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the Class, and Aggrieved Employees

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

JAMES SIMS, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

QG PRINTING II LLC, a Connecticut
limited liability company; 74 QG
PRINTING II LLC, business
organization, form unknown; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 5:20-cv-01632-DMG-KK

**DECLARATION OF KWANPORN
“MAI” TULYATHAN IN SUPPORT OF
PLAINTIFF’S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: December 15, 2023

Time: 9:30 A.M.

Courtroom: 8C

Judge: Hon. Dolly M. Gee

1 **DECLARATION OF KWANPORN “MAI” TULYATHAN**

2 I, Kwanporn “Mai” Tulyathan, declare as follows:

3 1. I am an attorney at law duly admitted to practice before all courts in the
4 State of California and am a member of the law firm of the Diversity Law Group, P.C.,
5 one of the attorneys of record for Plaintiff James Sims (“Plaintiff”), on behalf of himself
6 and other similarly situated individuals, in the above-entitled action. I have personal
7 knowledge of the matters set forth herein, and if called upon as a witness to testify
8 thereto, I could and would competently do so.

9 **SUMMARY OF THE LITIGATION**

10 2. On June 1, 2020, Plaintiff filed the operative class and representative action
11 complaint against Defendants QG Printing II, LLC and 74 QG Printing II LLC¹, in the
12 Superior Court of California, County of Riverside (the “Action”). The Complaint alleges
13 the following causes of action: (1) failure to pay wages; (2) violation of Labor Code §
14 2802; (3) violation of Labor Code § 226(a); (4) violation of Business and Professions
15 Code § 17200, *et seq.*; and (5) violation of Labor Code § 2698, *et seq.*, the Private
16 Attorneys General Act (“PAGA”).

17 3. On August 14, 2020, Defendant removed the Action to federal court.

18 4. In this Action, Plaintiff brings claims for (1) failure to pay minimum,
19 regular, overtime, and reporting time wages based on an alleged “call-in” practice of
20 having class members confirm their scheduled shifts off-the-clock prior to their shifts, (2)
21 failure to reimburse business expenses to class members for use of personal cell and/or
22 home phones to check their schedules, (3) failure to provide accurate itemized wage
23 statements to class members (derivative and standalone wage statement violations), and
24 (4) unfair business practices in violation of the California Unfair Competition Law.

25 5. Specifically, Plaintiff alleges that during his off hours, he was required to
26

27 ¹ On February 19, 2021, the Court dismissed 74 QG Printing II LLC, without prejudice,
28 from the Action pursuant to the Parties’ stipulation to dismiss that entity from this
Action.

1 use his personal telephone to call a designated telephone number and/or log in via an
2 online website before his scheduled work shift to confirm whether he will in fact be
3 working that particular shift. Plaintiff alleges that he was not paid for the time “calling
4 in” to check his schedule off-the-clock and that he was not reimbursed for the costs
5 incurred in connection therewith. Plaintiff alleges that he was not paid reporting time pay
6 on occasions when he reported to work but was not permitted to work and/or worked less
7 than half of the scheduled shift. Plaintiff also alleges derivative wage statement
8 violations based on the above violations. In addition, Plaintiff asserts independent wage
9 statement violations, alleging that the wage statements identified inaccurate hourly rates
10 of pay for overtime and double time wages, as well as an incorrect legal name of the
11 employer.

12 6. On August 21, 2020, Defendant filed a Motion to Dismiss Or, In the
13 Alternative, Discretionary Stay Pursuant to First-To-File Rule, based on two prior filed
14 actions alleging similar claims. Dkt. No. 10. On January 14, 2021, the Court issued its
15 Order denying Defendant’s Motion, in part, finding that the First-To-File-Rule did not
16 prevent Plaintiff from proceeding with his off-the-clock, reporting time pay, and expense
17 reimbursement claims. Dkt. No. 19.

18 7. Pursuant to the Court’s Order, Dkt. No. 19, the Court stayed the independent
19 Labor Code § 226(a) claims in this Action in light of the prior actions *Clark v. QG*
20 *Printing II, LLC, et al.*, CV 18-0899-AWI (EPGx) (E.D. Cal.) (“*Clark*”) and *Ramos v.*
21 *QG Printing II LLC, et al.*, CV 18-4837 (Cal. Super. Ct.) (“*Ramos*”). The *Clark* court
22 has since denied class certification for the *Clark* wage statement claim under Labor Code
23 § 226(a). The *Ramos* matter has since been dismissed with prejudice.

24 8. On September 7, 2021, the Parties participated in a mediation session with
25 the Honorable Kevin Murphy (Ret.). Despite good faith, arm’s length negotiations, the
26 Parties were unable to reach an agreement at the mediation and resumed litigation.

27 9. On December 17, 2021, Plaintiff filed his Motion for Class Certification,
28 seeking certification of his off-the-clock, reporting time pay, and unpaid reimbursement

claims. Dkt. No. 35. On March 4, 2022, the Court issued its Order granting Plaintiff's Motion in part and certified Plaintiff's call-in and reporting time pay claims. In particular, the Court certified a class of "[a]ll current and former non-exempt press production employees of Defendant QG Printing II LLC who worked at Defendant's Riverside and/or Merced facility in the State of California at any time between April 6, 2016 through the present." Dkt. No. 47, p. 31.

10. Defendant moved for reconsideration of the Court's Order granting class certification on March 18, 2022. Dkt. No. 50. On March 22, 2023, the Court issued its Order Denying Defendant's Motion for Reconsideration of the Order Granting Plaintiff's Motion for Class Certification. Dkt. No. 66.

11. On April 5, 2023, Defendant filed a Petition for Permission to Appeal Order Granting Class Certification under Fed. R. Civ. P. 23(f) in the Ninth Circuit. 9th Cir. Dkt. No. 1. The Ninth Circuit issued its Order denying the Petition on June 1, 2023. 9th Cir. Dkt. No. 3.

12. On June 28, 2023, the Parties attempted a second mediation session with experienced neutral Michael J. Loeb, Esq. While the Parties did not reach a settlement on that date, the Parties engaged in negotiations post-mediation facilitated by the mediator. After months of continued post-mediation negotiations facilitated by Mr. Loeb, on September 19, 2023, the Parties reached the basic terms of a settlement, signed a binding Memorandum of Understanding, and agreed to prepare this formal settlement agreement, subject to Court approval.

13. Attached hereto as **Exhibit A** is a true and correct copy of the Joint Stipulation of Class Action Settlement ("Settlement Agreement") entered into between Plaintiff and Defendant QG Printing II, LLC ("Defendant").

SETTLEMENT CLASS DEFINITION

14. As explained above, on March 4, 2022, the Court granted Plaintiff's Motion for Class Certification, in part, and certified Plaintiff's call-in and reporting time pay claims. As stated in the Court's Order, the Court certified a class of "[a]ll current and

1 former non-exempt press production employees of Defendant QG Printing II LLC who
2 worked at Defendant's Riverside and/or Merced facility in the State of California at any
3 time between April 6, 2016 through the present." Dkt. No. 47, p. 31.

4 15. The Settlement Class as defined in the Settlement Agreement includes two
5 groups. The main class, Group 1, represents the class definition above as certified by the
6 Court, with the sole difference being that the class as certified by the Court runs through
7 the date of class certification, i.e., March 4, 2022, while the class period end date of
8 Group 1 will run through the date of Preliminary Approval. Settlement Agreement § 1.2.

9 16. Plaintiff represents that the same class members, class data, legal arguments,
10 and investigation are implicated by the class that is already certified by the Court and
11 Group 1, except that the latter will encompass class members through the date of
12 Preliminary Approval.

13 17. In addition to the certified claims, this Action also involves independent
14 Labor Code § 226(a) claims, which were stayed by the Court pending resolution of that
15 claim in the prior actions. *See* Dkt. No. 19. As explained above, the Labor Code §
16 226(a) claims are no longer at issue in the prior actions. Thus, the Parties have also
17 agreed to resolve the remaining Labor Code § 226(a) claims through the proposed
18 Settlement. As such, the proposed Settlement Class includes a separate class of Group 2,
19 which encompasses current and former non-exempt employees in California (who are not
20 part of Group 1) and who were issued wages during the period of July 20, 2022, through
21 Preliminary Approval.

22 **FAIRNESS OF THE SETTLEMENT**

23 18. Plaintiff's counsel conducted significant discovery, research, and
24 investigation in furtherance of the prosecution of this Action. This discovery,
25 investigation, and research included, among other things: (a) multiple conferences with
26 Plaintiff and Defendant's counsel; (b) inspection and analysis of thousands of pages of
27 documents and information produced by Defendant, including call logs of the scheduling
28 hotline; (c) numerous depositions taken including of Plaintiff, Defendant's Rule 30(b)(6)

witnesses—Ken Eazell, Aaron Hess, Frank Nofuentes, Angelo Ortiz, and Kevin Brassier, several class member declarants, and Defendant’s expert witness—Elaine Reardon, Ph.D.; (d) analysis of the legal positions taken by Defendant; (e) analysis of potential class-wide damages, including reviewing class records and data provided by Defendant formally as well as for purposes of mediation; and (f) research of the applicable law with respect to the claims and theories of liability asserted in the Complaint.

19. In addition to the formal discovery conducted and in advance of mediation, the Parties engaged in informal discovery. Defendant provided information as to the size and scope of the putative class, including the number of putative class members at each facility, number of former employees, hourly rates of pay, number of workweeks, and number of pay periods. Defendant provided data up to March 2022.

20. Plaintiff hired an expert to process and analyze the data received from Defendant, and extrapolate total maximum potential liability to the entire putative class for the entire relevant time period.

21. Class Counsel have engaged in intensive arm’s-length negotiations with counsel for Defendant with a view toward achieving substantial benefits for the Class while avoiding the cost, delay, and uncertainty of further litigation, trial, and appellate review.

22. I, along with my co-counsel, have diligently litigated this case and will continue to do so. We investigated the legality of the call-in and reporting time pay practices and the wage statements issued by Defendant to its employees, and concluded that Defendant’s practices violated Labor Code Sections 201-204, 226, 510, 558, 1174, 1194, 1198, 1198, 2802, and 2698, *et seq.* We engaged in settlement negotiations with Defendant’s counsel after having had the opportunity to review data formally and informally. Negotiations were conducted at arm’s length with the assistance of the mediator, Michael J. Loeb, Esq.

23. Based on the data provided by Defendant, Plaintiff’s expert extrapolated and calculated class-wide liability at approximately \$11,135,839.73. This amount does not

1 take into account the defenses raised by Defendant which present risk to the case. The
2 following represents a breakdown by claims:

3 • Off-the-clock claim: Plaintiff's expert extrapolated the data and
4 calculated the unpaid wages for this claim to be approximately \$159,475.00. This
5 amount was calculated based on an assumption that employees spent 5 minutes off-the-
6 clock per weekly pay period checking their schedules via the scheduling hotline and/or
7 Inside Quad.

8 • Reporting time pay claim: Plaintiff's expert extrapolated and
9 calculated the reporting time pay owed to the class at approximately \$6,755,813.33. This
10 amount was calculated based on an assumption that one shift was cancelled per pay
11 period, at four hours of reporting time pay per cancelled shift.

12 • Waiting time penalties: Plaintiff's expert extrapolated and calculated
13 waiting time penalties for unpaid wages at approximately \$2,288.426.40, based upon
14 class data provided by Defendant.

15 • Expense reimbursement claim: Plaintiff's expert calculated the
16 unpaid expense reimbursement at approximately \$381,725.00, based on an assumption of
17 \$5.00 of reimbursement per weekly pay period.

18 • Wage statement claim: Plaintiff's expert calculated penalties under
19 Labor Code § 226(e) at \$1,550,400.00.

20 24. With respect to Defendant's exposure under the PAGA, based on 36,491 pay
21 periods at issue during the relevant PAGA period, Plaintiff's counsel calculated PAGA
22 penalties of at least \$3,649,100.00. This amount was calculated based on the \$100 initial
23 violation penalty under the PAGA, which assumes that the Court would not "stack"
24 PAGA penalties for distinct violations of the Labor Code given the recent case law.

25 25. With respect to defenses, Defendant contends that there is no liability to the
26 class, that the class should not be certified, and that it would have prevailed had the
27 matter proceeded forward to summary judgment. Plaintiff would have also been faced
28 with "good faith" defenses regarding the imposition of waiting time penalties and wage

statement penalties. In *Naranjo v. Spectrum Security Services, Inc.*, __ Cal. Rptr. 3d __, 2023 WL 2261253 (Feb. 27, 2023), *review granted* 2023 WL 3745105 (May 31, 2023), the court upheld an employer’s good faith defense to the plaintiff’s claim for waiting time penalties, pursuant to Labor Code § 203. The employer argued that it had a viable legal defense, which precluded the imposition of waiting time penalties because its acts were not “willful” within the meaning of the statute. *Naranjo* also permitted a good faith defense to rebut the plaintiff’s claim for penalties, pursuant to Labor Code § 226. Here, Defendant would have argued that it was not liable for waiting time or wage statement penalties because it acted in good faith.

26. As an additional defense Labor Code § 226, Defendant would likely raise that employees did not suffer any “injury” or that the violations were “knowing and intentional” as defined under Labor Code § 226(e). Should Defendant succeed on these defenses, class members would recover \$0 for waiting time penalties under Labor Code § 203 and statutory penalties under Labor Code § 226. Taking these risks into account, Plaintiff’s total exposure for class claims is estimated at a realistic \$7,297,013.33.

27. Additionally, there was significant risk that Defendant would prevail on the merits at summary judgment in light of the new evidence it presented after class certification. Indeed, the Court commented in the Order on Defendant’s Motion for Reconsideration, Dkt. No. 66, that Defendant presented new evidence from its expert witness indicating that a significant portion of class members may not have been subjected to the call-in practice at issue, which would undermine the existence of a class-wide call-in practice that was certified. The Court also commented that it would address this new evidence on the merits at summary judgment. Given the Court’s indication and the risk that Defendant would prevail on the merits at summary judgment and/or at trial in light of this new evidence, Plaintiff’s counsel is of the opinion that the Settlement is fair, reasonable, and adequate, and is in the best interest of Class Members in light of all known facts and circumstances and risks inherent in litigation.

28. Additionally, Defendant has also represented that it has closed its Merced

1 facility as of June 2023, which would effectively cut off any liability with respect to the
2 Merced facility as of the closure date.

3 29. Based on the defenses and risks discussed above, the total amount of class
4 exposure ranges from \$7,297,013.33 to \$11,135,839.73.

5 30. While Plaintiff's counsel believe that the class claims are meritorious, they
6 are experienced and realistic, and understand that the outcome of a trial, and the outcome
7 of any appeals that would inevitably follow if Plaintiff prevailed, are inherently uncertain
8 in terms of both outcome and duration.

9 31. Based on my own independent investigation and evaluation, as well as that
10 of my experienced co-counsel, I am of the opinion that settlement for the consideration
11 and on the terms set forth in the Settlement Agreement are fair, reasonable, and adequate
12 and is in the best interests of the Class and Defendant in light of all known facts and
13 circumstances and the expenses and risks inherent in litigation.

14 32. The Class Members can be ascertained from Defendant's records. Based
15 upon Defendant's records, the estimated number of unique Class Members is
16 approximately 975.

17 33. The Settlement Agreement provides for a Gross Settlement Amount of One
18 Million One Hundred Fifty Thousand Dollars (\$1,150,000.00), inclusive of payments to
19 Class Members, a service award to the Class Representative, attorneys' fees and costs,
20 payment of PAGA penalties, and settlement administration costs.

21 34. After deduction of payments contemplated in the Settlement Agreement, the
22 Net Settlement Amount is estimated to be approximately \$593,416.67.

23 35. The Gross Settlement Amount of \$1,150,000.00 is for approximately 82,764
24 applicable pay periods during the Class Period. This amounts to \$7.17 per pay period
25 ($\$593,416.67 \div 82,764 \text{ pay periods} = \$7.17/\text{pay period}$).

26 36. Based on the approximately 975 Class Members as identified by Defendant,
27 each Class Member will receive a raw average of approximately \$608.63 from the Net
28 Settlement Amount ($\$593,416.67 \div 975 \text{ Class Members} = \$608.63 \text{ per individual}$). Each

1 Class Member who does not opt out (“Participating Class Member”) may receive a
2 settlement amount that is more or less than this raw average, depending on each
3 respective class member’s number of pay periods worked for Defendant in California
4 during the Class Period, and the number of opt-outs received.

5 37. No claim forms will be necessary for any Class Member to participate in the
6 settlement. Thus, any Class Member who does not opt-out from this settlement will
7 automatically be issued their share of the settlement proceeds.

8 38. The Parties have agreed that the remaining monies from uncashed checks
9 shall be paid to the cy pres beneficiary of the Settlement, Legal Aid Association of
10 California. Legal Aid Association of California is a nonprofit statewide membership
11 organization consisting of hundreds of nonprofit legal services organizations that
12 provide legal assistance to low-income Californians. I do not have any relationship with
13 Legal Aid Association of California.

14 **SETTLEMENT ADMINISTRATION**

15 39. The Parties have agreed to utilize Phoenix Settlement Administrators to
16 administer the settlement. I obtained quotes from three settlement administrators: (1)
17 ILYM Group, Inc., (2) CPT Group, Inc., and (3) Phoenix Settlement Administrators.
18 Given that Phoenix Settlement Administrators provided the lowest quote, the Parties
19 agreed to use Phoenix Settlement Administrators. Attached as **Exhibit B** is a true and
20 correct copy of the settlement administration quote from Phoenix Settlement
21 Administrators.

22 **ATTORNEY QUALIFICATIONS AND EXPERIENCE**

23 40. I am one of the primary attorneys on this matter. My qualifications are as
24 follows: I received my JD from Loyola Law School in 2017. I received the First Honors
25 Award in Legal Research and Writing, First Honors Award in Appellate Advocacy, and
26 First Honors Award in Civil Litigation Practicum I for achieving the highest grade in
27 those classes. During law school, I was a Staff Editor for Loyola Law Review. I was
28 also an extern at the U.S. District Court, Central District of California, for the Honorable

Christina A. Snyder, and a certified law clerk at the San Diego County District Attorney's Office, Collaborative Courts Division, and the Los Angeles County District Attorney's Office, Consumer Protection and Environmental Crimes Division. In 2016, I participated in Loyola Law School's Scott Moot Court Competition, where I placed Top 16 and was awarded the Top Ten Brief Award. In 2017, I participated in the Employment Rights Clinic, an extension of the Division of Labor Standards Enforcement created to investigate retaliation complaints. Upon graduation from law school, I was admitted to the California Bar in December 2017.

41. I am currently an associate at the law firm Diversity Law Group, P.C., an employment law firm that has handled numerous wage and hour class and individual actions, on both plaintiff and defense sides. The firm currently has cases in numerous state courts, including the Santa Clara Superior Court, Los Angeles Superior Court, Orange County Superior Court, San Diego County Superior Court, Monterey County Superior Court, as well as the United States District Courts for the Central, Northern, Southern, and Eastern Districts of California.

42. I am currently handling and/or have handled numerous wage and hour class action and PAGA lawsuits.

43. In 2018, I argued before the California Court of Appeal, Second Appellate District, in the case of *Lee v. California Commerce Club, Inc.* (California Court of Appeal Case Number B276171, LASC Case Number BC596924), and *Perez v. Standard Drywall, Inc.* (California Court of Appeal Case Number A146819, Alameda Sup. Ct. No. RG15761142). In that same year, I also assisted the firm in successfully obtaining class certification and partial summary judgment by the United States District Court, Northern District of California in the case of *Magadia v. Wal-Mart Associates, Inc.* (Case Number 17-CV-00062-LHK). I third chaired the bench trial in that same case in December 2018.

44. I have also been certified and/or approved as class counsel in numerous other wage/hour class actions. Most recently, I was certified as class counsel in the cases *Garcia v. Wal-Mart Associates, Inc., et al.* (S.D. Cal., Case Number 3:18-cv-00500-L-

1 MDD), *Richert v. Samaritan, LLC, et al.* (Santa Clara County Superior Court, Case
2 Number 17CV314186), *Song v. THC – Orange County, Inc.* (C.D. Cal., Case No. 8-17-
3 cv-965-JLS (DFM)), *Hernandez v. Wells Fargo Bank National Ass’n, et al* (Santa Clara
4 County Superior Court, Case No. 16-CV-299319), and *Sims v. QG Printing II, LLC, et al.*
5 (C.D. Cal., Case No. ED CV 20-1632-DMG (KKx)), as part of the courts’ orders granting
6 class certification pursuant to Fed. R. Civ. P. 23 and California Code of Civil Procedure §
7 382.

8 45. Moreover, I was granted final approval as class counsel in *Lao v. H & M*
9 *Hennes & Mauritz, L.P.* (N.D. Cal., Case No. 5:16:cv-333 EJD), *Abarca v. El Estero Car*
10 *Wash, Inc. et al* (Monterey County Superior Court, Case No. 18CV003398), *Valles v.*
11 *Community Hospital of the Monterey Peninsula* (Monterey County Superior Court, Case
12 No. 17CV003452), *Hernandez v. Wells Fargo Bank National Ass’n, et al* (C.D. Cal.,
13 Case No. 16-CV-299319); *Baker v. California Forensic Medical Group, Inc., et al.*,
14 Judicial Council Coordination Proceeding No. 4999 (Lead Case No. 17CV003723);
15 *Mendez v. Falcon Trading Company* (Monterey County Superior Court, Case No.
16 19CV004512).

17 46. My only relationship with Plaintiff is the attorney-client relationship in this
18 matter.

19 NOTICE TO THE LWDA

20 47. Concurrent with the filing of this Motion, Plaintiff uploaded this motion and
21 proposed order to the LWDA’s website. A true and correct copy of the LWDA
22 confirmation is attached hereto as **Exhibit C**.

23 I declare under penalty of perjury and the laws of the United States of America and
24 the State of California that the foregoing is true and correct and that this declaration was
25 executed on this 9th day of November 2023, at Los Angeles, California.

26 /s/ Kwanporn “Mai” Tulyathan
27 Kwanporn “Mai” Tulyathan
28

EXHIBIT A

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Attorneys for Defendant
QG PRINTING II, LLC

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

JAMES SIMS, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

QG PRINTING II LLC, a Connecticut
limited liability company; 74 QG
PRINTING II LLC, business
organization, form unknown; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 5:20-cv-01632-DMG-KK

Hon. Dolly M. Gee

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT**

This Joint Stipulation of Class Action Settlement Agreement (“Settlement Agreement”) is made and entered into between Plaintiff James Sims (“Plaintiff” or “Class Representative”) on the one hand, individually and on behalf of the Class (as defined below), by and through his counsel of record, Diversity Law Group, P.C. and Polaris Law Group, and Defendant QG Printing II, LLC (“Defendant”) on the other hand, by and through its counsel of record, Littler Mendelson, P.C., subject to the approval of the Court, as provided below. This Settlement Agreement is intended by Plaintiff and Defendant to fully, finally, and forever resolve, discharge, and settle the Released Claims (as defined below), upon and subject to the terms and conditions hereof, as follows:

1. Definitions.

As used herein, for the purposes of this Settlement Agreement only, the following terms shall be defined as set forth below:

1.1 “Action” refers to the civil action entitled: *James Sims, as an individual and on behalf of all others similarly situated, v. QG Printing II LLC, et al.*, Case No. 5:20-cv-01632-DMG-KK in the United States District Court for the Central District of California.

1.2 “Class” or “Settlement Class” collectively refers to the following:

1.2.1 “Group 1” refers to all current and former non-exempt press production employees at the Merced and Riverside California plants who used Defendant’s scheduling hotline or Inside Quad for purposes of checking their schedule during the period of April 6, 2016, through Preliminary Approval.

1.2.2 “Group 2” refers to all other current and former non-exempt employees in California (who are not part of Group 1) and who were issued wages during the period of July 20, 2022, through Preliminary Approval.

1.3 “Class Counsel” refers to the attorneys of record for the Class Representative, Larry W. Lee and Mai Tulyathan of Diversity Law Group,

P.C., and William L. Marder of Polaris Law Group.

1.4 “Class Counsel Award” refers to the costs incurred and attorneys’ fees sought by Class Counsel and agreed upon by the Parties for Class Counsel’s litigation and resolution of this Action, subject to Court approval.

1.5 “Class Members” or “Settlement Class Members” shall mean all individuals identified in Paragraph 1.2.

1.6 “Class Member Payment” shall refer to the amount paid to a Participating Class Member who does not timely submit a Request for Exclusion as set forth below, and/or the amount paid to a PAGA Employee from the PAGA Penalties.

1.7 “Class Notice” refers to the Notice of Class Action Settlement to be sent by U.S. Mail to each Class Member by the Settlement Administrator as set forth herein in the form substantially similar attached as **Exhibit “A”** and subject to approval by the Court.

1.8 “Class Representative” or “Plaintiff” refers to James Sims.

1.9 “Complaint” refers to the Class and Representative Action Complaint filed by Plaintiff in the Action on or about June 1, 2020.

1.10 “Fairness Hearing” refers to the hearing at which the Court will consider whether the terms of the Settlement Agreement are fair, reasonable, and adequate for the Class and meet all applicable requirements for approval.

1.11 “Final Approval Order” refers to the final order entered by the Court approving the Settlement.

1.12 “Effective Date” refers to the first day after the date by which the last of the following has occurred: (a) all conditions of settlement that can be accomplished prior to the Effective Date becomes in existence; (b) the Court, or other court assuming jurisdiction of this matter, has entered the Final Approval Order and Judgment; and (c) the Court’s Judgment approving the Settlement becomes Final. “Final” shall mean the latest of:

(i) if there is an appeal of the Court's Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari, or, (ii) if a petition for a writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment.

1.13 "Gross Settlement Amount" (also referred to herein as "GSA") refers to the maximum settlement payment Defendant may be obligated to make: One Million One Hundred Fifty Thousand Dollars and Zero Cents (\$1,150,000.00). This sum shall include all payments made to Settlement Class Members, the Court-approved Service Award to the Class Representative, the Court-approved Settlement Administration Costs, the Court-approved Class Counsel Award, and payment of PAGA Penalties to the Labor and Workforce Development Agency and PAGA Employees. The GSA is non-reversionary. The Defendant's share of payroll taxes shall be paid separately by Defendant in addition to the GSA.

1.14 "Group 1 Class Period" refers to April 6, 2016, through Preliminary Approval.

1.15 "Group 2 Class Period" refers to July 20, 2022, through Preliminary Approval.

1.16 "Judgment" refers to the final judgment by the Court approving the Settlement.

1.17 "LWDA Payment" means the amount that the Parties have agreed to pay to the LWDA from the PAGA Penalties. In accordance with the PAGA, 75% of the PAGA Penalties, or Seventy-Five Thousand Dollars (\$75,000.00), will be paid to the LWDA.

1.18 "Net Settlement Amount" (also referred to herein as "NSA") shall be

defined as the GSA minus the Court-approved Service Award to the Class Representative, the Court-approved Settlement Administration Costs, the Court-approved Class Counsel Award, and the PAGA Penalties. The NSA is the maximum amount that shall be available for distribution to Participating Class Members for Class Member Payments.

1.19 “PAGA” refers to the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code § 2698, *et seq.*).

1.20 “PAGA Employees” refers to the Class Members who worked for Defendant at any time from April 6, 2019, through Preliminary Approval.

1.21 “PAGA Penalties” means the amount that the Parties have agreed to pay to the LWDA and PAGA Employees for the release of PAGA claims as set forth below. The Parties have agreed that One Hundred Thousand Dollars (\$100,000.00) of the Gross Settlement Amount will be allocated to the resolution of Class Members’ claims arising under PAGA. In accordance with the PAGA, 75% of this amount (\$75,000.00) will be paid to the Labor and Workforce Development Agency and 25% of this amount (\$25,000.00) will be paid to PAGA Employees.

1.22 “PAGA Period” refers to April 6, 2019, through Preliminary Approval.

1.23 “Parties” refers to Plaintiff James Sims and Defendant QG Printing II, LLC collectively.

1.24 “Plaintiff’s Released Claims” are those claims defined in Paragraph 12.1 that are released solely by Plaintiff against Defendant and its subsidiaries, parents, affiliated companies, employees, directors, officers, agents, successors, or assigns.

1.25 “Preliminary Approval” refers to the date the Court grants preliminary approval of the Settlement.

1.26 “Preliminary Approval Order” refers to the Court’s Order granting Preliminary Approval of the Settlement.

- 1.27 “Released Claims” are those claims defined in Paragraph 12.3 that are released by Participating Class Members.
- 1.28 “Released PAGA Claims” are those claims defined in Paragraph 12.4 that are released by PAGA Employees, regardless of whether they submit a valid Request for Exclusion. PAGA Employees may not opt out from the Released PAGA Claims.
- 1.29 “Released Parties” as used herein means Defendant QG Printing II, LLC, its subsidiaries, parents, affiliated companies, employees, directors, officers, agents, successors, or assigns.
- 1.30 “Request for Exclusion” refers to a written, signed request by a member of the Class seeking to be excluded from the Class pursuant to Paragraph 15.
- 1.31 “Response Deadline” refers to a date that is forty-five (45) calendar days after the date that the Class Notice is initially mailed to Class Members and is the deadline by which any objections must be filed with the Court or Requests for Exclusion must be postmarked in order to be timely.
- 1.32 “Service Award” refers to the Court’s award of a monetary payment to the Plaintiff for his services as the Class Representative as described in Paragraph 6, to be paid for from the Gross Settlement Amount, and in return for executing a general release and Civil Code section 1542 waiver as set forth in Plaintiff’s Released Claims in Paragraph 12.1.
- 1.33 “Settlement” refers to the settlement of the Action on behalf of the Settlement Class under the terms and conditions set forth in this Settlement Agreement.
- 1.34 “Settlement Administration Costs” refers to the costs that the Parties agree to pay the Settlement Administrator, subject to Court approval, for its fees and costs to perform the notice, settlement administration, and distribution functions further described in this Settlement Agreement. The Parties anticipate that the Settlement Administration Costs will not exceed

1 \$13,250.00.

2 1.35 “Settlement Administrator” refers to the third-party administrator mutually
3 selected by the Parties, subject to Court approval, to perform the notice,
4 settlement administration, and distribution functions further described in this
5 Settlement Agreement. The Parties agree to use Phoenix Settlement
6 Administrators, subject to Court approval.

7 1.36 “Participating Class” or “Participating Class Member” refers to all Class
8 Members, or individual Class Members who do not request exclusion from
9 the Settlement pursuant to Paragraph 15 of this Settlement Agreement.

10 2. **Procedural History and Recitals.**

11 2.1 On or about June 1, 2020, Plaintiff filed his Complaint asserting putative
12 class and representative action claims against Defendant QG Printing II,
13 LLC and 74 QG Printing II LLC¹, on behalf all current and former
14 employees of Defendant in the Superior Court of California, County of
15 Riverside. The Complaint alleges the following causes of action: (1) failure
16 to pay wages; (2) violation of Labor Code § 2802; (3) violation of Labor
17 Code § 226(a); (4) violation of Business and Professions Code § 17200, *et*
18 *seq.*; and (5) violation of Labor Code § 2698, *et seq.* On August 14, 2020,
19 Defendant removed the action to this Court.

20 2.2 Plaintiff contends that he and the class he seeks to represent are entitled to
21 unpaid wages, damages, statutory and civil penalties, and other remedies as
22 a result of Defendant’s alleged misconduct, specifically based on (1) failure
23 to pay minimum, regular, overtime, and reporting time wages based on an
24 alleged “call-in” practice of having class members confirm their scheduled
25 shifts off-the-clock prior to their shifts, (2) failure to reimburse business
26

27 ¹ On February 19, 2021, the Court dismissed 74 QG Printing II LLC, without prejudice,
28 from the Action pursuant to the Parties’ stipulation to dismiss that entity from this
Action.

1 expenses to class members for use of personal cell and/or home phones to
2 check their schedules, (3) failure to provide accurate itemized wage
3 statements to class members (derivative and standalone wage statement
4 violations), and (4) unfair business practices in violation of the California
5 Unfair Competition Law.

6 2.3 Defendant denies that it has engaged in any alleged unlawful conduct, denies
7 that it has violated any statute, principle of common law or equity, rule or
8 regulation, and maintains that it has complied at all times with California
9 law.

10 2.4 On August 21, 2020, Defendant filed its Motion to Dismiss Or, In the
11 Alternative, Discretionary Stay Pursuant to First-To-File Rule, based on two
12 prior filed actions alleging similar claims. On January 14, 2021, the Court
13 issued its Order denying Defendant's Motion, in part, finding that the First-
14 To-File-Rule did not prevent Plaintiff from proceeding with his off-the-
15 clock, reporting time pay, and expense reimbursement claims. The Court
16 ordered a stay on Plaintiff's independent Labor Code § 226(a) claim, and his
17 related PAGA claim based on the same violation, pending resolution of that
18 claim in the prior actions.

19 2.5 On September 7, 2021, the Parties participated in a mediation session with
20 the Honorable Kevin Murphy (Ret.). The Parties were unable to reach an
21 agreement and continued litigation.

22 2.6 On December 17, 2021, Plaintiff filed his Motion for Class Certification,
23 seeking certification of his off-the-clock, reporting time pay, and unpaid
24 reimbursement claims. On March 4, 2022, the Court issued its Order,
25 granting Plaintiff's Motion in part and certified Plaintiff's call-in and
26 reporting time pay claims. The Court certified a class of "All current and
27 former non-exempt press production employees of Defendant QG Printing II
28 LLC who worked at Defendant's Riverside and/or Merced facility in the

State of California at any time between April 6, 2016 through the present.”

2.7 Defendant moved for reconsideration of the Court’s Order granting class certification on March 18, 2022. On March 22, 2023, the Court issued its Order Denying Defendant’s Motion for Reconsideration of the Order Granting Plaintiff’s Motion for Class Certification.

2.8 On April 5, 2023, Defendant filed a Petition for Permission to Appeal Order Granting Class Certification under Fed. R. Civ. P. 23(f) in the Ninth Circuit. The Ninth Circuit issued its Order denying the Petition on June 1, 2023.

2.9 On June 28, 2023, the Parties attempted a second mediation session with Michael J. Loeb, Esq. After months of continued post-mediation negotiations facilitated by Mr. Loeb, the Parties reached the basic terms of a settlement, signed a binding Memorandum of Understanding, and agreed to prepare this formal settlement agreement, subject to Court approval.

2.10 Class Counsel represents that they have thoroughly investigated the claims against Defendant in this Action. Class Counsel represents that they have conducted their own investigation into the underlying facts, events, and issues related to the subject matter of this Action. Class Counsel represents that they have further undertaken an extensive analysis of the legal principles applicable to the claims asserted against Defendant, and the potential defenses thereto.

2.11 After extensive formal and informal discovery conducted in this Action, including depositions of Plaintiff, various FRCP 30(b)(6) witnesses, class members, production of class data, call logs, and documents, expert discovery, and information regarding the size and scope of the class provided for mediation, and extensive litigation of this Action, Plaintiff and his counsel have concluded that (i) it is in the best interests of the Class to enter into the settlement described herein in order to avoid the risk and uncertainties involved with proceeding with trial and to assure benefits to the

1 Class; and (ii) the terms and conditions of this Agreement, and the
2 Settlement contemplated hereby, are fair, reasonable, and adequate, and in
3 the best interests of all of the Class Members.

4 2.12 Class Counsel have also engaged in intensive arm's-length negotiations with
5 counsel for Defendant with a view toward achieving substantial benefits for
6 the Class while avoiding the cost, delay, and uncertainty of further litigation,
7 trial, and appellate review.

8 2.13 As a consequence of said negotiations, and of Class Counsel's investigation,
9 analysis, and discovery, Plaintiff and Class Counsel determined to enter into
10 this Settlement Agreement on the terms and conditions hereinafter set forth,
11 believing such Settlement to be fair, reasonable, and adequate and in the best
12 interests of Class Members. Plaintiff and Class Counsel have determined to
13 execute this Settlement Agreement and urge approval by the Court of the
14 proposed Settlement after considering (1) the substantial factual and legal
15 defenses asserted by Defendant to the claims asserted in the Action; (2) the
16 potential difficulties Plaintiff and Class Members would encounter in
17 establishing the elements of their claims; (3) the substantial benefits that
18 Class Members shall receive pursuant to the proposed Settlement; (4) the
19 fact that the proposed Settlement ensures that Class Members shall receive
20 relief in the most expeditious and efficient manner practicable, and thus
21 much sooner than would be possible were the claims to be litigated
22 successfully through trial and appeal; and (5) the fact that the proposed
23 Settlement allows persons who would otherwise fall within the definition of
24 the Class, if they so desire, to opt out of the Action and individually pursue
25 the claims alleged in the Action.

26 NOW THEREFORE, in consideration of the covenants and agreements set forth
27 herein, and of the release and dismissal of all Released Claims and Released PAGA
28 Claims, Plaintiff, the Settlement Class, and Defendant agree to the terms and provisions

of this Settlement Agreement, subject to the approval of the Court.

3. Establishment of the GSA.

3.1 This Settlement shall be made on a non-claims-made basis and will be non-reversionary. Defendant shall pay a total of no more than the GSA, with the exception of the employer's share of federal, state, and local taxes and required payroll withholdings ("Employer's Withholding Share"), which shall be paid by Defendant separate from and in addition to the GSA.

3.2 Payment by Defendant pursuant to this Settlement Agreement shall settle for Participating Class Members and PAGA Employees, all Released Claims and Released PAGA Claims between the Released Parties and Participating Class Members and PAGA Employees, including all Class Member Payments, PAGA Penalties to PAGA Employees, the Court-approved Service Award to the Class Representative, the Court-approved Settlement Administration Costs, and the Court-approved Class Counsel Award.

4. Calculation of the NSA and Distribution of Settlement Proceeds.

4.1 Each Participating Class Member will be entitled to a share (for the individual Class Member Payments) of the NSA in accordance with the formula set forth below. Payments will be made from the NSA to Participating Class Members, as set forth herein.

4.1.1 The NSA shall be divided among all Participating Class Members on a pro rata basis, based on the number of pay periods each Class Member performed work for Defendant in California, as compared to the total number of pay periods all Class Members performed work for Defendant in California during the Class Period.

4.1.2 If a Class Member timely and validly submits a Request for Exclusion, as set forth herein, his or her portion of the NSA (or estimated Class Member Payment) will be included in the NSA for distribution to Participating Class Members.

4.2 Payments to Participating Class Members pursuant to this Settlement Agreement are not intended by the Parties to be compensation for purposes of determining eligibility for or benefit calculations of any health and welfare benefit plan, retirement benefit plan, vacation benefit plan, or unemployment compensation, including, without limitation, all plans, subject to Employee Retirement Income Security Act (“ERISA”). The Parties agree that the payments are not intended to represent any modification of any employee’s previously credited hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan, or other program or policy.

5. Class Counsel Award.

Class Counsel shall move for attorneys’ fees and costs contemporaneous with the motion for the Final Approval Order requesting, and to which Defendant agrees to not oppose, an attorneys’ fees award that is equal to or less than Three Hundred Eighty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (**\$383,333.33**) (*i.e.*, approximately one-third of the GSA), plus a cost award not to exceed Fifty Thousand Dollars (**\$50,000.00**). Any unapproved amount of attorneys’ fees and costs shall be allocated to the Net Settlement Amount and be apportioned to the Participating Class Members as described in Paragraph 4 of this Settlement Agreement.

6. Service Award.

Class Counsel shall file a motion requesting a Service Award for Plaintiff, to which Defendant agrees not to object, of up to Ten Thousand Dollars (**\$10,000.00**) from the GSA in consideration for serving as Class Representative and in exchange for executing a general release and a Civil Code section 1542 waiver. Should the Court approve a Service Award in an amount less than that set forth herein, the unapproved portion or portions shall revert to the NSA and be apportioned to Participating Class Members as described in Paragraph 4 of this Settlement Agreement.

7. PAGA Penalties.

1 Subject to Court approval, the Parties agree that the amount of One Hundred
2 Thousand Dollars (**\$100,000.00**) of the GSA will be allocated to the resolution of any
3 claims arising under PAGA. In accordance with the PAGA, 75% of this amount
4 (\$75,000.00) will be paid to the Labor and Workforce Development Agency and 25% of
5 this amount (\$25,000.00) will be paid to the PAGA Employees. Payment of PAGA
6 Penalties to the PAGA Employees will be made on a pro rata basis, based on the number
7 of pay periods each PAGA Employee performed work for Defendant in California during
8 the PAGA Period, as compared to the total number of pay periods all PAGA Employees
9 performed work for Defendant in California during the PAGA Period. Any unapproved
10 amount of PAGA Penalties shall be allocated to the NSA and be apportioned to
11 Participating Class Members as described in Paragraph 4 of this Settlement Agreement.

12 **8. Settlement Administration Costs.**

13 The Parties agree to mutually select Phoenix Settlement Administrators as the
14 Settlement Administrator in this Action. This administration duty shall include without
15 limitation, setting up an escrow account for funding of the Settlement, accepting
16 payments pursuant to the Payment Procedure described herein, obtaining tax
17 identification number(s) for Defendant applicable to the Settlement, calculating the Class
18 Member Payments, performing an initial National Change of Address (“NCOA”) search
19 upon receipt of the Class Member mailing addresses, mailing and translating the Class
20 Notices, performing skip tracing on Class Notices returned as undeliverable, establishing
21 a hotline telephone number to communicate with Class Members about the Settlement,
22 reviewing and processing requests for exclusion, mailing the Class Members Payments
23 and tax forms to the Participating Class Members and PAGA Employees, and making all
24 required distributions. The Settlement Administrator will report payment of the
25 individual Class Member Payments to all required taxing and other authorities and issue
26 Internal Revenue Service Form W-2, 1099s, or other tax reporting forms. The Settlement
27 Administrator will establish a Qualified Settlement Fund (“QSF”), pursuant to Section
28 468B(g) of the Internal Revenue Service, for the purposes of administering the

Settlement. Subject to Court approval, all Settlement Administration Costs shall be taken from the Gross Settlement Amount. The Parties expect Settlement Administration Costs to not exceed Thirteen Thousand Two Hundred Fifty Dollars (\$13,250.00). Any unapproved amount of Settlement Administration Costs shall be allocated to the NSA and apportioned to the Participating Class Members as described in Paragraph 4 of this Settlement Agreement.

9. Payment Procedure.

9.1 Funding the Settlement. Within five (5) calendar days after the Effective Date, the Settlement Administrator will provide notice and direct Defendant to pay the Settlement Administrator the total funds required to fully fund the Gross Settlement Amount to the QSF. Defendant shall further provide its portion of any employer-paid payroll tax obligations as calculated by the Settlement Administrator that are to be paid by Defendant in addition to the Gross Settlement Amount. Within fourteen (14) calendar days of receiving that notice, Defendant shall deposit the funds required to fully fund the Gross Settlement Amount, plus Defendant's portion of the employer-paid payroll tax obligations, into the QSF.

9.2 Distribution to Class Counsel. The total amount of Class Counsel Award due to Class Counsel shall be due and payable no later than fourteen (14) calendar days after receipt by the Settlement Administrator of the QSF. In no event will the disposition of Class Counsel Award delay the administration or completion of the settlement administration process.

9.3 Distribution of Service Award to Class Representative. Within fourteen (14) calendar days after receipt by the Settlement Administrator of the QSF, the Settlement Administrator shall pay to Plaintiff the amount of the Court-approved Service Award from the QSF. Plaintiff shall also be eligible to receive his individual Class Member Payment and/or individual share of the PAGA penalties, in addition to the Service Award. The Service Award shall

not be taxed as wages. The Settlement Administrator will issue a 1099 to Plaintiff in connection with the Service Award.

9.4 Distribution to Participating Class Members and PAGA Employees. Within fourteen (14) calendar days after receipt by the Settlement Administrator of the QSF, the Settlement Administrator will make payments to Participating Class Members and PAGA Employees out of the QSF as required by the Final Approval Order, less any required payroll withholdings for the Class Member Payments. The Settlement Administrator shall mail payments to Participating Class Members and PAGA Employees by first-class mail. The checks shall indicate on their face that they are void if not negotiated within one hundred eighty (180) calendar days of issuance, and after such time the check will be deemed void and of no further force and effect.

9.5 Distribution to the LWDA. Within fourteen (14) calendar days after receipt by the Settlement Administrator of the QSF, the Settlement Administrator shall pay the Court-approved payment of PAGA Penalties to the LWDA.

9.6 Payment to Settlement Administrator. Within fourteen (14) calendar days after receipt by the Settlement Administrator of the QSF, the Settlement Administrator shall issue a payment to itself for the Court-approved Settlement Administration Costs in connection with the services performed with the Settlement.

9.7 Uncashed Class Payments. Any checks issued by the Settlement Administrator to Participating Class Members and PAGA Employees shall be negotiable for not less than one hundred and eighty (180) days from the date of issuance. In the event that the settlement payment checks for Participating Class Members and PAGA Employees are not cashed within one hundred and eighty (180) days, all funds represented by such uncashed checks shall be distributed to the following *cy pres* beneficiary: Legal Aid Association of California. In such event, the affected Participating Class

Members and/or PAGA Employees will be deemed to have irrevocably waived any right in or claim to a Class Member Payment and/or their individual share of the PAGA Penalties, but the Settlement and their release of Released Claims and Released PAGA Claims will remain binding upon them.

10. Tax Treatment.

10.1 Tax Treatment of Claimed Portion of Settlement Payments. Class Member Payments from the NSA shall be treated as follows: 1/3 as wages, 1/3 as interest, and 1/3 as penalties. The wage payments shall be reported to the IRS pursuant to Form W-2, and the interest and penalties payments shall be reported to the IRS pursuant to Form 1099. Individual payments to the PAGA Employees from the PAGA Penalties shall be treated as one hundred percent (100%) penalties and shall be reported to the IRS pursuant to Form 1099.

10.2 Tax Treatment of Class Representative Service Award. Plaintiff will receive an IRS Form 1099 for his Service Award. Plaintiff will be responsible for payment of any taxes owing on said amount.

10.3 Tax Treatment of Attorneys' Fees and Cost Award. Class Counsel will receive an IRS Form 1099 for any amount awarded to Class Counsel in the form of attorneys' fees or costs. Class Counsel will be responsible for payment of any taxes owing on said amount.

10.4 No Tax Advice. Defendant, Defendant's Counsel, and Class Counsel are not giving any tax advice in connection with the Settlement or any payments to be made pursuant to this Settlement. Each Participating Class Member agrees to indemnify and hold harmless Defendant, Defendant's Counsel, and Class Counsel from any liability for taxes, fees, costs, or assessments resulting from his or her failure to timely pay his or her share of taxes, interest, fees, or penalties owed.

11. **Resolution of Disputes Relating to Amounts Owed to a Class Member.**

If a Class Member timely disputes the number of applicable pay periods that he or she performed work for Defendant during the Class Period as listed in the Class Notice, the Class Member may produce evidence to the Settlement Administrator indicating the dates and/or pay periods contended to have been worked during the applicable class period. Any such pay period disputes will be deemed timely if postmarked on or before forty-five (45) days following the initial date of mailing the Class Notice by the Settlement Administrator. An individual can only dispute his/her pay period count if he/she does not exclude him/herself from the Settlement. Defendant's records will be presumed determinative absent evidence to rebut Defendant's records. The Parties' counsel will meet and confer in an attempt to reach an agreement regarding whether an adjustment is warranted based on the evidence submitted by the Class Member. If counsel for the Parties cannot agree, the dispute shall be submitted to the Settlement Administrator, who shall examine the records and either verify the calculation or provide a corrected calculation. In any event, the Settlement Administrator will make every effort to resolve any such disputes prior to final approval of this Settlement Agreement. The Settlement Administrator's determination of disputes under this Paragraph will be final.

12. **Release.**

In exchange for the consideration set forth in this Settlement Agreement, Plaintiff and the Participating Class Members agree to release all claims as set forth herein as applicable.

12.1 Upon the Effective Date and Defendant's funding of the QSF, Plaintiff James Sims agrees to the additional following general release: In consideration of Defendant's promises and agreements as set forth herein, Plaintiff hereby fully releases the Released Parties from any and all Released Claims and also generally releases and discharges the Released Parties from any and all claims, demands, obligations, causes of action, rights, or

liabilities of any kind which have been or could have been asserted against the Released Parties arising out of or relating to Plaintiff's employment by Defendant or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by this Agreement) relating to or in any way connected with his employment with Released Parties and the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH 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 RELEASED PARTY.

It is expressly understood and agreed to that Plaintiff's Released Claims relate only to Plaintiff as an individual and do not extend to any claims of any person other than Plaintiff.

12.2 Plaintiff warrants and represents that he has not assigned or transferred to any person or entity any of Plaintiff's Released Claims or any rights, claims, or causes of action arising out of Plaintiff's Released Claims. In addition, Plaintiff shall defend, hold harmless, and indemnify the Released Parties, or any of them, from and against any claims, damages, litigation, causes of action, and expenses, including reasonable attorneys' fees, resulting from any breach by Plaintiff of this warranty and representation, or any breach by Plaintiff of his release of Plaintiff's Released Claims.

12.3 Participating Class Members shall provide the following releases as applicable:

12.3.1 Group 1 Class Members: Upon the Effective Date and Defendant's funding of the QSF, Group 1 Class Members (other than those who submit a valid opt-out/Request for Exclusion) shall release Defendant from all causes of action and factual or legal theories arising during the Group 1 Class Period that were alleged in the operative Complaint (or LWDA notice) or arise from facts alleged in the operative Complaint (or LWDA notice), including all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief, based on failure to pay wages (including overtime and minimum wages), failure to provide accurate wage statements, failure to timely pay all final wages, unfair business practices, alleged violations of Labor Code sections 201-204, 218.5, 226(a), 226.3, 510, 558, 1174, 1194, 1198, 1199, 2699, Business and Professions Code section 17200 *et seq.*, and the applicable IWC Wage Orders. Class Members shall not waive section 1542 of the California Civil Code.

12.3.2 Group 2 Class Members: Upon the Effective Date and Defendant's funding of the QSF, Group 2 Class Members (other than those who submit a valid opt-out/Request for Exclusion) shall release Defendant from all causes of action and factual or legal theories arising during the Group 2 Class Period for violation of Labor Code sections 226(a) that were alleged in the operative Complaint (or LWDA notice) or arise from facts alleged in the operative Complaint (or LWDA notice), including all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief. Class Members shall not waive section 1542 of the California

Civil Code.

12.4 PAGA Employees shall provide the following release: Upon the Effective Date and Defendant's funding of the QSF, PAGA Employees shall release Defendant from any liability for civil penalties recoverable under PAGA for violations during the PAGA Period under PAGA based on any factual or legal theories that were alleged in the operative complaint and the LWDA notice or arise from facts alleged in the operative complaint and the LWDA notice, including for the following California Labor Code sections: 201-204, 226(a), 510, 558, 1174, 1198, 1199, 2802, and 2699. PAGA Employees shall not waive section 1542 of the California Civil Code.

13. Class Notice and Settlement Administration.

13.1 Engagement of Settlement Administrator. The Parties agree to Phoenix Settlement Administrators as the Settlement Administrator to disseminate the notice and perform other settlement administration functions set forth below.

13.1.1 The Settlement Administrator shall provide Defendant's Counsel and Class Counsel with weekly summary reports, including the total number of Class Notices that were returned as undeliverable, the total number of Objections and Requests for Exclusion, if any. The Settlement Administrator shall maintain records of its work, which shall be available for inspection upon request by Defendant's Counsel or Class Counsel.

13.2 Identification of Class Members.

13.2.1 Within fourteen (14) calendar days of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the following information:

- (1) the name, last known address, Employee Identification Number, and Social Security number of each Class Member;

and

(2) data showing the number of pay periods the Class Member performed worked for Defendant in California during the Class Period and/or PAGA Period (if applicable).

13.2.2 Upon its receipt of the list of names and last known addresses of each Class Member, the Settlement Administrator shall access the NCOA Database, and update the addresses maintained by Defendant.

13.2.3 The Settlement Administrator shall provide the Class Notice by first class mail, forwarding requested, to the Class Members at the addresses identified through the process described above.

13.2.4 As to any Class Notices that are returned as undeliverable after the initial mailing or where the NCOA Database indicates that the last known address of any Class Member is invalid or otherwise undeliverable, the Settlement Administrator shall perform skip tracing. Such skip trace procedure shall be performed within two (2) business days of the date on which the Settlement Administrator is informed that a Class Notice is undeliverable. Thereafter, if this procedure reveals a new address, the Settlement Administrator shall re-mail the Class Notice to the new address within five (5) business days of the skip trace.

13.3 Class Notice and Notification of Number of Pay Periods.

13.3.1 Class Notice for Persons Identified as Class Members. The Class Notice shall be a pre-printed notice, in substantially the form attached hereto as **Exhibit A** and to be approved by the Court. In addition to other information contained on the Class Notice, the Class Notice shall state the number of pay periods that the Class Member performed work for Defendant in California during the Class Period and/or PAGA Period (if applicable), according to Defendant's

records, and state each Class Member's estimated settlement payment. The Class Notice also shall include an explanation of the pro rata distribution formula.

133.1.1 The Class Notice shall state that, if the Class Member disagrees with the number of pay periods as stated on the Class Notice, the Class Member must set forth the information that he or she believes is correct, explain the basis for such belief, and submit documentation to support his or her claim. Failure to submit written documentation to support such dispute will mean that Defendant's numbers from its records will be controlling.

14. **Objections to the Settlement.**

Any Class Member who does not submit a valid and timely Request for Exclusion (*i.e.*, a Participating Class Member) may submit an objection to the Settlement. The Class Notice will provide that Class Members who wish to object to the Settlement must timely file a written objection with the Court by the Response Deadline. To be timely, all objections must be postmarked no later than the Response Deadline. The written objection must (a) contain the objecting person's full name, current address, and signature; (b) identify this Action by case name and number; (c) state whether the objection applies only to the objector, a specific subset of the class, or to the entire class; (d) state with specificity the grounds for any objections; and (e) state whether the objector intends to appear and object to the Settlement at the Fairness Hearing. The objector may include any supporting papers, including without limitation, briefs, written evidence, and declarations. Any Class Member who wishes to object to the Settlement must mail their written objection to the Court (location and address of the Court will be specified in the Class Notice), or file the written objection in person at the United States District Court for the Central District of California.

A Class Member who does not file and serve an objection in the manner and by the deadline specified in the Class Notice will be deemed to have waived all objections

and will be foreclosed from making any objections to the Settlement, whether by appeal or otherwise. Any Class Member who files an objection remains eligible to participate as a Class Member in the Settlement and receive monetary compensation from the Settlement. The Parties agree that they will not encourage any Class Member to object to the terms of the Settlement.

15. Right to Request Exclusion.

15.1 Any Class Member may elect to opt out of the Settlement by submitting a written Request for Exclusion from the Settlement to the Settlement Administrator. To be timely, all such Requests for Exclusion must be postmarked no later than the Response Deadline. Such Requests for Exclusion must (a) contain the full name, address and telephone number of the person requesting exclusion; (b) be signed by the person requesting exclusion; (c) identify this Action by case name and number; and (d) contain a statement clearly indicating that the person submitting the request seeks to be excluded from the Settlement. The Request for Exclusion must be returned by mail to the Settlement Administrator at the specified address indicated in the Class Notice, and must be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. The Parties agree that they will not encourage any Class Member to seek exclusion.

15.2 If the Request for Exclusion does not contain the information listed in (a) through (d) or is not submitted to the Settlement Administrator by the Response Deadline, it will not be deemed timely and/or valid. A Class Member who does not submit a valid and timely Request for Exclusion shall be bound by all the terms of the Settlement Agreement and any final judgment or order in this Action.

15.3 Any Class Member who elects to opt out of the Class in the manner and

within the time limits specified above and in the Class Notice: (1) shall not have any rights under the Settlement Agreement; (2) shall not be entitled to receive any compensation under the Settlement Agreement, except Class Members who are also PAGA Employees shall receive their individual portion of the PAGA Penalties; (3) shall not have standing to submit any objection to the Settlement Agreement; and (4) shall not be bound by the Settlement Agreement, except with respect to the Released PAGA Claims, from which there is no right to opt out.

16. Calculation of Gross Settlement Amount and Escalator Clause.

Defendant represents that the total pay periods for all Class Members is approximately 82,764. Defendant represents that Group 1 consists of approximately 62,676 pay periods and Group 2 consists of approximately 20,088 pay periods. The Parties premised the proposed Settlement on this representation and agree that if the number of total pay periods for the Settlement Class exceeds 82,764 by more than 7.5% (i.e., more than 6,207 pay periods), then Defendant shall have the option of (1) increasing the Gross Settlement Amount on a pro rata percentage, with a 7.5% grace margin (i.e., if the total pay periods increases by 10%, the Gross Settlement Amount shall increase by 2.5%); or (2) elect to limit the end dates of Group 1 Class Period and Group 2 Class Period for determining class membership so as to limit the pay periods to a maximum of no more than 7.5% above 82,764 (i.e., if the total pay periods increases more than 7.5% one month before preliminary approval, then the membership in the Settlement Class shall cut-off as of that date).

17. Application for Preliminary Approval Order.

After the Parties' execution of this Agreement, Plaintiff shall file for preliminary approval of the proposed Settlement, requesting a Preliminary Approval Order that contains the following provisions:

- (1) preliminarily approving the Settlement Agreement and its terms;
- (2) approving the form of the Class Notice, and finding that the proposed

method of disseminating the Class Notice meets the requirements of due process and is the best notice practicable under the circumstances;

(3) establishing procedures and the deadline by which individuals may exclude themselves or object to the Settlement;

(4) appointing Class Counsel, the Settlement Administrator, and the Class Representative;

(5) establishing a deadline to submit papers/briefing in support of final approval of the Settlement Agreement including the Service Award for the Class Representative and the Class Counsel Award; and

(6) setting a date for the Fairness Hearing.

17.1 Upon Preliminary Approval of the Settlement, all Class Members who do not opt out of the Settlement shall be enjoined from filing, joining, or becoming a party, member or representative in any actions, claims, complaints, or proceedings in any state or federal court on an individual, representative, collective or class action basis, or with the California Department of Industrial Relations' Division of Labor Standards Enforcement or the United States Department of Labor, or from initiating any other proceedings, regarding any of the Released Class Claims defined herein. Any related pending actions, claims, complaints, or proceedings in any state or federal court or with the DLSE or DOL, shall be stayed until the Class Members have had an opportunity to decide to participate, object or file a request for exclusion from this Settlement. In addition, Upon Preliminary Approval of the Settlement, all Class Members (regardless of whether they opt-out) shall be enjoined from filing, joining, or becoming a party, member or representative in any actions, claims, complaints, or proceedings in any state or federal court on an individual, representative, collective or class action basis, or with the California Department of Industrial Relations' Division of Labor Standards Enforcement or the United States Department of Labor, or from initiating any other proceedings, regarding any of the Released PAGA Claims defined hereinabove to the extent the such actions, claims, complaints, or proceedings are based on the Release PAGA Claims.

18. **Final Approval Order and Judgment.**

If the Settlement shall be finally approved by the Court following the Fairness Hearing, the Parties hereto shall jointly request that the Court enter a Final Approval Order and Judgment, which includes the following provisions:

- (1) Finding that the dissemination of the Class Notice in the form and manner ordered by the Court was accomplished as directed, met the requirements of due process, was the best notice practicable under the circumstances, and constituted due and sufficient notice to all parties entitled thereto;
- (2) Finding that Plaintiff and Class Counsel herein have fairly and adequately represented and protected the interests of the Class at all times in the Action;
- (3) Finally approving the terms of the Settlement Agreement as fair, reasonable and adequate and directing consummation of the Settlement Agreement in accordance with its terms and provisions;
- (4) Entering judgment directing the Parties to implement the terms of the Settlement Agreement, including, without limitation, the provisions regarding the payment of the individual settlement payments to each Class Member and/or PAGA Employee as set forth in this Agreement;
- (5) Entering judgment defining the Class;
- (6) Awarding reasonable attorneys' fees, costs and expenses to Class Counsel as provided herein, and subject to the limitations set forth therein;
- (7) Awarding the Class Representative Service Award to Plaintiff as provided herein, and subject to the limitations set forth therein;
- (8) Reserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of this Settlement Agreement, over the enforcement, construction and interpretation of the Judgment, including, but not limited to, the provisions therein enjoining any further litigation of Released Claims and Released PAGA Claims, and over Plaintiff and all Class Members/PAGA Employees (and their attorneys) in

connection therewith.

19. Effect of Settlement Not Being Final.

In the event that the Settlement does not become Final then the Settlement Agreement shall become null and void, and all negotiations, proceedings, and statements relating thereto shall be without prejudice as to the rights of any and all Parties hereto, and all Parties and their respective predecessors and successors shall be deemed to have reverted to their respective positions in the Action as of the date and time immediately prior to the execution of this Settlement Agreement, and except as otherwise expressly provided herein.

20. Tolerance of Requests for Exclusion and Scope of Class.

Notwithstanding any other provision of this Settlement Agreement, Defendant shall retain the right, in the exercise of its sole discretion, to nullify the Settlement within ten (10) calendar days after expiration of the Response Deadline, if ten percent (10%) or more of Class Members submit valid and timely Requests for Exclusion. Should Defendant opt to withdraw from the Settlement Agreement under this Paragraph, Defendant shall be solely responsible for all Settlement Administration Costs incurred.

21. No Admissions.

The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims, and no part of this Settlement Agreement or any conduct or written or oral statements made in connection with this Settlement and this Settlement Agreement, whether or not the Settlement is finally approved and/or consummated, may be offered as or construed to be an admission or concession of any kind by Defendant, or any of the Class Members, PAGA Employees, Released Parties, or Plaintiff.

22. Avoidance of Undue Publicity.

The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of the Settlement. If

counsel for either party receives an inquiry about the Settlement from the media, counsel may respond only after the motion for preliminary approval has been filed and only by confirming the accurate terms of the Settlement. Class Counsel agrees not to publicize this Settlement on its website and any social media outlets. Nothing in this provision shall prevent Defendant from making any required disclosure or prevent Class Counsel from referencing the Settlement in adequacy filings—i.e. in future motions for approval as class counsel. Plaintiff further warrants that no disclosure shall be made concerning the contents of this Settlement Agreement or the facts or allegations that gave rise to this Settlement Agreement, except for those facts that must be disclosed in connection with obtaining approval of this Settlement Agreement.

23. Extensions of Time.

Without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

24. Construction.

This Settlement Agreement was entered into after substantial good faith, arm's-length negotiations between the counsel for the Parties. This Settlement Agreement has been entered into without any coercion and under no duress. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Settlement Agreement so that it shall not be deemed to have been prepared or drafted by one party or another.

25. Due Authority of Attorneys.

Each of the attorneys executing this Settlement Agreement on behalf of one or more Parties hereto warrants and represents that he or she has been duly authorized and empowered to execute this Settlement Agreement on behalf of each such respective Party and to bind them to the terms hereof.

26. Entire Agreement.

This Settlement Agreement (including all Exhibits hereto) sets forth the entire agreement of the Parties with respect to its subject matter and supersedes any and all other prior agreements and all negotiations leading up to the execution of this Settlement

Agreement, whether oral or written, regarding the subjects covered herein. The Parties acknowledge that no representations, inducements, warranties, promises, or statements relating to the subjects covered herein, oral or otherwise, have been made by any of the Parties which are not embodied or incorporated by reference herein.

27. Modification or Amendment.

This Settlement Agreement may not be modified or amended except in a writing signed by all signatories hereto or their successors-in-interest.

28. Successors.

This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, successors, and assigns, and upon any corporation, partnership, or other entity into or with which any Party hereto may merge, combine, or consolidate.

29. Counterparts.

This Settlement Agreement may be executed in counterparts, including by electronic means, DocuSign, pdf, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Facsimile or electronic transmission of the signatures of the Parties or their representatives shall be binding on the Parties.

30. Waivers.

The waiver by any Party of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

31. Governing Law.

This Settlement Agreement shall be governed by and construed, enforced, and administered in accordance with the internal laws of the State of California.

32. Headings.

The headings contained in this Settlement Agreement are for convenience and reference purposes only and shall not be given weight in its construction.

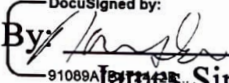
33. **Notices.**

Any notices, requests, demands, or other communications required or permitted to be given pursuant to this Settlement Agreement, other than notice to the Class or Class Members, shall be in writing and mailed as follows: (1) to the Class Representative, Class, and Class Counsel to the attention of Larry W. Lee and Mai Tulyathan, Diversity Law Group, P.C., 515 S. Figueroa Street, Suite 1250, Los Angeles, CA 90071, (213) 488-6555, and William L. Marder, Polaris Law Group, 501 San Benito Street, Suite 200, Hollister, CA 95023, (831) 531-4214; and (2) to Defendant and counsel for Defendant, to the attention of Gregory G. Iskander and Benjamin Sanchez, Littler Mendelson, P.C., 1255 Treat Boulevard, Suite 600, Walnut Creek, CA 94594, (925) 932-2468.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

DATED: November 7, 2023

PLAINTIFF JAMES SIMS

DocuSigned by:
By: 
91089A James Sims

On behalf of himself and the Class

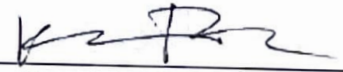
November 9,
DATED: ~~October~~ __, 2023

DEFENDANT QG PRINTING II, LLC

By: 
Alex Pyke [Name]
Its Assistant Secretary [Title]

November 8, 2023
DATED: ~~October~~ __, 2023

DIVERSITY LAW GROUP, P.C.

By: 
Larry W. Lee, Esq.
Mai Tulyathan, Esq.

Attorneys for Plaintiff, the Class, and Aggrieved
Employees

DATED: November 9, 2023

LITTLER MENDELSON, P.C.

By: 

Gregory G. Iskander, Esq.

Benjamin Sanchez, Esq.

Attorneys for Defendant QG Printing II, LLC

EXHIBIT A

EXHIBIT A

NOTICE OF SETTLEMENT OF CLASS ACTION

James Sims v. QG Printing II, LLC
United States District Court for the Central District of California
Case No. 5:20-cv-01632-DMG-KK

IMPORTANT LEGAL NOTICE – THIS LAWSUIT SETTLEMENT MAY AFFECT YOUR RIGHTS

A federal court authorized this notice. This is not a solicitation from a lawyer. This is not a lawsuit against you and you are not being sued. However, your legal rights are affected whether you act or don't act.

Mr./Ms. **[INSERT NAME]**:

The records of QG Printing II, LLC ("QG" or "Defendant") identify you as a Class Member in the above settlement. Under the terms of the proposed settlement, you are eligible to receive a share of the settlement should the Court grant final approval of the settlement. **It is estimated that your potential individual share under this settlement would be \$ [REDACTED].**

This settlement encompasses two settlement groups:

- "Group 1" consists of all current and former non-exempt press production employees at the Merced and Riverside California plants who used QG's scheduling hotline or Inside Quad for purpose of checking their schedule during the period of April 6, 2016, through **[Preliminary Approval]**.
- "Group 2" consists of all other current and former non-exempt employees in California (who are not part of Group 1) and who were issued wages during the period of July 20, 2022, through **[Preliminary Approval]**.

The "Class" collectively refers to "Group 1" and "Group 2."

IMPORTANT: YOU WILL BE BOUND BY THIS SETTLEMENT AND YOUR RIGHTS WILL BE AFFECTED BY THIS LITIGATION UNLESS YOU EXCLUDE YOURSELF FROM THE SETTLEMENT AS EXPLAINED BELOW.

PLEASE READ THIS NOTICE CAREFULLY.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT (SEE SECTION VIII FOR MORE DETAILS)	
DO NOTHING	You need not take any action if you wish to receive your settlement payment. If the settlement is approved by the Court and you do nothing, you will automatically be mailed a settlement check for your share of the settlement at the address on file with the Settlement Administrator. In exchange for this settlement check, you will release or give up any rights to sue QG separately for the claims that are part of this lawsuit (see Section IV for an explanation of the Released Claims you are giving up).
EXCLUDE YOURSELF	If you "opt-out" of this settlement, you will receive no payment from the settlement, but you will keep any rights to sue QG for same claims that are part of this lawsuit. Note that regardless of whether or not you ask

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	to be excluded from the class portion of the settlement, you may receive a share of the PAGA Penalties and be deemed to have released the Released PAGA Claims referenced in this notice (see Section IV for an explanation of the Released PAGA Claims). To exclude yourself from the class settlement, you must send a written Request for Exclusion to the Settlement Administrator by [INSERT DEADLINE], as detailed below.
OBJECT TO THE SETTLEMENT	If you do not ask to exclude yourself but do not agree with the settlement, you can write to the Court to object to the settlement by [INSERT DEADLINE], as detailed Below. The Court may or may not agree with your objection. If the Court does not agree with your objection, you will still be bound by the terms of the settlement and will receive a settlement payment. Objecting to the settlement will not exclude you from the settlement.
GO TO A HEARING	You can attend the Final Approval Hearing scheduled for [INSERT FINAL APPROVAL HEARING DATE] and ask to speak to the Court about the fairness of the Settlement. See Section IX for further details.

YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.

I. Why should I read this Notice?

This notice explains the nature of this lawsuit, as well as a proposed settlement of this lawsuit, and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may be a member of a class on whose behalf this class action lawsuit has been brought.

II. What is this lawsuit about?

A lawsuit entitled *James Sims v. QG Printing II, LLC* is now pending in the United States District Court for the Central District of California, Case No. 5:20-cv-01632-DMG-KK. Plaintiff James Sims (“Plaintiff” or “Class Representative”) has alleged claims against QG under the California Labor Code and the California Business & Professions Code. Plaintiff brought this Lawsuit as a class action and Private Attorneys General Act (“PAGA”) enforcement action on behalf of himself and other similarly situated employees of QG. In summary, Plaintiff alleges that QG did not pay all wages owed as a result of call-in policies and practices, did not reimburse all work-related expenses, did not provide accurate wage statements, and engaged in unfair business practices. Plaintiff’s Complaint alleges the following causes of action: (1) failure to pay wages in violation of Labor Code §§ 201-204, 510, 558, 1174, 1194, 1198, and 1199; (2) violation of Labor Code § 2802; (3) violation of Labor Code § 226(a); (4) violation of Business and Professions Code § 17200, *et seq.*; and (5) violation of the Private Attorneys General Act, Labor Code § 2698, *et seq.* (the “PAGA”). Plaintiff seeks recovery on behalf of the Class for damages, statutory and civil penalties, along with interest, costs, and fees.

QG contends that it has complied with all laws and denies the allegations Plaintiff is asserting in this Lawsuit. The Court has not decided in favor of Plaintiff or Defendant. Instead, after thorough investigation

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into the facts and claims, both sides agreed to a settlement. No inferences regarding the merits of the case should be drawn from the sending of this notice.

III. Who is covered by the class action lawsuit and the proposed Settlement?

A. The Class. On **INSERT DATE**, the Court granted preliminary approval of the Settlement and authorized this notice. The Court defined the “Class” as the collective group of employees defined as Group 1 and Group 2:

“Group 1” refers to all current and former non-exempt press production employees at the Merced and Riverside California plants who used Quad’s scheduling hotline or Inside Quad for purpose of checking their schedule during the class period of April 6, 2016, through **[Preliminary Approval]**. Group 1 Class Period refers to April 6, 2016, through **[Preliminary Approval]**.

“Group 2” refers to all other current and former non-exempt employees in California (who are not part of Group 1) and who were issued wages during the class period of July 20, 2022, through **[Preliminary Approval]**. Group 2 Class Period refers to July 20, 2022, through **[Preliminary Approval]**.

B. The Effect of Membership in the Class. If you come within the definition of the Class, you are a Class Member unless you exclude yourself from (“opt out of”) the Class by following the procedures for exclusion that are set forth in this Notice. Class Members are eligible to receive an individual settlement payment based on the number of pay periods each Class Member worked for QG during the relevant time period. Class Members who do not opt out of the Class will be bound by the Settlement if it is approved by the Court. Persons who opt out of the Class will not be bound by the Settlement, with the exception of the Released PAGA Claims.

IV. What are the terms of the Settlement?

Monetary Amounts Under the Settlement

The parties have agreed to settle this lawsuit in exchange for the settlement amount of \$1,150,000.00 (the “Gross Settlement Amount” or “GSA”). This amount is inclusive of (1) individual settlement payments to Class Members; (2) an enhancement payment of \$10,000.00 to Plaintiff for his efforts and work in prosecuting this lawsuit on behalf of the Class; (3) not more than \$383,333.33 in attorneys’ fees and not more than \$50,000.00 in litigation costs; (4) payment of \$75,000.00 to the California Labor & Workforce Development Agency (“LWDA”) in connection and accordance with PAGA (75% of \$100,000.00 PAGA penalty allocation, with \$25,000.00 being distributed to PAGA Employees as explained below); and (5) settlement administrator’s fees and expenses estimated to be \$13,250.00.

After deducting the enhancement payment to Plaintiff, attorneys’ fees and costs, settlement administration costs, and the payment to the LWDA, it is estimated that a total of approximately **\$593,416.67** (“Net Settlement Amount”) will be available to be distributed to the Class.

The Class Member’s individual share of the Net Settlement Amount will be distributed to each class member who does not opt out (“Class Member Payment”). The Settlement Administrator will calculate each individual Class Member’s pro-rata share of the Net Settlement Amount for their Class Member Payment. Each Class Member’s proportional share will be determined by applying the following formula:

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- The Net Settlement Amount will be divided among all Class Members who do not opt out based on the number of pay periods each Class Member performed work for Defendant in California, as compared to the total number of pay periods all Class Members performed work for Defendant in California during the applicable Class Period.
- Each pay period in which a Class Member worked for Defendant in California during the applicable Class Period will be divided by the total number of pay periods worked by all Class Members. The result will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual Class Member Payment.

Based on Defendant's records, you worked a total of [###] pay periods for Defendant during the applicable Class Period. Based on this, your estimated individual Class Member Payment is approximately \$ [].

Class Member Payments shall be allocated as follows: 1/3 as wages subject to applicable withholdings to be reported on an IRS Form W-2; and 1/3 as interest and 1/3 as penalties not subject to withholdings and reported on an IRS Form 1099. IRS Forms are to be issued by the Settlement Administrator. To the extent that any portion of Class Members' settlement proceeds constitute wages, Defendant will be separately responsible for the employer-paid portion of taxes. Each individual Class Member shall be solely responsible for his/her share of taxes (federal, state, or local) owed as a result of any payments received under this settlement.

PAGA Payment

The settlement provides for a payment of \$100,000.00 from the Gross Settlement Amount, in resolution of the PAGA claims brought under Labor Code § 2698, *et seq.* ("PAGA Penalties"). Pursuant to the PAGA, 75% of the PAGA Penalties (\$75,000.00) will be paid to the LWDA, and 25% of the PAGA Penalties (\$25,000.00) will be paid to PAGA Employees. "PAGA Employees" includes Class Members who worked for Defendant at any time from April 6, 2019, through [Preliminary Approval]. PAGA Employees will receive a pro-rata share of the \$25,000.00 allocation under the Settlement as follows:

- Payment of PAGA Penalties to the PAGA Employees will be made on a pro-rata basis, based on the number of pay periods each PAGA Employee performed work for Defendant in California during the period of April 6, 2019, through [Preliminary Approval], as compared to the total number of pay periods all PAGA Employees performed work for Defendant in California during the period of April 6, 2019, through [Preliminary Approval].
- Each pay period in which a PAGA Employee worked for Defendant in California during the period of April 6, 2019, through [Preliminary Approval] will be divided by the total number of pay periods worked by all PAGA Employees during the same period. The result will then be multiplied by \$25,000.00 to arrive at the PAGA Employee's individual share of the PAGA Penalties.

According to Defendant's records, you [are]/[are not] a PAGA Employee. [Your individual share of the PAGA Penalties is estimated to be \$ [].]

Individual payments to the PAGA Employees from the PAGA Penalties shall be treated as one hundred percent (100%) penalties and shall be reported on an IRS Form 1099.

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Release

In consideration of the monetary sum provided by Defendant and upon final approval of this Settlement by the Court and funding of the settlement by Defendant, all Class Members who do not opt out of this settlement by filing a timely, valid Request for Exclusion would provide the following release:

- Group 1 Class Members release and discharge the Released Parties from all causes of action and factual or legal theories arising during the Group 1 Class Period that were alleged in the operative Complaint (or LWDA notice) or arise from facts alleged in the operative Complaint (or LWDA notice), including all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief, based on failure to pay wages (including overtime and minimum wages), failure to provide accurate wage statements, failure to timely pay all final wages, unfair business practices, alleged violations of Labor Code sections 201-204, 218.5, 226(a), 226.3, 510, 558, 1174, 1194, 1198, 1199, and 2699, Business and Professions Code section 17200 *et seq.*, and the applicable IWC Wage Orders. Group 1 Class Members shall not waive section 1542 of the California Civil Code.
- Group 2 Class Members release and discharge the Released Parties from all causes of action and factual or legal theories arising during the Group 2 Class Period for violation of Labor Code sections 226(a) that were alleged in the operative Complaint (or LWDA notice) or arise from facts alleged in the operative Complaint (or LWDA notice), including all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief. Group 2 Class Members shall not waive section 1542 of the California Civil Code.
- PAGA Employees hereby release and discharge the Released Parties from any liability for civil penalties recoverable under PAGA for violations during the PAGA Period under PAGA based on any factual or legal theories that were alleged in the operative complaint and the LWDA notice or arise from facts alleged in the operative complaint and the LWDA notice, including for the following California Labor Code sections: 201-204, 226(a), 510, 558, 1174, 1198, 1199, 2802, and 2699. PAGA Employees shall not waive section 1542 of the California Civil Code. Note that PAGA Employees cannot opt out of the Released PAGA Claims.
- The Parties agree that they do not intend payments under this Settlement Agreement to be compensation for purposes of determining eligibility for or benefit calculations of any health and welfare benefit plan, retirement benefit plan, vacation benefit plan, or unemployment compensation.
- **If you do NOT exclude yourself from the Class by following the procedures set forth in this Notice and the Court approves the proposed Settlement, you will be deemed to have entered into the release of Released Claims in the Settlement Agreement.**

V. How do I receive a payment?

Class Members are not required to do anything to receive their individual settlement payment under this settlement. Thus, you do not need to submit any proof of a claim form. Instead, Class Members will automatically receive their individual settlement payment based on the number of pay periods set forth above. Upon final approval of this settlement by the Court, your individual settlement payment check will

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be mailed to you, unless you exclude yourself or opt out of the settlement according to the instructions below.

If you are a member of the Class and you move or change your address, you must notify the Settlement Administrator of your change of address at: **INSERT SETTLEMENT ADMINISTRATOR INFORMATION** or contact the Settlement Administrator by phone at **INSERT SETTLEMENT ADMINISTRATOR PHONE NUMBER**.

If you dispute the total number of pay periods you worked during the applicable period, set forth above, you must set forth the information that you believe is correct, and submit written documentation to **Settlement Administrator** not later than **INSERT DEADLINE**. You can only dispute your pay period count if you do not opt out of the settlement.

VI. Who represents the Class?

The Court has designated Plaintiff James Sims to serve as Class Representative in this lawsuit. The law firms that serve as Class Counsel are Diversity Law Group, P.C. and Polaris Law Group. Class Counsel can be reached as follows:

Larry W. Lee and Mai Tulyathan, Diversity Law Group, P.C., 515 S. Figueroa Street, Suite 1250, Los Angeles, CA 90071, (213) 488-6555; William L. Marder, Polaris Law Group, 501 San Benito Street, Suite 200, Hollister, CA 95023, (831) 531-4214.

VII. What are the reasons for the Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Plaintiff thinks he would have prevailed on the merits of his claims at trial. Defendant does not think Plaintiff would have won anything from trial because it has asserted legal and factual defenses to the claims. But there was no trial. Instead, both parties agreed to a settlement of the lawsuit. As a result, both sides can avoid the costs, risks, and uncertainty of proceeding with trial, and any possible appeals, and the people affected from the lawsuit will get monetary compensation. Plaintiff and Class Counsel believe that the settlement is fair, reasonable, adequate, and in the best interests of all members of the Class.

VIII. What are my rights and options?

OPTION 1: REMAIN A SETTLEMENT CLASS MEMBER.

IF YOU WISH TO REMAIN A SETTLEMENT CLASS MEMBER AND OBTAIN ANY SHARE OF THE SETTLEMENT THAT YOU MAY BE ENTITLED TO RECEIVE, YOU DO NOT NEED TO DO ANYTHING OTHER THAN MAKE SURE THE SETTLEMENT ADMINISTRATOR HAS YOUR CURRENT ADDRESS. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.

You will be bound by a judgment in this case, you will release the Released Claims against Defendant as explained above, and you will not have the right to file your own lawsuit against the Defendant and pursue your own claims in a separate suit. If the Court approves the proposed settlement, you will automatically be mailed your share of the individual Class Member Payment. If your mailing address information is incorrect or if you move, please provide your current address to the Settlement Administrator: **XXXXXX** at **ADDRESS AND CONTACT INFO**.

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OPTION 2 – EXCLUDE YOURSELF FROM THE CLASS.

YOU HAVE A RIGHT TO OPT OUT FROM THE CLASS, BUT IF YOU CHOOSE TO DO SO, YOU WILL NOT RECEIVE ANY BENEFITS FROM THE PROPOSED SETTLEMENT.

You will not be bound by a judgment in this case, you will not release your claims against Defendant, and you will have the right to file your own lawsuit against Defendant and pursue your own claims in a separate suit. If you want to exclude yourself from the Class, you must timely write to the Settlement Administrator to request that you be excluded from the settlement (“Request for Exclusion”).

The Request for Exclusion must: (a) contain your full name, address and telephone number; (b) be signed by you; (c) identify this lawsuit by case name and number (*James Sims v. QG Printing II, LLC*, Case No. 5:20-cv-01632-DMG-KK); and (d) contain a statement clearly indicating that you want to be excluded from this settlement. The Request for Exclusion must be mailed to the Settlement Administrator at [INSERT ADDRESS] on or before [RESPONSE DEADLINE]. Any Requests for Exclusion postmarked after this date or not received by the Settlement Administrator will have no force and effect, meaning that you will still remain a part of the Class.

Note that you can only request to be excluded from the class action portion of the settlement. Class Members who are PAGA Employees cannot request to be excluded from the PAGA settlement or the Released PAGA Claims.

If you do not comply with these procedures and the deadline for exclusions, you will lose any opportunity to exclude yourself from the Class, and your rights will be determined in this lawsuit by the Settlement Agreement if it is approved by the Court.

OPTION 3 – REMAIN A CLASS MEMBER AND OBJECT TO THE SETTLEMENT.

If you do not believe that the settlement is fair, reasonable, and adequate, you can ask the Court to deny approval by filing a written objection with the Court. You can’t ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object in writing.

To do so, you or your own attorney must file a written objection that includes (a) your full name, current address, and signature; (b) identify this lawsuit by case name and number; (c) state whether the objection applies only to you, a specific subset of the class, or to the entire class; (d) state with specificity the grounds for any objections; and (e) state whether you intend to object to the settlement at the Final Approval Hearing. You may include any supporting papers, including, without limitation, all briefs, written evidence, and declarations, that you would like the Court to consider. If you wish to appear at the Final Approval Hearing to object, you must state so in the objection. The objection and supporting papers must be filed with the Court (by mail or in person) at [INSERT COURT INFORMATION] no later than [INSERT DATE].

If you do not comply with these procedures and the deadline for objections, you will **lose** any opportunity to have your objection considered at the Final Approval Hearing. You are still eligible to receive a settlement payment should the settlement become Final even if you object to the settlement.

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Questions? Please Call: _____

IX. When is the court hearing and what is it for?

On [INSERT FINAL APPROVAL HEARING DATE], the Court will hold a hearing in Courtroom 8C of the United States District Court for the Central District of California, 350 W. 1st Street, 8th Floor, Los Angeles, CA 90012, for the purposes of determining whether the proposed Settlement is fair, adequate, and reasonable and should be approved, whether to approve Class Counsel's applications for attorneys' fees and costs, whether to approve the PAGA penalty payments to the LWDA and PAGA Employees, and whether to approve Plaintiff's request for an enhancement payment. This hearing may be continued or rescheduled by the Court without further notice. Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval. Class Members who object to the proposed Settlement are not required to attend the Final Approval Hearing. If you want your objection to be heard, either personally or through counsel, you must indicate your intention to appear at the Final Approval Hearing in writing as detailed above.

X. Where can I get more information?

If you have questions about this Notice or the Settlement, you should contact the Settlement Administrator at:

[INSERT CONTACT INFORMATION]

If you wish to communicate directly with Class Counsel, you may contact them – contact information noted above in Section VI. You may also seek advice and guidance from your own private attorney at your own expense, if you so desire.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement (attached to the Declaration of [REDACTED] in Support of Plaintiff's Unopposed Motion for Preliminary Approval of Class Action Settlement filed on [INSERT DATE]), containing the complete terms of the proposed Settlement, which is on file with the Court and available online through the Court's online docket: <https://ecf.cacd.uscourts.gov/>.

PLEASE DO NOT WRITE OR TELEPHONE THE COURT OR DEFENDANT FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT.

EXHIBIT B



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Class Members	1,000
Opt Out Rate	1%
Opt Outs Received	10
Total Class Claimants	990
Subtotal Admin Only	\$13,250.00

Not-to-Exceed Total \$13,250.00
For 1000 Members

Pricing Good for Scope of Estimate Only

October 9, 2023

Case: Sims v. QG Printing II Opt-Out Admin wTranslation

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

Requesting Attorney: Mai Tulyathan
Firm: Diversity Law Group, APC
Contact Number: (213) 488-6555
Email: ktulyathan@diversitylaw.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 1000 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)/ Translation/ Website			
Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	3	\$300.00
Programming Database & Setup	\$100.00	3	\$300.00
Toll Free Setup*	\$138.00	1	\$138.00
Call Center & Long Distance	\$2.00	15	\$30.00
NCOA (USPS)	\$250.00	2	\$500.00
Language Translation	\$1,000.00	1	\$1,000.00
Static Website	\$200.00	1	\$200.00
Total			\$2,468.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Reporting			
Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	2	\$200.00
Data Merge & Duplication Scrub	\$0.25	1,000	\$250.00
Notice Packet & Opt-Out Form	\$1.35	1,000	\$1,350.00
Estimated Postage (up to 2 oz.)*	\$0.87	1,000	\$870.00
Total			\$2,670.00

* 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	4	\$200.00
Skip Tracing Undeliverables	\$1.50	100	\$150.00
Remail Notice Packets	\$1.35	100	\$135.00
Estimated Postage	\$0.87	100	\$87.00
Programming Undeliverables	\$50.00	4	\$200.00
Total			\$772.00

Database Programming / Processing Opt-Outs, Deficiencies or Disputes			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	3	\$405.00
Claims Processing	\$200.00	1	\$200.00
Case Associate	\$55.00	3	\$165.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$85.00	5	\$425.00
Total			\$1,225.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	3	\$405.00
Disbursement Review	\$135.00	3	\$405.00
Programming Manager	\$100.00	3	\$300.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$125.00	3	\$375.00
Mail Class Checks *	\$1.15	1,000	\$1,150.00
Estimated Postage	\$0.64	1,000	\$640.00
Total			\$3,475.00

* 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	3	\$375.00
Remail Undeliverable Checks (Postage Included)	\$2.00	50	\$100.00
Case Associate	\$50.00	3	\$150.00
Reconcile Uncashed Checks	\$75.00	3	\$225.00
Conclusion Reports	\$85.00	2	\$170.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$100.00	2	\$200.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,250.00	1	\$1,250.00
Total			\$2,640.00

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

Estimate Total: \$13,250.00



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 C