: (a) failure to pay meal and rest period compensation (Cal. Lab. Code §§ 226.7, 512); (b) failure to pay compensation for all hours worked, minimum wage violations, and overtime (Cal. Lab. Code §§ 216, 510, 1194, 1194.2, 1197); (c) waiting time penalties (Cal. Lab. Code § 203); (d) failure to provide accurate itemized statements (Cal. Lab. Code § 226, IWC Wage Order); (e) failure to reimburse business expenses (Cal. Lab. Code § 2802); (f) all claims arising out of unfair business practices under Business & Professions Code § 17200, *et seq.* that could have been premised on the facts, claims, causes of action or legal theories described above; and (g) all claims under California's Private Attorneys General Act of 2004 that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the "Released Claims"). For members of the Settlement Class who do not validly opt out, the release period shall run from February 25, 2016, through the date of Preliminary Approval by the Court ("Class Period").

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B. **Releases by PAGA Group Members.** Upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, Plaintiff and every member of the PAGA Group, including the State of California, will fully release and discharge the Released Parties from any and all claims for civil Penalties under PAGA [Cal. Lab. Code §§ 2699, et seq.] based on the labor code violations alleged and that are based upon or arise from the factual allegations in Plaintiff's notice(s) sent to the LWDA and alleged in the operative Complaint, including all attorneys' fees and costs related thereto ("Released PAGA Claims").

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C. **Plaintiff's Release of Unknown Claims.** In light of her Class Representative Enhancement Payment, Plaintiff, Shari Riley, has agreed to release, in addition to the Released Claims described above, all claims, whether known or unknown,

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under federal law or state law against the Released Parties. Plaintiff understands that this release includes unknown claims and that she is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

However, to the extent that Plaintiff has claims that cannot be released as a matter of law (i.e., workers' compensation claims), then those claims will not be released.

3. **Settlement Payment.** In exchange for the releases set forth in this Settlement Agreement, Primitive agrees to pay a common fund of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) (the "Maximum Settlement Amount") in full and complete settlement of this matter, as follows:

- A. The Maximum Settlement Amount shall be deposited with the Settlement Administrator within thirty (30) days after the date the Court enters an order granting final approval of the settlement or, solely in the event that there are any objections to the settlement (the filing of an objection being a prerequisite to the filing of an appeal), the later of: (i) the last date on which any appeal might be filed or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review; ("the Final Effective Date").
- B. This is a non-reversionary settlement. The Maximum Settlement Amount includes:
- (1) All payments to the Settlement Class;
 - (2) All fees and expenses of the Settlement Administrator associated with the administration of the settlement, which are anticipated to be no greater than Ten Thousand Dollars and Zero Cents (\$10,000.00);
 - (3) Up to Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff's Enhancement Payment, subject to Court approval, in recognition of Plaintiff's general release of claims, contributions to the Lawsuit, and service to the Settlement Class. In the event that the Court reduces or does not approve the requested Enhancement Payment, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding;
 - (4) Up to one-third (33.3%) of the Maximum Settlement Amount in attorneys' fees, which is currently estimated to be Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Zero Cents (\$33,300.00), plus up to Ten Thousand Dollars and Zero Cents (\$10,000.00) in verified costs and expenses related to

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the Lawsuit as supported by declaration. In the event that the Court reduces or does not approve Class Counsel's requested fees and costs, the Settlement Agreement remains in full force and effect, Plaintiff shall not have the right to revoke the settlement for that reason, and it shall remain binding; and

- (5) Ten Thousand Dollars and Zero (\$10,000.00) of the Maximum Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) or Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) will be payable to the Settlement Class as the "PAGA Amount."C. Defendants' share of payroll taxes shall be paid by Primitive separately from, and in addition to, the Maximum Settlement Amount.

4. **Settlement Award Procedures.** Settlement Class Members are not required to submit a claim form to receive their Individual Settlement Award. Individual Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Maximum Settlement Amount the amounts approved by the Court for the Settlement Administrator's fees and expenses, Plaintiff's Enhancement Payment, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the LWDA's share of the PAGA payment. The remaining amount shall be known as the "Net Settlement Fund."
- B. From the Net Settlement Fund, the Settlement Administrator will calculate each Settlement Class Member's Individual Settlement Award.

Settlement Awards shall be based on the following formula:

- i. Waiting Time Amount: Ten percent (10%) of the Net Settlement Fund shall be designated as the "Waiting Time Amount." Each participating Settlement Class Member who separated their employment from Primitive at any time from February 25, 2016, through the date of Preliminary Approval by the Court, shall receive an equal, pro-rata share of the Waiting Time Amount.
- ii. PAGA Amount: Each participating Settlement Class Member who was employed by Primitive at any time from February 3, 2019, through the date of Preliminary Approval by the Court, shall receive a portion of the Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) of the Net Settlement Fund that has been designated as the "PAGA Amount" proportionate to the number of pay periods that he or she worked during the period from February 3, 2019, through the date of Preliminary Approval by the Court.

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- iii. The remainder of the Net Settlement Fund shall be distributed to each participating Settlement Class Member based on their proportionate share of Eligible Workweeks (defined below) during the Class Period, by multiplying the remaining Net Settlement Fund by a fraction, the numerator of which is the participating Settlement Class Member's Eligible Workweeks during the Class Period, and the denominator of which is the total Eligible Workweeks of all participating Settlement Class Members during the Class Period.

An "Eligible Workweek" shall be any workweek in which the Class Member worked at least one day during the workweek based on Primitive's records.

- C. Within fifteen (15) days following the funding of the Maximum Settlement Amount with the Settlement Administrator by Primitive, the Settlement Administrator will calculate Individual Settlement Award amounts and will prepare and mail Individual Settlement Awards to participating Settlement Class Members.
- D. For purposes of calculating applicable taxes and withholdings for the Settlement Class Members, twenty percent (20%) of each Individual Settlement Award shall be designated as wages subject to W-2 reporting and normal payroll withholdings; the remaining eighty percent (80%) of each Individual Settlement Award shall be designated as penalties and interest subject to IRS Form 1099 reporting with no withholdings. Notwithstanding the treatment of the payments to each Settlement Class Member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- E. Each Settlement Class Member who receives an Individual Settlement Award must negotiate the settlement check within one hundred eighty (180) days from the date of issuance. The one hundred eighty (180) day expiration of the settlement checks will be pre-printed on the front of the settlement check. Any funds payable to Settlement Class Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued and shall be transferred to the California's Secretary of State Controller's Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member.
- F. Neither Plaintiff nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by her or its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Class Counsel's Attorneys' Fees and Litigation Costs.** Defendants will not object to a request for a total award of attorneys' fees to Class Counsel of one-third (33.3%) of the Maximum Settlement Amount, which is currently estimated to be Thirty-Three Thousand Three Hundred Dollars and Zero Cents (\$33,300.00) plus up to Ten Thousand Dollars and Zero Cents

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(\$10,000.00) in verified costs and expenses related to the Lawsuit as supported by declaration. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised, responses to any intervenors and any appeals necessitated by those objections or intervenors. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when it pays the fee award as approved by the Court.

6. **Plaintiff's Enhancement Payment.** Defendants will not object to a request for a Class Representative Enhancement Payment for Plaintiff of Five Thousand Dollars and Zero Cents (\$5,000.00) in exchange for the general release of her claims, her time and risks in prosecuting this case, and her service to the Settlement Class. This payment will be in addition to Plaintiff's Individual Settlement Award as a Settlement Class Member and shall be reported on an IRS Form 1099 by the Settlement Administrator. It is the intent of the Parties that the Enhancement Payment to the Plaintiff is for her services in connection with this Lawsuit and is not wages, therefore the Settlement Administrator shall not withhold any taxes from the Enhancement and shall report it on an IRS Form 1099, which shall be provided to Plaintiff and to the pertinent taxing authorities as required by law. Although it is the contemplation of the Parties that the Enhancement does not represent wages, the Internal Revenue Service, the California Franchise Tax Board, or some other taxing authority may take the position that some or all of the Enhancements constitute wages for income tax and withholding purposes. Plaintiff agrees to assume the responsibility of remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, to be withheld by Defendants from the Enhancement paid under this Settlement Agreement. In addition, Plaintiff shall hold Defendants, Released Parties and Class Counsel harmless and indemnify Defendants, Released Parties and Class Counsel for all taxes, interest, penalties, other payments and costs, incurred by Defendants by reason of any claims relating to the non-withholding of taxes from the Enhancement.

7. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrators. as Settlement Administrator nor to Class Counsel seeking Court approval to pay up to Ten Thousand Dollars and Zero Cents (\$10,000.00) from the Maximum Settlement Amount for its services. The Settlement Administrator shall be responsible for sending all required notices, calculating the Net Settlement Fund, calculating each Class Member's Individual Settlement Award amount, preparing all checks and mailings and disbursing all residuals resulting from uncashed settlement checks as set forth in Section 4(E). The Settlement Administrator shall be authorized to pay itself from the Maximum Settlement Amount by Class Counsel only after checks have been mailed to all Settlement Class Members.

8. **Preliminary Approval.** Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Preston H. Lim of Lim Law Group, P.C. and Lloyd J. Lee of The Law Offices of Lloyd Lee as Class Counsel;

- C. Appointing Shari Riley as Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Class Notice Packet (which is comprised of the Class Notice, Request for Exclusion Form, and Objection Form), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

9. **Notice Procedures.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within thirty (30) days after entry of an order preliminarily approving this Settlement Agreement, Primitive will provide the Settlement Administrator with a class list including the names, last known addresses, and social security numbers (in electronic format) of Settlement Class Members, as well as the total workweeks worked by each member of the Settlement Class during the Class Period (to the extent all such information is available).
- B. Within ten (10) days from receipt of the class list information, the Settlement Administrator shall: (i) run the names of all Settlement Class Members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class Members; (ii) update the addresses of any Settlement Class Member for whom an updated address was found through the NCOA search; and (iii) mail the Notice Packet to each Settlement Class Member at their last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. The Settlement Administrator shall use its best professional efforts, including utilizing a “skip trace,” to track any Settlement Class Member’s mailing returned as undeliverable, and will re-send the Notice Packet promptly upon identifying updated mailing addresses through such efforts. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member.
- D. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline (defined below) shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class Member immediately, and in any event within three (3) business days of obtaining

the updated address. Settlement Class Members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion, challenge or objection.

- E. **Opt-Out/Request for Exclusion Procedures.** Any Settlement Class Member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) days of the date of the initial mailing of the Notice Packets (the "Response Deadline").

i. The Request for Exclusion Form must: (1) contain the name, address, telephone number of the Settlement Class Member; (2) contain a statement that the Settlement Class Member wishes to be excluded from the class settlement; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion Form fails to comply with items (1)-(3), it will not be deemed a valid Request for Exclusion from this settlement, except a Request for Exclusion Form not containing a Class Member's telephone number will be deemed valid. The date of the postmark on the Request for Exclusion Form, shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement (although the PAGA settlement and release provisions will apply to each such individual, and such individual shall be entitled to their of the PAGA Amount) or have any right to object, intervene, appeal or comment thereon. Any Settlement Class Member who does not submit a Request for Exclusion Form is automatically deemed a participating Settlement Class Member.

ii. Settlement Class Members who do not submit a valid and timely Request for Exclusion to exclude themselves from the Settlement. Upon the date the Court enters an order granting final approval of the Settlement and Defendant funding the Gross Settlement Amount, and the employer's share of payroll taxes, all Class Members who do not timely submit a valid Request for Exclusion do and will be deemed to have fully, finally and forever released, settled, compromised, relinquished and discharged Defendants from all Released Claims. The Released Claims will cover all Class Members who do not exclude themselves.

- F. **Objections.** Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel as well as filing them with the Court). Defendants' counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless

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filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days to respond. To be valid, any objection must: (1) contain the objecting Settlement Class member's full name and current address; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) Objections must be postmarked on or before the Response Deadline.

- G. **Challenges to Individual Settlement Award Calculations.** Each Notice Packet mailed to a Settlement Class Member shall disclose the amount of the Settlement Class Member's estimated Settlement Award as well as all of the information that was used from Defendant's records in order to calculate the Settlement Award, including the Settlement Class member's number of Workweeks during the Class Period, the number of Workweeks worked during the PAGA period, and whether the Settlement Class Member's employment ended during the period of February 25, 2016, through the date of Preliminary Approval by the Court. Settlement Class Members will have the opportunity, should they disagree with Primitive's records regarding the number of Eligible Workweeks stated in their Notice Packet and/or whether their employment ended between February 25, 2016, through the date of Preliminary Approval by the Court, to challenge the data provided. In order to challenge Primitive's data, the Settlement Class Member must provide documentation and/or an explanation demonstrating that Primitive's data is incorrect and evidencing the correct number of Eligible Workweeks that the Settlement Class Member believes they should have been credited with and/or evidence of the correct date their employment ended. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. The Settlement Administrator shall provide a copy of the challenge and any supporting documentation to counsel for the Parties within five (5) days of receipt.
- H. **Dispute Resolution.** The Settlement Administrator shall have the responsibility of resolving all disputes that arise during the settlement administration process, including, without limitation, disputes (if any) regarding the calculation of Settlement Class Member's Individual Settlement Awards, the allocation of W-2 wages, and the number of Eligible Workweeks. Where the information submitted by Primitive from its records differs from the information submitted by the Settlement Class Member, the Settlement Administrator shall request a conference call between the Settlement Administrator, Class Counsel, and defense counsel to discuss and resolve the dispute. In advance of the conference call, the Settlement Administrator shall email copies of all available information to all counsel. After consulting with the Parties to determine whether an adjustment is warranted, the Settlement Administrator will finally determine the eligibility for and amount of any Settlement Award. Such determination shall be binding upon the Settlement Class Member and the Parties.

10. **Final Approval Process.** Following preliminary approval and the close of Response Deadline under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff's application for Settlement Administrator's fees and expenses, Plaintiff's Enhancement Payment, Class Counsel's attorneys' fees, Class Counsel's costs and expenses, and the LWDA's share of the PAGA payment; and
- C. Entering judgment pursuant to California Rule of Court 3.769.

11. **Non-Admission.** Defendants deny that they have engaged in any unlawful activity, that they have failed to comply with the law in any respect, that they have any liability to anyone under the claims asserted in the Lawsuit, and that but for this settlement a class should not be certified in this Lawsuit. Nothing in this Settlement Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendants. Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. The Parties have entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

12. **No Publicity.** Plaintiff and her counsel agree that they have not and will not publish the settlement in any form of media, including, but not limited to all forms of social media, and that the settlement shall remain fully confidential until preliminary approval. In response to any inquiries, Plaintiff will state that "the case was resolved, and it was resolved confidentially." Plaintiff's counsel shall not report the settlement in any medium or in any publication, including, but not limited to all forms of social media, shall not post or report anything regarding the claims of Plaintiff or the class or the settlement on their website, and shall not contact any reporters or media regarding the settlement. However, Plaintiff's counsel is authorized to make disclosures to the Court and the LWDA for the purposes of obtaining the approval of the settlement. This disclosure is limited to court filings and neither Plaintiff nor her counsel or representatives are permitted to disseminate or publish, distribute or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court. Notwithstanding the foregoing, Plaintiff's counsel may include the settlement (and/or a summary of the settlement) in future declarations filed in support of Plaintiff's counsel's experience and/or adequacy to represent PAGA aggrieved employees or class members.

13. **Amendments or Modifications.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery or by e-mail at the addresses set forth below, or such other addresses as the Parties may designate in writing from time to time:

if to Defendants: Nicole Kamm
Hannah Sweiss
FISHER & PHILLIPS, LLP
444 South Flower Street, Suite 1500
Los Angeles, CA 90071
hsweiss@fisherphillips.com

if to Plaintiff: Preston H. Lim, Esq.
LIM LAW GROUP, P.C.
1504 W. Artesia Square, Suite B
Gardena, CA 90248
phl@limlawgroup.com

Lloyd J. Lee, Esq.
LAW OFFICES OF LLOYD LEE
25050 Ave Kearny., Suite 107-A
Valencia, CA 91355
lloyd@pro-esq.com

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

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[SIGNATURES ON FOLLOWING PAGE]

EXECUTION BY PARTIES AND COUNSEL

DATED: Primitive Company
By: _____
Its: _____

DATED: Jubal Jones
By: _____

DATED: Mitch Bhatia
By: _____

DATED: Paul Rodriguez, Jr.
By: _____

DATED: Shari Riley
By: _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: FISHER & PHILLIPS LLP

By: _____
Hannah Sweiss
Attorneys for Defendants

DATED: LIM LAW GROUP, P.C.

By: _____
Preston H. Lim
Attorneys for Plaintiff

DATED: LAW OFFICES OF LLOYD LEE

By: _____
Lloyd J. Lee
Attorneys for Plaintiff

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Riley, et al. v. Primitive Company, et al.
Case No. 20STCV07175

NOTICE OF CLASS ACTION SETTLEMENT

A Court approved this Notice. This is not a solicitation from an attorney.

To: ALL CURRENT AND FORMER HOURLY NON-EXEMPT EMPLOYEES OF PRIMITIVE COMPANY. WHO WORKED WITHIN CALIFORNIA AT ANY TIME DURING THE PERIOD OF FEBRUARY 25, 2016 THROUGH [INSERT PRELIMINARY APPROVAL DATE].

PLEASE READ THIS NOTICE CAREFULLY
AS YOUR LEGAL RIGHTS MAY BE AFFECTED.

YOU MAY BE ENTITLED TO RECEIVE MONEY
FROM THIS SETTLEMENT.

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS

WHY DID I GET THIS NOTICE?

You are receiving this Notice because you are or were an hourly non-exempt employee of Primitive Company who worked in California from February 25, 2016 to [insert preliminary approval date] ("Settlement Class Member") and may be entitled to recover money from a class action settlement.

This Notice informs you of your rights to share in the settlement of the class action lawsuit *Riley, et al. v. Primitive Company, et al. Case No. 20STCV07175* (the "Lawsuit"). This Notice is being sent to you by the order of the Superior Court of California, County of Los Angeles, which preliminarily approved this class action settlement on [TBD]. This Notice informs you of your rights to share in the settlement, or, if you so choose, to exclude yourself from the settlement or to object to the settlement terms.

If you wish to participate in the settlement and receive a settlement payment, you need not take any action at this time. If the Court approves the settlement, you will be mailed a settlement check at the address on file with the Settlement Administrator.

WHAT IS THIS LAWSUIT AND SETTLEMENT ABOUT?

The Lawsuit was filed by plaintiff, Shari Riley ("Plaintiff") against Primitive Company, Jubal Jones, Mitch Bhatia, and Paul Rodriguez, Jr. (collectively "Defendants"), on behalf of all hourly non-exempt employees who worked for Primitive Company in California during the time period of February 25, 2016 through [insert preliminary approval date]. The Lawsuit sought, and seeks, monetary and statutory damages, interest, attorneys' fees, and civil penalties for the following alleged claims: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide compliant meal and rest periods; (4) waiting time penalties; (5) failure to reimburse business expenses; (6) failure to provide accurate itemized statements; and (7) unfair business practices and (8) civil penalties pursuant to Labor Code Section 2699, *et seq.* premised on the above claims. Plaintiff sought all damages, penalties, interest, fees, costs, and other amounts recoverable under the above causes of action under California law, including but not limited to under the California Labor Code.

Defendants deny Plaintiff's allegations or that it violated the law and asserts that it has no liability for any of Plaintiff's or the Settlement Class Members' claims under any statute, wage order, common law, or equitable theory. The Court did not decide in favor of Plaintiff or Defendants and there was no trial. Plaintiff thinks she could prevail. Defendants think Plaintiff would have no ability to prevail at trial. Defendants do not admit any of the claims alleged in the Lawsuit and denies any money is owed to Plaintiff or to the Settlement Class Members for any of the alleged claims. Defendants have entered into this settlement solely for purposes of resolving this dispute and so the Parties may buy their peace and avoid further time and costs associated with litigation. Plaintiff and her attorneys think the settlement is best for the Settlement Class Members.

The Parties participated in a mediation session with a class action mediator, and as a result, the Parties reached a class-wide settlement. The Parties have since entered into the Joint Stipulation for Class Action Settlement ("Settlement" or "Settlement Agreement").

WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Shari Riley is the Class Representative or Named Plaintiff in the Lawsuit, and asserts claims on behalf of herself and on behalf of employees who are similarly situated and have similar claims, who are referred to as “Class Members.” A class action allows the Court to resolve the claims of all the class members at the same time, rather than litigating or settling multiple individual lawsuits. A class member is bound by the determination or judgment entered in the case and may not file his or her own lawsuit on the same claims that were decided in the class action, unless he/she excludes him/herself from the Class.

WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All current and former hourly non-exempt employees of Primitive Company in California who worked during the period of February 25, 2016 to **insert date of preliminary approval**. The “Settlement Class Members” shall not include any person who submits a timely and valid request for exclusion as provided in this Notice.

If the Court approves the compromise of the claim for civil penalties pursuant to Labor Code Section 2699, *et seq.* (“PAGA claim”), all current and former hourly non-exempt employees of Primitive Company in California who worked during the “PAGA Period” of February 3, 2019 to **insert date of preliminary approval** (“PAGA Group Members”) are nevertheless bound by the Court’s resolution of the PAGA claim. Class Members who are also PAGA Group Members who submit a request for exclusion will nevertheless receive their pro-rata share of the \$2,500 allocated for PAGA penalties.

WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

Defendants agreed to pay \$100,000 (“Gross Settlement Amount”) to cover (a) Individual Settlement Payments to Settlement Class Members; (b) the Class Representative Enhancement Payment to the named Plaintiff, not to exceed \$5,000; (c) Private Attorney General Act (“PAGA”) penalties in the amount of \$10,000 of which 75% or \$7,500 will be paid to the Labor Workforce Development Agency (“LWDA”) and 25% or \$2,500 to PAGA Group Members; (d) Claims Administration Expenses not to exceed \$10,000; and (e) attorney’s fees and costs awarded by the Court to Class Counsel (the “Class Counsel Award”), not to exceed \$33,300 in fees and \$10,000 in costs. After deducting items b, c, d and e from the Gross Settlement Amount, the remaining balance is the “Net Settlement Amount.” The Net Settlement Amount will be distributed to all Settlement Class Members who do not exclude themselves from the Settlement. Per item c, \$2,500 from the Gross Settlement Amount will be distributed to all PAGA Group Members. The Class Counsel Fees and Costs and the Class Representative Enhancement Payment are subject to Court approval.

This class action settlement includes a release of Defendants by Settlement Class Members, who do not submit a valid and timely Request for Exclusion to exclude themselves from the Settlement. Upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, and the employer’s share of payroll taxes, all Class Members who do not timely submit a valid Request for Exclusion will fully release and discharge Defendants, and all of their past and present owners, officers, directors, shareholders, unit holders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and

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predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the “Released Parties”) for all claims, demands, rights, liabilities and causes of action that were pled or could have been pled in any of the Complaints in the Lawsuit based on the factual allegations therein, that arose during the Class Period with respect to the following claims: (a) failure to pay meal and rest period compensation (Cal. Lab. Code §§ 226.7, 512); (b) failure to pay compensation for all hours worked, minimum wage violations, and overtime (Cal. Lab. Code §§ 216, 510, 1194, 1194.2, 1197); (c) waiting time penalties (Cal. Lab. Code § 203); (d) failure to provide accurate itemized statements (Cal. Lab. Code § 226, IWC Wage Order); (e) failure to reimburse business expenses (Cal. Lab. Code §2802); (f) all claims arising out of unfair business practices under Business & Professions Code § 17200, *et seq.* that could have been premised on the facts, claims, causes of action or legal theories described above; and (g) all claims under California’s Private Attorneys General Act of 2004 that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the “Released Claims”). For members of the Settlement Class who do not validly opt out, the release period shall run from February 25, 2016, through the date of Preliminary Approval by the Court (“Class Period”).

Furthermore, upon the date the Court enters an order granting final approval of the Settlement and Defendants funding the Gross Settlement Amount, the State of California and all PAGA Group Members (regardless of whether PAGA Group Member submits a valid and timely Request for Exclusion to exclude themselves from the Settlement), will fully release and discharge the Released Parties from any and all claims for civil Penalties under PAGA [Cal. Lab. Code §§ 2699, *et seq.*] based on the labor code violations alleged and that are based upon or arise from the factual allegations in Plaintiff’s notice(s) sent to the LWDA and alleged in the operative Complaint, including all attorneys’ fees and costs related thereto (“Released PAGA Claims”).

HOW MUCH WILL MY PAYMENT BE?

Your share of the settlement will depend on (i) the final number of Settlement Class Members who have not excluded themselves from the Settlement; and (ii) the number of workweeks you were employed during the Class Period and PAGA Period.

“Workweeks” are determined by calculating the number of days you were an hourly non-exempt employee of Primitive Company in California between February 25, 2016 to [insert date of preliminary approval].

The Settlement Administrator will calculate the total workweeks for all Settlement Class Members. The Net Settlement Amount (not including the \$2,500 allocated for PAGA Group Members) is then divided by the total number of workweeks worked by all Class Members during the Class Period, and then multiplying this amount by each Class Members’ total number of workweeks to provide that employee’s individual share of the Net Settlement Amount.

In addition, the Settlement Administrator will calculate the total workweeks for all PAGA Group Members during the PAGA Period. The \$2,500 allocated for PAGA penalties to PAGA Group Members is then divided by the total number of workweeks worked by all PAGA Group Members during the PAGA Period, and then this amount is multiplied by each PAGA Group Members’ total number of workweeks to provide that employee’s individual share of the \$2,500 allocated for PAGA penalties.

Primitive Company's records show that you were employed by Primitive Company as an hourly non-exempt employee who worked in California from [start date] to [end date] between February 25, 2016 to [insert date of preliminary approval] and worked [##] workweeks. (You may have worked for Primitive Company prior to February 25, 2016, but that time period is not included for purposes of this settlement.) If the settlement is approved, based on those records, your estimated payment is \$(XXX.XX), less applicable taxes and payroll deductions. This amount is only an estimate. The actual amount of the Individual Settlement Payment may increase or decrease based on several factors, including the number of employees who exclude themselves from the settlement.

If you disagree with the employment dates listed above for employment during the periods between February 25, 2016 to [insert date of preliminary approval], please contact the Settlement Administrator no later than _____, 2021. You will be asked to provide documents to support your dispute. If you do not provide any documents or other evidence to support your challenge, the Settlement Administrator may reject your challenge.

Contact information for the Settlement Administrator is provided below.

Riley, et al. v. Primitive Company, et al.

c/o CLAIMS ADMINISTRATOR

Mailing Address

Telephone numbers

A portion, or twenty percent (20%), of each Individual Settlement Payment shall be considered settlement of alleged unpaid wages and subject to the withholding of federal, state and local income taxes, including FICA taxes, among other legally required withholdings and deductions. The remaining portions, or eighty percent (80%) of each Individual Settlement Payment shall not be subject to payroll withholding and 100% of each PAGA Groups Members pro-rate share of the \$2,500 allocated for PAGA penalties shall be allocated as penalties and shall not be subject to payroll withholding.

The Settlement Administrator shall issue to each Settlement Class Member an IRS Form W-2 for the portion of the individual settlement that is designated as unpaid wages. The Settlement Administrator may issue an IRS Form 1099 to each Settlement Class Member and PAGA Group Member for the remaining portion of the Individual Settlement Payment that is not designated as unpaid wages and other amounts paid pursuant to this settlement. All Settlement Class Members will be responsible for correctly characterizing this income for tax purposes and for paying any taxes on the amounts received.

Each Settlement Class Member who receives an Individual Settlement Award must negotiate the settlement check within one hundred eighty (180) days from the date of issuance. The one hundred eighty (180) day expiration of the settlement checks will be pre-printed on the front of the settlement check. Any funds payable to Settlement Class Members whose checks are not negotiated within one hundred eighty (180) days period will not be reissued and shall be transferred to the California's Secretary of State Controller's Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member.

WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT?

To receive a settlement payment, you do not need to do anything. If the Court approves this settlement at the Final Approval Hearing, the Settlement Administrator will mail you a check within approximately sixty days from the date the Court grants final approval, unless an appeal is filed. If you do not exclude yourself from the Settlement, you will receive an Individual Settlement Payment and you will be bound by the terms of the Settlement Agreement.

HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the settlement, you must submit a written request for exclusion to the Settlement Administrator at the following address or fax number:

Riley, et al. v. Primitive Company, et al.

c/o CLAIMS ADMINISTRATOR

Mailing Address

Telephone numbers

To be valid and timely, a written request for exclusion must: (1) explicitly and unambiguously state “I wish to exclude myself from the settlement reached in the matter of *Riley, et al. v. Primitive Company, et al. Case No. 20STCV07175*, I understand by excluding myself, I will not receive any money from the settlement reached in this matter;” (2) contain the name, address, telephone number and the last four digits of the Social Security number of the person requesting exclusion; (3) be signed by the Settlement Class Member; and (4) be postmarked or fax stamped by _____, 2021 and returned to and received by the Settlement Administrator at the specified address or fax telephone number above. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement, including the Release of Claims described in this Notice.

If you timely request to be excluded from the settlement, you will not be entitled to receive any payment under the settlement, and you cannot object to the settlement. Class Counsel will not represent your interests in this Lawsuit if you request to be excluded. If you are PAGA Group Member, however, you will not be permitted to exclude yourself from the settlement of the PAGA claim. If you are a PAGA Group Member, you will still receive a pro-rata share of the \$2,500 allocated to the PAGA Group Members and be bound by the release of the Released PAGA Claims.

WHAT IF I DO NOTHING?

If you do nothing, you will receive a settlement payment and you will be bound by the terms of the Settlement Agreement.

FINAL APPROVAL HEARING

You may appear at the hearing where the Court will make a final decision whether or not to approve the settlement (the “Final Approval Hearing”). The Final Approval Hearing is scheduled to take place on _____, 2021, at 8:30 a.m., in Department “17” at the Los Angeles Superior Court –Spring Street Courthouse located at 312 North Spring Street, Los Angeles, California 90012.

WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

A Settlement Class Member who wishes to object ~~may~~ mail to the Settlement Administrator (at the address above) or fax a written statement of objection (“Notice of Objection”), postmarked or faxed by no later than _____, 2021. ~~A Settlement Class Member may also appear at the Final Approval hearing.~~ You are not required to appear at the Final Approval/Settlement Fairness Hearing in order for the Court to consider your objection. You have the right to retain your own attorney, at your own expense, to submit an objection or appear on your behalf at the Final Approval Hearing. If you choose to appear at the Final Approval Hearing, you can appear remotely by visiting the Court’s website at <https://www.lacourt.org/lacc/> for instructions on how to schedule your remote appearance.

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Submitting an objection will *not* exclude you from the Settlement Class. You will still have the right to receive an Individual Settlement Payment, unless you request to be excluded.

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING?

Objecting is simply telling the Court that you disagree with the terms of the settlement. You can object only if you stay in the Settlement Class. If you submit an objection, you will still receive an Individual Settlement Payment and be bound by the Settlement, if it is approved by the Court.

Excluding yourself is telling the Court that you don’t want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you and you will not receive any Settlement Payment.

WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The settlement, if finally approved by the Court, will bind all Settlement Class Members who do not request to be excluded from the settlement whether or not they timely cash their Individual Settlement Payments.

Final approval of the settlement will bar any Settlement Class Member who does not request to be excluded from the settlement from hereafter initiating a lawsuit or proceeding regarding a Released Claim originating between February 25, 2016 and ~~[insert preliminary approval date]~~, which was alleged or that could have been alleged in the Lawsuit based on the facts alleged in the operative complaint. Notice of the ~~final~~ judgment will be ~~mailed to the Settlement Class Members by the Settlement Administrator or~~ in the manner specified by the Court.

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The Settlement Agreement contains additional details about the settlement terms and the scope of the release.

DO I HAVE A LAWYER IN THIS CASE?

The Court has ordered that, for purposes of this Settlement, the interests of Plaintiff and the Settlement Class Members are represented by:

LIM LAW GROUP, P.C.
Preston H. Lim (SBN 275249)
p hl@limlawgroup.com
1504 W. Artesia Sq., Suite B

Gardena, CA 90248
Telephone: (213) 900-3000
Facsimile: (213) 204-3000

LAW OFFICES OF LLOYD LEE

Lloyd J. Lee (SBN 276453)
lloyd@pro-esq.com
25050 Ave Kearny, Suite 107-A
Valencia, CA 91355
Telephone: (661) 480-2420
Facsimile: (213) 995-6344

Settlement Class Members will not be charged for these lawyers. Instead, they will be paid from the settlement fund.

WHAT IF MY INFORMATION CHANGES?

If your address has changed or you plan to change your address in the near future, please contact the Settlement Administrator

Riley, et al. v. Primitive Company, et al.

c/o CLAIMS ADMINISTRATOR

Mailing Address

Telephone numbers

IT IS YOUR RESPONSIBILITY TO KEEP AN UPDATED ADDRESS ON FILE WITH THE SETTLEMENT ADMINISTRATOR. YOUR FAILURE TO UPDATE YOUR ADDRESS COULD RESULT IN YOUR SETTLEMENT PAYMENT BEING TRANSMITTED TO THE CALIFORNIA STATE CONTROLLER UNCLAIMED PROPERTY.

FURTHER INFORMATION

The foregoing is only a summary of the settlement. To see a copy of the Joint Stipulation for Class Action Settlement, the Court's Preliminary Approval Order, Motion for Final Approval, the operative Complaint filed in the Lawsuit, and other filed documents related to the Lawsuit and this Settlement, you may view all such files at the Civil Clerk's Office at the Los Angeles Superior Court – Stanley Mosk Courthouse located at 111 North Hill Street, Los Angeles, California 90012 or by visiting www.lacourt.org and clicking on the "online services" tab and selecting "Case Document Images" to set-up an account to purchase the Court documents regarding this action that are available on-line..

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [REDACTED]. Please refer to the *Riley, et al. v. Primitive Company, et al.* Class Action Settlement.

If you have any questions about the settlement, you can contact Class Counsel:

LIM LAW GROUP, P.C.

Preston H. Lim (SBN 275249)

phl@limlawgroup.com

1504 W. Artesia Sq., Suite B

Gardena, CA 90248

Telephone: (213) 900-3000

Facsimile: (213) 204-3000

LAW OFFICES OF LLOYD LEE

Lloyd J. Lee (SBN 276453)

lloyd@pro-esq.com

25050 Ave Kearny, Suite 107-A

Valencia, CA 91355

Telephone: (661) 480-2420

Facsimile: (213) 995-6344

***PLEASE DO NOT TELEPHONE OR CONTACT THE COURT FOR INFORMATION
REGARDING THIS SETTLEMENT.***

***PLEASE DO NOT CONTACT DEFENDANT, ITS MANAGERS, OR ATTORNEYS FOR
INFORMATION ABOUT THIS SETTLEMENT.***

EXHIBIT C

Date	Hours	Description
2/3/20	0.8	Draft and revise PAGA letter
2/19/20	1.5	Draft and revise complaint
4/30/20	0.2	Review correspondence re joint statement for status conference
4/30/20	0.8	Draft and review correspondence re joint status report
5/1/20	0.7	Draft and revise joint statement
5/6/20	0.2	Draft and review correspondence re joint status conference
5/14/20	0.2	Draft and review correspondence re mediation
5/18/20	0.1	Draft and review correspondence re document request and production
5/27/20	0.1	Draft and review correspondence re document request and production
6/1/20	0.1	Draft and review correspondence re document request and production
6/22/20	0.1	Draft and review correspondence re mediation
6/23/20	0.1	Draft and review correspondence re mediation
6/24/20	0.1	Draft and review correspondence re mediation
6/30/20	0.2	Draft and review correspondence re mediation and document production
7/1/20	0.2	Draft and review correspondence re conference call
7/9/20	0.2	Draft and review correspondence re conference call
7/9/20	0.3	Conference call with opposing counsel
7/9/20	0.2	Draft and review correspondence re conference call with opposing counsel
7/22/20	0.1	Review correspondence re documents
8/5/20	0.1	Review correspondence re conference call re documents
8/17/20	0.2	Review correspondence re conference call re documents
8/28/20	0.6	Draft and revise joint status conference statement
8/29/20	0.1	Draft correspondence re settlement
8/31/20	0.2	Draft and review correspondence re joint statement
9/1/20	0.1	Draft and review correspondence re settlement
9/1/20	0.3	Draft and review correspondence re settlement
9/4/20	0.4	Draft and review correspondence re settlement
9/14/20	0.1	Draft and review correspondence re documents
9/15/20	0.2	Draft and review correspondence re documents
9/29/20	0.1	Draft and review correspondence re documents
10/15/20	0.4	Draft and review correspondence re status conference
10/16/20	0.4	Draft and review correspondence re status report
10/23/20	1.3	Draft and review correspondence re documents
10/29/20	0.2	Notice of ruling
10/29/20	0.9	Draft and revise amended complaint
10/29/20	0.3	Draft and review correspondence re documents
11/3/20	1.3	Review and analyze document production
11/3/20	0.5	Review and analyze document production
11/3/20	0.9	Review and analyze document production
11/3/20	1.5	Review and analyze document production
11/6/20	0.3	Draft and review correspondence re mediation
11/10/20	0.3	Draft and review correspondence re mediation
11/12/20	2.5	Damages calculation and model for mediation
11/12/20	0.1	Draft and review correspondence re mediation
11/13/20	0.2	Draft and review correspondence re mediation
11/16/20	0.1	Draft and review correspondence re mediation
11/23/20	1.5	Draft and revise mediation brief
11/30/20	7	Attend mediation
11/30/20	1.5	Draft and revise MOU
11/30/20	0.4	Draft and review correspondence re MOU
2/1/21	0.3	Draft and revise change address form

5/28/21	1.2 Draft and revise settlement agreement
6/3/21	5.4 Preliminary approval motion
6/8/21	0.3 Draft and review correspondence re preliminary motion
6/9/21	0.5 Finalize motion for preliminary approval
10/31/21	8.5 Draft and revise preliminary approval

TOTAL	46.40 hours
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EXHIBIT D

2/3/20	PAGA Letter	\$75.00
2/29/20	First legal - 10297686	\$32.00
2/29/20	First legal - 10297688	\$1,647.55
4/3/20	CC Process - 12638	\$102.00
4/3/20	CC Process - 12639	\$51.00
5/4/20	Filing joint report	\$100.15
8/24/20	Status Conference fee	\$15.00
8/31/20	Joint status download fee	\$6.60
10/21/20	Hearing fee status conference	\$15.00
10/29/20	Rapid legal - notice of ruling 3976131	\$67.11
11/30/20	Mediation fee	\$4,500.00
2/2/21	Rapid Legal - 4230154	\$67.11
3/4/21	Case anywhere invoice	\$103.20
6/3/21	Case Anywhere 222872	\$120.00
6/14/21	Rapid Legal - 4643446	\$67.11
6/15/21	First legal 10407437	\$220.45
6/15/21	First legal 10407437	\$220.45
6/30/21	First legal 10411267	\$29.75
6/30/21	First legal 10411267	\$29.75
10/26/21	Damages expert	\$2,400.00
TOTAL		\$9,869.23

EXHIBIT E



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Class Members	51
Opt Out Rate	1%
Opt Outs Received	1
Total Class Claimants	50
Subtotal Admin Only	\$5,750.00
WILL NOT EXCEED	\$5,750.00

51 For Class Members

Price good for scope of estimate

October 27, 2021

Case: PRIMITIVE COMPANY Opt-Out wLanguage

Phoenix Contact: Jodey Lawrence
Contact Number: 949.566.1455
Email: Jodey@phoenixclassaction.com

Requesting Party: Preston H. Lim
Firm: LIM LAW GROUP, P.C.
Contact Number: 213-900-3000
Email: phl@limlawgroup.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly.
Estimate is based on 51 Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)			
Administrative Tasks:	Rate	Hours/Units 3	
Programming Manager	\$125.00	1	\$125.00
Programming Database & Setup	\$125.00	1	\$125.00
Toll Free Setup*	\$79.11	1	\$79.11
Call Center & Long Distance	\$1.50	5	\$7.65
NCOA (USPS)	\$25.00	1	\$25.00
Total			\$361.76

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Translation / Website			
Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.15	51	\$7.65
Notice Packet & Opt-Out Form	\$2.00	51	\$102.00
Estimated Postage (up to 2 oz.)*	\$0.56	51	\$28.56
Static Website	\$100.00	1	\$100.00
Language Translation	\$1,000.00	1	\$1,000.00
Total			\$1,488.21

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$50.00	3	\$150.00
Skip Tracing Undeliverables	\$1.00	10	\$10.20
Remail Notice Packets	\$2.00	10	\$20.40
Estimated Postage	\$0.56	10	\$5.71
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$286.31

Database Programming / Processing Opt-Outs, Deficiencies or Disputes			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$125.00	2	\$250.00
Non Opt-Out Processing	\$125.00	2	\$250.00
Case Associate	\$50.00	2	\$100.00
Opt-Outs/Deficiency/Dispute Letters	\$3.50	1	\$4.46
Case Manager	\$75.00	2	\$150.00
Total			\$754.46

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	2	\$250.00
Disbursement Review	\$125.00	2	\$250.00
Programming Manager	\$125.00	2	\$250.00
QSF Fees, Bank Account & EIN	\$35.00	3	\$105.00
Check Run Setup & Printing	\$100.00	2	\$200.00
Mail Class Checks, W2 and 1099 *	\$2.00	50	\$100.98
Estimated Postage Checks, W2 and 1099	\$0.56	50	\$28.27
Total			\$1,184.25

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	2	\$250.00
Case Associate	\$50.00	2	\$100.00
Reconcile Uncashed Checks	\$75.00	2	\$150.00
Conclusion Reports	\$125.00	1	\$125.00
Case Manager Conclusion	\$75.00	2	\$150.00
Final Reporting & Declarations	\$150.00	1	\$150.00
IRS & QSF Annual Tax Reporting * (State Tax Reporting Included)	\$750.00	1	\$750.00
Total			\$1,675.00

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$5,750.00



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

EXHIBIT F

Rule 2-200 Disclosure and Authorization for Division of Legal Fees

CLIENT:

LAW OFFICES OF LLOYD LEE, PC (“Attorney”) and Shari Riley (“Client”) have discussed the matter, and Client has been advised that Attorney will provide a referral fee to LIM LAW GROUP, P.C. Client agrees to this arrangement.

California Rule of Professional Conduct Rule 2-200 requires that any fee sharing agreement between attorneys be placed in writing and disclosed to the client. The purpose of this document is to disclose and obtain authorization regarding the fee sharing agreement reached between LAW OFFICES OF LLOYD LEE and LIM LAW GROUP, P.C.

Client understands that this agreement will not increase the total amount of attorney’s fees owed to Attorney by Client. Pursuant to California Rule of Professional Conduct Rule 2-200, Client agrees that the Attorney’s fees in this case will be shared as follows:

1. 50% to LAW OFFICES OF LLOYD LEE PC;
2. 50% to LIM LAW GROUP, P.C.;
3. All costs will be advanced equally by LIM LAW GROUP, P.C. and LAW OFFICES OF LLOYD LEE PC;
4. Attorney’s fees will be paid pursuant to the existing retainer agreement between Client and LAW OFFICES OF LLOYD LEE, P.C.

In providing this consent, Client has been fully informed of California rule of Professional Conduct Rule 2-200, which provides as follows:

(A) A member shall not divide a fee for legal services with a lawyer who is not a partner of, associate of, or shareholder with the member unless:

- (1) The client has consented in writing thereto after a full disclosure has been made in writing that a division of fees will be made and the terms of such division; and
- (2) The total fee charged by all lawyers is not increased solely by reason of the provision of fees and is not unconscionable as that term is defined in Rule 2-200.

Client acknowledges that this Contingent Fee Agreement is not set by law, is negotiable, and has been negotiated. Client acknowledges the right to seek independent legal advice concerning this Contingent Fee Agreement and has had an opportunity to do so. Further, this Contingent Fee Agreement does not cover any other matters, related or unrelated, other than those set forth hereinabove. Any other services to be performed by

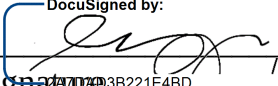
February 4, 2020

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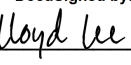
Attorney will be covered in a separate agreement. Client acknowledges receipt of a copy of this agreement.

By your signature below, you acknowledge and agree to this Fee Sharing Agreement.

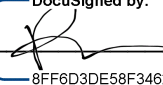
AGREED AND ACCEPTED

DocuSigned by:

Signature
shari Riley
NAME:
2/4/2020
Date

LAW OFFICES OF LLOYD LEE, PC

DocuSigned by:

601E16DCC4F2465...
2/7/2020
Date

LIM LAW GROUP, P.C.

DocuSigned by:

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2/7/2020
Date