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Attorneys for Plaintiff, JEFFERY LEE CONNESS, an individual and on behalf of all others similarly situated and/or aggrieved,

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO - CENTRAL COURTHOUSE

JEFFERY LEE CONNESS, an individual
and on behalf of all others similarly situated
and/or aggrieved,

Plaintiff,

v.

THE CARLSON COMPANY, doing business
as The Carlson Company, Inc., a California
corporation, doing business as "Mission
Janitorial & Abrasive Supplies", doing
business as "Mission Janitorial Supplies";
BRADY INDUSTRIES OF CALIFORNIA,
INC., a California corporation; KEVIN
CARLSON, an individual; CANDICE
CARLSON, an individual; GREGORY
CARLSON, an individual; TRAVIS BRADY,
an individual; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 37-2021-00015907-CU-OE-
CTL

[Assigned to the Hon. Timothy Taylor in
Dept. C-72]

CLASS ACTION

**JOINT STIPULATION RE: CLASS
ACTION AND REPRESENTATIVE
ACTION SETTLEMENT**

Action Filed: April 9, 2021

Trial Date: None Set

This Joint Stipulation re: Class Action and Representative Action Settlement ("Settlement" or "Agreement" or "Settlement Agreement") is made by, between and among plaintiff Jeffery Lee Conness ("Plaintiff"), individually and on behalf of the Settlement Class, as defined below, on the one hand; and defendants THE CARLSON COMPANY, doing business as "Mission Janitorial & Abrasive Supplies", doing business as "Mission Janitorial Supplies"

1 (“Carlson Company”), as well as Kevin Carlson, Candace Carlson, and Gregory Carlson (the
2 “Carlsons” and, collectively with Carlson Company, “Defendants”), on the other hand; in the
3 lawsuit entitled *Conness v. The Carlson Company, Inc., et al.*, filed in the San Diego County
4 Superior Court, Case No. 37-2021-00015907-CU-OE-CTL (the “Action”). Plaintiff and
5 Defendants shall be, at times, collectively referred to as the “Parties” and individually as a
6 “Party”. This Agreement is intended by the Parties to fully, finally, and forever resolve,
7 discharge and settle the claims as set forth herein, based upon and subject to the terms and
8 conditions of this Agreement.

9 **1. DEFINITIONS**

10 **A. “Action”** means *Conness v. The Carlson Company, Inc., et al.*, filed in San Diego
11 County Superior Court, Case No. 37-2021-00015907-CU-OE-CTL.

12 **B. “Aggrieved Employees”** means Class Members working for Defendants as non-
13 exempt, hourly-paid employees in California during the PAGA Period.

14 **C. “Class Counsel”** means: David D. Bibiyan and Jeffrey D. Klein of Bibiyan Law
15 Group, P.C. and Jasmin K. Gill of J. Gill Law Group, P.C. The term “Class Counsel” shall be
16 used synonymously with the term “Plaintiff’s Counsel.”

17 **D. “Class Period”** means the period from April 9, 2017 through January 8, 2022.

18 **E. “Court”** means the Superior Court of the State of California for the County of
19 San Diego.

20 **F. “Defendants”** shall refer collectively to defendants The Carlson Company, doing
21 business as “Mission Janitorial & Abrasive Supplies”, doing business as “Mission Janitorial
22 Supplies”; Kevin Carlson; Gregory Carlson; and Candace Carlson.

23 **G. “Employer Taxes”** means employer-funded taxes and contributions imposed on
24 the wage portions of the Individual Settlement Payments under the Federal Insurance
25 Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes
26 and contributions required of employers, such as for unemployment insurance.

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1 **H. “Final Approval Date”** means the later of: (1) the date the Court signs an Order
2 granting final approval of this Settlement (“Final Approval”) and Judgment; (2) if there is an
3 objector, 60 days from the date the Final Approval and Judgment; or (3) to the extent any appeals
4 have been filed, the date on which they have been resolved or exhausted.

5 **I. “General Release”** means the general release of claims by Plaintiff, which is in
6 addition to his limited release of claims as a Participating Class Member and Aggrieved
7 Employee, neither of which include and both of which expressly exclude any release for any and
8 all claims that may be brought, have been brought, or could have been brought by Plaintiff in
9 connection with Plaintiff’s claims submitted to the Labor Board, including, without limitation,
10 any and all claims for wrongful termination and claims under the Fair Employment and Housing
11 Act and California Family Rights Act as well as those claims brought in Case No. RCI-CM-
12 831021 with the State of California Department of Industrial Relations.

13 **J. “Gross Settlement Amount”** means a non-reversionary fund in the sum of Two
14 Hundred Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00),¹ which shall be paid by
15 Defendants, and from which all payments for the Individual Settlement Payments to Participating
16 Class Members, Individual PAGA Payments to Aggrieved Employees and the Court-approved
17 amounts for attorneys’ fees and reimbursement of litigation costs and expenses to Class Counsel,
18 Settlement Administration Costs, a Service Award to Plaintiff, and the LWDA Payment for
19 resolution of Plaintiff’s cause of action for civil penalties under the Labor Code Private
20 Attorneys’ General Act, codified at Labor Code Section 2698, *et seq.* (“PAGA”), interest and
21 certain taxes shall be paid. It expressly excludes Employer Taxes, which shall be paid by
22 Defendants separate and apart from the Gross Settlement Amount.

23 **K. “Individual PAGA Payment”** means a payment to an Aggrieved Employee of
24 his or her share of the PAGA Payment.

25 **L. “Individual Settlement Payment”** means a payment to a Participating Class
26 Member of his or her net share of the Net Settlement Amount, excluding any PAGA Payment to
27 which he or she may be entitled if he or she is also an Aggrieved Employee.

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¹ As the same may be increased in accordance with Paragraph 11.B or Paragraph 17.

1 **M. “Individual Settlement Share”** means the gross amount of the Net Settlement
2 Amount that a Settlement Class Member is eligible to receive based on the number of Weekly
3 Pay Periods that he or she worked as a Settlement Class Member during the Class Period if he or
4 she does not submit a timely and valid Request for Exclusion, excluding any PAGA Payment to
5 which he or she may be entitled if he or she is also an Aggrieved Employee.

6 **N. “LWDA Payment”** means the payment to the LWDA for its seventy-five percent
7 (75%) share of the total amount allocated toward penalties under the PAGA, which is to be paid
8 from the Gross Settlement Amount. The Parties have agreed that Ten Thousand Dollars and Zero
9 Cents (\$10,000.00) shall be allocated toward PAGA penalties (“PAGA Payment”), of which
10 Seven Thousand, Five Hundred Dollars and Zero Cents (\$7,500.00) will be paid to the LWDA
11 (*i.e.*, the LWDA Payment) and Two Thousand, Five Hundred Dollars and Zero Cents (\$2,500.00)
12 will remain a part of the Net Settlement Amount for payment to Aggrieved Employees on a *pro*
13 *rata* basis.

14 **O. “Net Settlement Amount”** means the portion of the Gross Settlement Amount
15 that is available for distribution to Participating Class Members after deductions for the Court-
16 approved allocations for Settlement Administration Costs, a Service Award to Plaintiff, an award
17 of attorneys’ fees, reimbursement of litigation costs and expenses to Class Counsel, and the
18 LWDA Payment. It excludes the PAGA Payment.

19 **P. “PAGA Payment”** is the \$2,500 payment payable to Aggrieved Employees in
20 addition to their Individual Settlement Share if they do not opt out of the Settlement.

21 **Q. “PAGA Period”** means the period from April 9, 2020 through January 8, 2022.

22 **R. “Participating Class Members”** means all Settlement Class Members who do
23 not submit a timely and valid Request for Exclusion.

24 **S. “Participating Individual Settlement Share”** means the gross amount of the Net
25 Settlement Amount that a Participating Class Member is eligible to receive based on the number
26 of Workweeks that he or she worked as a Settlement Class Member during the Class Period once
27 all opt-outs have been factored in, excluding any Individual PAGA Payment to which he or she
28 may be entitled if he or she is also an Aggrieved Employee.

1 **T.** **“Parties”** shall refer to Plaintiff and Defendants collectively.

2 **U.** **“Plaintiff”** shall refer to Plaintiff Jeffery Lee Conness.

3 **V.** **“Preliminary Approval Date”** means the date on which the Court enters an
4 Order granting preliminary approval of the Settlement.

5 **W.** **“Released Parties”** shall mean all named Defendants and each of Carlson
6 Company’s past, present, and future respective affiliates, parents, subsidiaries, predecessors,
7 successors, divisions, joint ventures and assigns, and each of these entities’ past or present
8 directors, officers, employees, partners, members, principals, agents, insurers, co-insurers, re-
9 insurers, shareholders, attorneys, and personal or legal representatives.

10 **X.** **“Response Deadline”** means the deadline for Settlement Class Members to mail
11 any Requests for Exclusion, Objections, or Workweek Disputes to the Settlement Administrator,
12 which is forty-five (45) calendar days from the date that the Class Notice is first mailed in English
13 and Spanish by the Settlement Administrator. The date of the postmark shall be the exclusive
14 means for determining whether a Request for Exclusion, Objection, or Workweek Dispute was
15 submitted by the Response Deadline.

16 **Y.** **“Request for Exclusion”** means a written request to be excluded from the
17 Settlement Class pursuant to Section 9.C below.

18 **Z.** **“Service Award”** means monetary amount to be paid to Plaintiff of up to Seven
19 Thousand, Five Hundred Dollars and Zero Cents (\$7,500) which, subject to Court approval, will
20 be paid out of the Gross Settlement Amount.

21 **AA.** **“Settlement Administration Costs”** means all costs incurred by the Settlement
22 Administrator in administration of the Settlement, including, but not limited to, translating the
23 Class Notice to Spanish, the distribution of the Class Notice to the Settlement Class in English
24 and Spanish, calculating Individual Settlement Shares and Individual Settlement Payments and
25 associated taxes and withholdings, providing declarations, generating Individual Settlement
26 Payment checks and related tax reporting forms, doing administrative work related to unclaimed
27 checks, transmitting payment to Class Counsel for the Court-approved amounts for attorneys’
28 fees and reimbursement of litigation costs and expenses, to Plaintiff for his Service Award, and

1 to the LWDA from the LWDA Payment, providing weekly reports of opt-outs, objections and
2 related information, and any other actions of the Settlement Administrator as set forth in this
3 Agreement, all pursuant to the terms of this Agreement. The Settlement Administration Costs
4 are estimated not to exceed \$5,250. If the actual amount of the Settlement Administration Costs
5 is less than \$5,250, the difference between \$5,250 and the actual Settlement Administration Costs
6 shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed
7 \$5,250 then such excess will be paid solely from the Gross Settlement Amount and Defendants
8 will not be responsible for paying any additional funds in order to pay these additional costs.

9 **BB. “Settlement Administrator”** means the Third-Party Administrator chosen to be
10 responsible for the administration of the Settlement including, without limitation, translating the
11 Class Notice in Spanish, the distribution of the Individual Settlement Payments to be made by
12 Defendants from the Gross Settlement Amount and related matters under this Agreement.

13 **CC. “Settlement Class”, “Settlement Class Members” or “Class Members”** means
14 all current and former non-exempt, hourly-paid employees who worked in California for Carlson
15 Company at any time during the Class Period.

16 **DD. “Workweek”** means the number of workweeks that a Settlement Class Member
17 was employed by Defendants, using hire and termination dates less any weeks not worked, in a
18 non-exempt, hourly position during the Class Period. If a Settlement Class Member disputes
19 his/her Individual Settlement Share, it shall be termed a “Workweek Dispute.”

20 **2. BACKGROUND**

21 **A.** On April 9, 2021, Plaintiff filed a putative wage-and-hour Class Action Complaint
22 in the Superior Court of California for the County of San Diego, Case Number 37-2021-
23 00015907-CU-OE-CTL (the “Action”). Plaintiff alleges that during the Class Period, with
24 respect to Plaintiff and the Settlement Class Members’, Defendants, *inter alia*, failed to pay
25 overtime and minimum wages; failed to provide compliant meal and rest periods or compensation
26 in lieu thereof; waiting time penalties; wage statement violations; failed to indemnify necessary
27 work expenses; and engaged in unfair competition based on the alleged Labor Code Violations.

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1 **B.** On August 19, 2020, Plaintiff filed with the Labor and Workforce Development
2 Agency (“LWDA”) and served on Defendants Carlson Company and Kevin Carlson a notice
3 under Labor Code section 2699.3 (the “PAGA Notice”) stating Plaintiff intended to serve as a
4 proxy of the LWDA to recover civil penalties for Aggrieved Employees. On April 9, 2021,
5 Plaintiff filed with the LWDA and served on the remaining Defendants a second notice under
6 Labor Code section 2699.3. The PAGA Notices include violations of law pled in the Class
7 Action, in addition to a request for penalties for failure to comply with Labor Code sections 204,
8 246, 404, 432, 1174, 1198.5, and 2810.5.

9 **C.** On June 16, 2021, when 65 days passed without any communication from the
10 LWDA, Plaintiff filed a First Amended Complaint (“FAC”) adding causes of action for civil
11 penalties under PAGA, Labor Code sections 210, 226.3, 558, 1174.5, 1197.1 and 2699 for the
12 Labor Code violations set out in the PAGA Notice for himself and other Aggrieved Employees.

13 **D.** Shortly after the filing of this Action, the Parties agreed to exchange informal
14 discovery and attend an early mediation. Prior to mediation, Class Counsel was provided with,
15 among other things: (1) time and payroll records for approximately 50% of the estimated 40 Class
16 Members as of October 6, 2021; (2) the approximate number of workweeks worked during the
17 Class Period; (3) the approximate number of Class Members that worked from April 9, 2017
18 through mediation; (4) the approximate number of Class Members that worked from August 19,
19 2019 through mediation; (5) the approximate number of Class Members and Aggrieved
20 Employees who worked during the PAGA Period; (6) a spreadsheet indicating whether any
21 employee signed a purported meal period waiver, release and/or arbitration agreement with
22 copies of each; and (7) all relevant policy documents and employee handbooks.

23 **E.** On November 9, 2021, the Parties participated in a mediation before Lynn Frank,
24 Esq., a well-regarded mediator experienced in mediating complex civil disputes. With the aid of
25 the mediator’s evaluation, the Parties reached the Settlement to resolve the Action.

26 **F.** Class Counsel has conducted significant investigation of the law and facts relating
27 to the claims asserted in the Action and has concluded that that the Settlement set forth herein is
28 fair, reasonable, adequate, and in the best interests of the Settlement Class, taking into account

1 the sharply contested issues involved, the expense and time necessary to litigate the Action
2 through trial and any appeals, the risks and costs of further litigation of the Action, the risk of an
3 adverse outcome, the uncertainties of complex litigation, the information learned through
4 informal discovery regarding Plaintiff's allegations, and the substantial benefits to be received
5 by the Settlement Class Members.

6 **G.** Defendants have concluded that, because of the substantial expense of defending
7 against the Action, the length of time necessary to resolve the issues presented herein, and the
8 inconvenience involved, and the concomitant disruption to the business operations of their
9 successor, it is in their best interest to accept the terms of this Agreement. Defendants
10 emphatically deny each of the allegations and claims asserted against them in the Action.
11 However, Defendants nevertheless desires to settle the Action for the purpose of avoiding the
12 burden, expense and uncertainty of continuing litigation and for the purpose of putting to rest the
13 controversies engendered by the Action.

14 **H.** This Agreement is intended to and does effectuate the full, final, and complete
15 resolution of all Released Claims of Plaintiff, (which does not include and expressly excludes
16 any release for any and all claims that may be brought, have been brought, or could have been
17 brought in connection with Plaintiff's claims submitted to the Labor Board, including, without
18 limitation, any and all claims for wrongful termination and claims under the Fair Employment
19 and Housing Act and California Family Rights Act as well as those claims brought by Plaintiff
20 in Case No. RCI-CM-831021 with the State of California Department of Industrial Relations)
21 Aggrieved Employees, and Participating Class Members.

22 **3. JURISDICTION**

23 The Court has jurisdiction over the Parties and the subject matter of the Action. The
24 Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the
25 applicable statutes. After the Court has granted Final Approval of the Settlement and entered
26 judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the judgment
27 pursuant to California Rule of Court, rule 3.769, subdivision (h).

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1 **4. STIPULATION OF CLASS CERTIFICATION**

2 The Parties stipulate to the certification of the Settlement Class under this Agreement for
3 purposes of settlement only.

4 **5. MOTION FOR PRELIMINARY APPROVAL**

5 Plaintiff will move for an order granting preliminary approval of the Settlement,
6 approving and directing the mailing of the proposed Notice of Class Action Settlement (“Class
7 Notice”) attached hereto as **Exhibit “A”**, conditionally certifying the Settlement Class for
8 settlement purposes only, and approving the deadlines proposed by the Parties for the submission
9 of Requests for Exclusion, Workweek Disputes, and Objections, the papers in support of Final
10 Approval of the Settlement, and any responses to Objections or opposition papers to the Motion
11 for Final Approval.

12 **6. STATEMENT OF NO ADMISSION**

13 Defendants deny any wrongdoing of any sort and further deny any liability to Plaintiff,
14 the Settlement Class and Aggrieved Employees with respect to any claims or allegations asserted
15 in the Action. This Agreement shall not be deemed an admission by Defendants of any claims or
16 allegations asserted in the Action. Except as set forth elsewhere herein, in the event that this
17 Agreement is not approved by the Court, or any appellate court, is terminated, or otherwise fails
18 to be enforceable, Plaintiff will not be deemed to have waived, limited or affected in any way
19 any claims, rights or remedies, or defenses in the Action, and Defendants will not be deemed to
20 have waived, limited, or affected in any way any of its objections or defenses in the Action. The
21 Parties shall be restored to their respective positions in the Action prior to the entry of this
22 Settlement.

23 **7. RELEASE OF CLAIMS**

24 **A. Release by All Participating Class Members.**

25 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
26 of Judgment, and payment by Defendants to the Settlement Administrator of the full Gross
27 Settlement Amount and Employer’s Taxes necessary to effectuate the Settlement, Plaintiff and
28 all Participating Class Members release the Released Parties of all claims against the Released

1 Parties asserted in the First Amended Complaint filed in the Action, and any and all claims that
2 could be asserted against the Released Parties based on the factual allegations in the First
3 Amended Complaint filed in the Action, as follows: For Participating Class Members, the release
4 includes, for the duration of the Class Period: (a) all claims for failure to pay minimum wages;
5 (b) all claims for failure to pay overtime wages; (c) all claims for failure to provide compliant
6 meal and rest periods or compensation in lieu thereof; (d) failure to timely pay all wages due
7 upon termination or resignation; (e) all claims for non-compliant wage statements; (f) failure to
8 reimburse business expenses; (g) violation of Labor Code section 226, subdivision (c); and (h)
9 all claims asserted through California Business & Professions Code § 17200 *et seq.* arising out
10 of the Labor Code violations referenced in the First Amended Complaint (“Class Released
11 Claims”). For Aggrieved Employees, the release includes, for the duration of the PAGA Period,
12 all claims released during the Class Period, as well as all claims for civil penalties under PAGA
13 arising out of Labor Code Sections 210, 226.3, 558, 1174.5, 1197.1, and 2699 based on the factual
14 allegations and Labor Code sections alleged to have been violated in the First Amended
15 Complaint, which includes, without limitation, Labor Code sections 200, 201, 202, 203, 204,
16 226, 246, 404, 432, 510, 512, 1174, 1194, 1197, 1198.5, 2802 and 2810.5 (“PAGA Released
17 Claims”).

18 **B. General Release.**

19 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
20 of Judgment, and payment by Defendants to the Settlement Administrator of the full Gross
21 Settlement Amount and Employers’ Taxes necessary to effectuate the Settlement, in addition to
22 the Released Claims, Plaintiff makes the additional following General Release: Plaintiff releases
23 the Released Parties from all claims, demands, rights, liabilities and causes of action of every
24 nature and description whatsoever, known or unknown, asserted or that might have been asserted,
25 whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation
26 arising out of, relating to, or in connection with any act or omission of the Released Parties
27 through the date of full execution of this Agreement in connection with his employment or the
28 termination thereof. With respect to the General Release, Plaintiff stipulates and agrees that,

1 through the Final Approval Date, Plaintiff shall be deemed to have, and by operation of the Final
2 Judgment and payment to the Settlement Administrator shall have, expressly waived and
3 relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section
4 1542 of the California Civil Code, or any other similar provision under federal or state law, which
5 provides:

6 A general release does not extend to claims which the creditor does
7 not know or suspect to exist in his or her favor at the time of
8 executing the release, which if known by him or her must have
9 materially affected his or her settlement with the debtor or released
10 party.

11 Plaintiff's Limited Release of Claims as a Participating Class Member and Aggrieved
12 Employee as well as Plaintiff's General Release and Civil Code section 1542 waiver does not
13 include and expressly excludes any release for any and all claims that may be brought, have been
14 brought, or could have been brought by Plaintiff in connection with Plaintiff's claims submitted
15 to the Labor Board, including, without limitation, any and all claims for wrongful termination
16 and claims under the Fair Employment and Housing Act and California Family Rights Act as
17 well as those claims brought by Plaintiff in Case No. RCI-CM-831021 with the State of
18 California Department of Industrial Relations.

19 **8. SETTLEMENT ADMINISTRATOR**

20 Plaintiff and Defendants, through their respective counsel, have selected Phoenix
21 Settlement Administrators to administer the Settlement, which includes but is not limited to
22 translating the Class Notice to Spanish, distributing and responding to inquiries about the Class
23 Notice and calculating all amounts to be paid from the Gross Settlement Amount. Charges and
24 expenses of the Settlement Administrator, currently estimated to be \$5,250 will be paid from the
25 Gross Settlement Amount. If the actual Settlement Administrator fees are less than \$5,250 the
26 difference will remain a part of the Net Settlement Amount.

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1 **9. NOTICE, WEEKLY PAY PERIOD DISPUTE, OBJECTION, AND EXCLUSION**
2 **PROCESS**

3 **A. Notice to the Settlement Class Members.**

4 (1) Within ten (10) calendar days after the Preliminary Approval Date,
5 Defendants' Counsel shall provide the Settlement Administrator with information with respect
6 to each Settlement Class Member, including his or her: (1) name, last known address(es) and last
7 known telephone number(s) currently in Defendants' possession, custody, or control; (2) Social
8 Security Number in Defendants' possession, custody, or control; and (3) the number of
9 workweeks during which Class Members performed non-exempt work for Carlson Company
10 ("Class List"). The Settlement Administrator shall perform an address search using the United
11 States Postal Service National Change of Address ("NCOA") database and update the addresses
12 contained on the Class List with the newly found addresses, if any. Within seven (7) calendar
13 days of receiving the Class List from Defendants, the Settlement Administrator shall mail the
14 Class Notice in English and Spanish to the Settlement Class Members via first-class regular U.S.
15 Mail using the most current mailing address information available. The Settlement Administrator
16 shall maintain a list with names and all addresses to which notice was given, and digital copies
17 of all the Settlement Administrator's records evidencing the giving of notice to any Settlement
18 Class Member, for at least four (4) years from the Final Approval Date. Such information shall
19 be available to Class Counsel and Defendants' Counsel upon request.

20 (2) The Class Notice will set forth:

- 21 (a) the Settlement Class Member's estimated payment and the basis
22 for it;
- 23 (b) the information required by California Rule of Court, rule 3.766,
24 subdivision (d);
- 25 (c) the material terms of the Settlement;
- 26 (d) the proposed Settlement Administration Costs;
- 27 (e) the definition of the Settlement Class;

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- 1 (f) a statement that the Court has preliminarily approved the
2 Settlement;
- 3 (g) how the Settlement Class Member can obtain additional
4 information, including contact information for Class Counsel;
- 5 (h) information regarding opt-out and objection procedures;
- 6 (i) the date and location of the Final Approval Hearing; and
- 7 (j) that the Settlement Class Member must notify the Settlement
8 Administrator no later than the Response Deadline if the
9 Settlement Class Member disputes the accuracy of the number of
10 Weekly Pay Periods as set forth on his or her Class Notice
11 (“Workweek Dispute”). If a Settlement Class Member fails to
12 timely dispute the number of Workweeks attributed to him or her
13 in conformity with the instructions in the Class Notice, then he or
14 she shall be deemed to have waived any objection to its accuracy
15 and any claim to any additional settlement payment based on
16 different data.

17 (3) If a Class Notice from the initial notice mailing is returned as
18 undeliverable, the Settlement Administrator will attempt to obtain a current address for the
19 Settlement Class Member to whom the returned Class Notice had been mailed, within five (5)
20 calendar days of receipt of the returned Class Notice, by: (1) contacting the Settlement Class
21 Member by phone, if possible, and (2) undertaking skip tracing. If the Settlement Administrator
22 is successful in obtaining a new address, it will promptly re-mail the Class Notice to the
23 Settlement Class Member. Further, any Class Notices that are returned to the Settlement
24 Administrator with a forwarding address before the Response Deadline shall be promptly re-
25 mailed to the forwarding address affixed thereto.

26 (4) No later than seven (7) calendar days from the Response Deadline, the
27 Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the
28 completion of the notice process, including the number of attempts to obtain valid mailing

addresses for and re-sending of any returned Class Notices, as well as the identities, number of, and copies of all Requests for Exclusion and objections/comments received by the Settlement Administrator.

B. Objections.

Only Settlement Class Members who do not opt out of the Settlement (*i.e.*, Participating Class Members) may object to the Settlement. In order for any Settlement Class Member to object to this Settlement in writing, or any term of it, he or she must do so by mailing a written objection to the Settlement Administrator at the address or phone number provided on the Class Notice no later than the Response Deadline. The Settlement Administrator shall email a copy of the objection forthwith to Class Counsel and Defendants' counsel. Defendants' Counsel shall lodge a copy of the objection with the Court at least sixteen (16) court days before the hearing on the Motion for Final Approval. The objection should set forth in writing: (1) the objector's name and address, and (2) the reason(s) for the objection, along with whatever legal authority, if any, the objector asserts in support of the Objection. If a Settlement Class Member objects to the Settlement, the Settlement Class Member will remain a member of the Settlement Class and if the Court approves this Agreement, the Settlement Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Settlement Class Member who does not object. The date of mailing of the Class Notice to the objecting Settlement Class Member shall be conclusively determined according to the records of the Settlement Administrator. Settlement Class Members need not object in writing to be heard at the Final Approval Hearing; they may object or comment in person at the hearing at their own expense. Class Counsel and Defendants' Counsel may respond to any objection lodged with the Court up to five (5) court days before the Final Approval Hearing.

C. Requesting Exclusion.

Any Settlement Class Member may request exclusion from (*i.e.*, "opt out" of) the Settlement by mailing a written request to be excluded from the Settlement ("Request for Exclusion") to the Settlement Administrator, postmarked on or before the Response Deadline. To be valid, a Request for Exclusion must include the Class Member's name, social security

1 number and signature and the following statement or something to its effect: “Please exclude me
2 from the Settlement Class in the *Jeffery Lee Conness v. The Carlson Company, Inc., et al.* matter”
3 or a statement of similar meaning. The Settlement Administrator shall immediately provide
4 copies of all Requests for Exclusion to Class Counsel and Defendants’ Counsel and shall report
5 the Requests for Exclusions that it receives, to the Court, in its declaration to be provided in
6 advance of the Final Approval Hearing. Any Settlement Class Member who requests exclusion
7 using this procedure will not be entitled to receive any payment from the Settlement and will not
8 be bound by the Settlement Agreement or have any right to object to, appeal, or comment on the
9 Settlement. Any Settlement Class Member who does not opt out of the Settlement by submitting
10 a timely and valid Request for Exclusion will be bound by all terms of the Settlement, including
11 those pertaining to the Released Claims, as well as any Judgment that may be entered by the
12 Court if Final Approval of the Settlement is granted. A Settlement Class Member cannot submit
13 both a Request for Exclusion and an objection. If a Settlement Class Member submits an
14 objection and a Request for Exclusion, the Request for Exclusion will control and the Objection
15 will be void. Settlement Class Members who worked during the PAGA Period that submit a valid
16 Request for Exclusion will still be deemed Aggrieved Employees, will still receive their
17 Individual PAGA Payment, and will be bound by the release encompassed in the PAGA Released
18 Claims.

19 **D. Disputes Regarding Settlement Class Members’ Weekly Pay Period Data.**

20 Class Members will have an opportunity to dispute the information provided in their Class
21 Notice and must do so no later than the Response Deadline. To the extent Class Members timely
22 dispute the number of Workweeks to which they have been credited, Class Members may
23 produce evidence to the Settlement Administrator showing that such information is inaccurate.
24 Absent evidence rebutting Defendants’ records, Defendants’ records will be presumed
25 determinative. However, if a Class Member produces evidence to the contrary, the Settlement
26 Administrator will evaluate the evidence submitted by the Class Member and will make the final
27 decision as to the number of Workweeks that should be applied. All such disputes are to be
28 resolved not later than ten (10) calendar days after the Response Deadline.

1 **E. Extension of Response Deadline for Remailing**

2 If a Class Member's notice is re-mailed, the Class Member shall have fifteen (15) days
3 from the re-mailing, or forty-five (45) days from the date of the initial mailing, whichever is later,
4 in which to postmark a Request for Exclusion, written Objection or Workweek Dispute.

5 **10. INDIVIDUAL SETTLEMENT PAYMENTS TO PARTICIPATING CLASS**
6 **MEMBERS**

7 Individual Settlement Payments will be calculated and distributed to Participating Class
8 Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class
9 Members' respective number of Workweeks during the Class Period. Individual PAGA
10 Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees
11 from the PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective
12 number of Workweeks during the PAGA Period. Specific calculations of the Individual
13 Settlement Shares and Individual PAGA Payments to Aggrieved Employees will be made as
14 follows:

15 **A.** The Settlement Administrator will determine the total number of Workweeks
16 worked by each Settlement Class Member during the Class Period ("Class Member's
17 Workweeks"), as well as the aggregate number of Workweeks worked by all Settlement Class
18 Members during the Class Period ("Class Workweeks"). Additionally, the Settlement
19 Administrator will determine the total number of Workweeks worked by each Aggrieved
20 Employee during the PAGA Period ("Aggrieved Employee's Workweeks"), as well as the
21 aggregate number of Workweeks worked by all Aggrieved Employees during the PAGA Period
22 ("PAGA Workweeks").

23 **B.** To determine each Settlement Class Member's Individual Settlement Share, the
24 Settlement Administrator will use the following formula: Individual Settlement Share =
25 (Settlement Class Member's Workweeks ÷ Class Workweeks) × Net Settlement Amount.

26 **C.** To determine each Participating Class Member's Participating Individual
27 Settlement Share, the Settlement Administrator will determine the aggregate number of
28 Workweeks worked by all Participating Class Members during the Class Period ("Participating

Class Workweeks”) and use the following formula: Individual Settlement Share = (Participating Class Member’s Workweeks ÷ Participating Class Workweeks) × Net Settlement Amount.

D. The net amount of the Participating Individual Settlement Share is to be paid out to Participating Class Members by way of check and is referred to as “Individual Settlement Payment(s)”.

E. To determine each Aggrieved Employee’s Individual PAGA Payment, the Settlement Administrator will use the following formula: Aggrieved Employee’s Individual PAGA Payment = (Aggrieved Employee’s Workweeks ÷ PAGA Workweeks) x \$2,500.00 (the PAGA Payment).

F. Individual Settlement Payments and Individual PAGA Payments shall be paid to Participating Class Members and/or Aggrieved Employees by way of check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment.

11. DISTRIBUTION OF PAYMENTS

A. Distribution of Individual Settlement Payments.

Settlement Class Members who do not submit a timely and valid Request for Exclusion (*i.e.*, Participating Class Members) will receive an Individual Settlement Payment. All Aggrieved Employees, regardless of whether they submit a valid Request for Exclusion or not, will receive their Individual PAGA Payment. Individual Settlement Payment checks and Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance. Within seven (7) calendar days after expiration of the 180-day period, checks for such payments shall be canceled and funds associated with such checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil Procedure section 384 (“Unpaid Residue”). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil Procedure section 384, shall be transmitted as follows: to Legal Aid at Work, 180 Montgomery St., Suite 600 San Francisco, California 94104 for use in San Diego County. The Settlement Administrator shall prepare a

1 report regarding the distribution plan pursuant to Code of Civil Procedure section 384 and the
2 report shall be presented to the Court by Class Counsel along with a proposed amended
3 judgment that is consistent with the provisions of Code of Civil Procedure section 384.

4 **B. Funding of Settlement.**

5 Defendants shall, within sixty (60) calendar days of the Parties executing this Agreement,
6 pay the Gross Settlement Amount of Two Hundred Seventy-Five Thousand Dollars and Zero
7 Cents (\$275,000.00) unless the same is escalated pursuant to Paragraph 17 below (and in such
8 event, the escalated amount) to the Settlement Administrator in addition to Employer's Taxes. If
9 Defendants fail to make this payment within sixty (60) calendar days of the Parties executing this
10 Agreement, Defendants shall then have to pay an additional \$25,000.00 to the Settlement
11 Administrator in addition to Employer's Taxes. All amounts must be paid to the Settlement
12 Administrator pursuant to Internal Revenue Code section 1.468B-1 for deposit in an interest-
13 bearing qualified settlement account ("QSA") with an FDIC insured banking institution, for
14 distribution in accordance with this Agreement and the Court's Orders and subject to the
15 conditions described herein. Individual Settlement Payments and Individual PAGA Payments
16 shall be paid exclusively from the QSA, pursuant to the settlement formula set forth herein.

17 Payments from the QSA shall be made for (1) the Service Award to Plaintiff as specified
18 in this Agreement and approved by the Court; (2) the Attorneys' Fees and Cost Award to be paid
19 to Class Counsel, as specified in this Agreement and approved by the Court; (3) the Settlement
20 Administrator Costs, as specified in this Agreement and approved by the Court; and (4) the
21 LWDA Payment, as specified in this Agreement and approved by the Court. \$2,500 shall be
22 allocated to payment to Aggrieved Employees of Individual PAGA Payments as set forth herein.
23 The balance and any accrued interest thereon remaining shall constitute the Net Settlement
24 Amount from which Individual Settlement Payments shall be made to Participating Class
25 Members, less applicable taxes and withholdings. All interest accrued shall be for the benefit of
26 Participating Class Members and distributed on a *pro rata* basis.

27 ///

28 ///

1 **C. Time for Distribution.**

2 No more than seven (7) calendar days after payment of the full Gross Settlement Amount
3 (as the same may be increased to in accordance with Paragraph 11.B and/or 17) by Defendants,
4 as well as Employer Taxes, or after the Final Order and Judgment following a Final Fairness and
5 Approval hearing, whichever is later, the Settlement Administrator shall distribute all payments
6 due under the Settlement, including the Individual Settlement Payments to Participating Class
7 Members and Individual PAGA Payments to Aggrieved Employees, as well as the Court-
8 approved payments for the Service Award to Plaintiff, attorneys' fees and litigation costs and
9 expenses to Class Counsel, administration costs to the Settlement Administrator, and the LWDA
10 Payment.

11 **12. ATTORNEYS' FEES AND LITIGATION COSTS**

12 Class Counsel shall apply for, and Defendants shall not oppose, an award of attorneys'
13 fees of up to thirty-five percent (35%) of the Gross Settlement Amount, which, unless increased
14 pursuant to Paragraph 11.B. or Paragraph 17, shall amount to Ninety-Six Thousand, Two
15 Hundred Fifty Dollars and Zero Cents (\$96,250.00). Class Counsel shall further apply for, and
16 Defendants shall not oppose, an application or motion by Class Counsel for reimbursement of
17 actual costs associated with Class Counsel's prosecution of this matter as set forth by declaration
18 testimony in an amount up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00).
19 Awards of attorneys' fees and costs shall be paid out of the Gross Settlement Amount, for all
20 past and future attorneys' fees and costs necessary to prosecute, settle, and obtain Final Approval
21 of the settlement in the Action. The "future" aspect of the amounts stated herein includes, without
22 limitation, all time and expenses expended by Class Counsel (including any appeals therein),
23 except for any matters that arise from Defendants' failure to materially comply with the terms of
24 this Agreement. There will be no additional charge of any kind to either the Settlement Class
25 Members or request for additional consideration from Defendants for such work. Should the
26 Court approve attorneys' fees and/or litigation costs and expenses in amounts that are less than
27 the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net
28 Settlement Amount.

1 **13. SERVICE AWARD TO PLAINTIFF**

2 Plaintiff shall seek, and Defendants shall not oppose, a Service Award in an amount not
3 to exceed Seven Thousand, Five Hundred Dollars and Zero Cents (\$7,500.00) for participation
4 in and assistance with the Action. Any Service Award awarded to Plaintiff shall be paid from
5 the Gross Settlement Amount and shall be reported on an IRS Form 1099. Plaintiff shall assume
6 full responsibility and liability for the payment of taxes due on his Service Award. If the Court
7 approves a Service Award to Plaintiff in less than the amounts sought herein, then the unapproved
8 portion(s) shall be a part of the Net Settlement Amount.

9 **14. TAXATION AND ALLOCATION**

10 **A.** Each Individual Settlement Share shall be allocated as follows: 20% as wages
11 (to be reported on an IRS Form W2); and 80% as interest and penalties (to be reported on an
12 IRS Form 1099). The Individual PAGA Payments to the Aggrieved Employees shall be
13 characterized as non-wages (to be reported on an IRS Form 1099). The Parties agree that the
14 employee's share of taxes and withholdings with respect to the wage-portion of the Individual
15 Settlement Share will be withheld from the Individual Settlement Share in order to yield the
16 Individual Settlement Payment. The amount of federal income tax withholding will be based
17 upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg.
18 § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made
19 pursuant to applicable state and/or local withholding codes or regulations.

20 **B.** Forms W-2 and/or Forms 1099 will be distributed by the Settlement
21 Administrator at times and in the manner required by the Internal Revenue Code of 1986 (the
22 "Code") and consistent with this Agreement. If the Code, the regulations promulgated
23 thereunder, or other applicable tax law, is changed after the date of this Agreement, the
24 processes set forth in this Section may be modified in a manner to bring Defendants into
25 compliance with any such changes.

26 **C.** All Employer Taxes shall be paid by Defendants separate, apart and above
27 from the Gross Settlement Amount. Defendants shall remain liable to pay the employer's
28 share of payroll taxes as described above.

1 **D.** Neither Counsel for Plaintiff nor Defendants intend anything contained in this
2 Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement
3 be relied upon as such within the meaning of United States Treasury Department Circular 230
4 (31 C.F.R. Part 10, as amended) or otherwise.

5 **15. PRIVATE ATTORNEYS' GENERAL ACT ALLOCATION**

6 The Parties agree to allocate Ten Thousand Dollars and Zero Cents (\$10,000.00) of the
7 Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent
8 (75%) of the amount allocated toward PAGA (\$7,500.00) will be paid to the LWDA (*i.e.*, the
9 LWDA Payment), and twenty-five percent (25%) of the amount allocated toward PAGA
10 (\$2,500.00) shall be deemed the "PAGA Payment" and distributed to Aggrieved Employees on
11 a *pro rata* basis based upon their respective Workweeks worked during the PAGA Period (*i.e.*,
12 the Individual PAGA Payments).

13 **16. COURT APPROVAL**

14 This Agreement is contingent upon an order by the Court granting Final Approval of the
15 Settlement, and that the LWDA does not intervene and/or object to the Settlement. In the event
16 the Settlement is not approved by the Court and the LWDA, the Parties shall be restored to their
17 respective positions in the Action prior to entry of this Settlement, and the Settlement
18 Administrator shall immediately return to Defendants the Gross Settlement Amount and
19 Employer's Taxes deposited by Defendants in the QSA together with all accrued interest thereon.
20 If this Settlement Agreement is voided, not approved by the Court or approval is reversed on
21 appeal, it shall have no force or effect and no Party shall be bound by its terms except to the
22 extent: (a) the Court reserves any authority to issue any appropriate orders when denying
23 approval; and/or (b) there are any terms and conditions in this Settlement Agreement specifically
24 stated to survive the Settlement Agreement being voided or not approved, and which control in
25 such an event.

26 **17. INCREASE IN WORKWEEKS**

27 Defendants represent that there are no more than 3,147 Workweeks worked during the
28 Class Period. In the event the number of workweeks worked increases by more than 10%, or

314 workweeks worked, then the Gross Settlement Amount shall be increased proportionally over the 10% increase. For example, if the number of Workweeks worked by Class Members increases by 11%, the Gross Settlement Amount will increase by 1%. Likewise, if the number of Workweeks worked by Class Members during the Class Period increases by 12%, the Gross Settlement Amount will increase by 2%. The Workweek Value shall be calculated by dividing the Gross Settlement Amount by 3,147. The Parties agree that the workweek value amounts to and the settlement amounts to \$87.38 per Workweek ($\$275,000.00 / 3,147$ workweeks). Thus, for example, should there be 3,500 workweeks in the Class Period, then the Gross Settlement Amount shall be increased by \$3,407.82. (3,500 workweeks – 3,461 workweeks x \$87.38/workweek.)

18. NOTICE OF JUDGMENT

In addition to any duties set out herein, the Settlement Administrator shall provide notice of the Final Judgment entered in the Action by posting the same on its website for at least three (3) years after the Judgment becomes final.

19. MISCELLANEOUS PROVISIONS

A. Interpretation of the Agreement.

This Agreement constitutes the entire agreement between Plaintiff and Defendants with respect to its subject matter. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary or contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the laws of the State of California, both in its procedural and substantive aspects, without regard to its conflict of law provisions. Any claim arising out of or relating to the Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California for the County of San Diego, and Plaintiff and Defendants hereby consent to the personal jurisdiction of the Court in the Action over it solely in connection therewith. Plaintiff, on Plaintiff's own behalf and on behalf of the Settlement

1 Class, and Defendants participated in the negotiation and drafting of this Agreement and had
2 available to them the advice and assistance of independent counsel. As such, neither Plaintiff
3 nor Defendants may claim that any ambiguity in this Agreement should be construed against the
4 other. The Agreement may be modified only by a writing signed by counsel for the Parties and
5 approved by the Court.

6 **B. Further Cooperation.**

7 Plaintiff, Defendants, and their respective attorneys shall proceed diligently to prepare
8 and execute all documents, to seek the necessary approvals from the Court, and to do all things
9 reasonably necessary to consummate the Settlement as expeditiously as possible.

10 **C. Counterparts.**

11 The Agreement may be executed in one or more actual or non-original counterparts, all
12 of which will be considered one and the same instrument and all of which will be considered
13 duplicate originals.

14 **D. Authority.**

15 Each individual signing below warrants that he or she has the authority to execute this
16 Agreement on behalf of the party for whom or which that individual signs.

17 **E. No Third-Party Beneficiaries.**

18 Plaintiff, Participating Class Members, Aggrieved Employees, Class Counsel, and
19 Defendants are direct beneficiaries of this Agreement, but there are no third-party beneficiaries.

20 **F. Deadlines Falling on Weekends or Holidays.**

21 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday,
22 or legal holiday, that deadline shall be continued until the following business day.

23 ///

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27 ///

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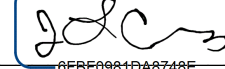
G. Severability.

In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

Dated: 1/19/2022, 2022

DocuSigned by:



0FBF0981DA8748E...

JEFFERY LEE CONNESS

Plaintiff and Class Representative

Dated: _____, 2022

THE CARLSON COMPANY, doing business as
"Mission Janitorial & Abrasive Supplies" and
"Mission Janitorial Supplies"

Defendant

By:

Its:

Dated: _____, 2022

KEVIN CARLSON

Defendant

Dated: _____, 2022

CANDACE CARLSON

Defendant

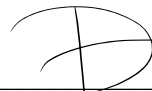
Dated: _____, 2022

GREGORY CARLSON

Defendant

AGREED AS TO FORM ONLY:

Dated: January 22, 2022



DAVID D. BIBIYAN

Bibiyan Law Group, P.C.

Counsel for Plaintiff Jeffery Lee Conness

(Additional Signatures on Next Page)

1 **G. Severability.**

2 In the event that one or more of the provisions contained in this Agreement shall for any
3 reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
4 unenforceability shall in no way effect any other provision if Defendants' Counsel and Class
5 Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed
6 as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

7 **IT IS SO AGREED:**

8
9 Dated: _____, 2022

JEFFERY LEE CONNESS
Plaintiff and Class Representative

10
11
12 Dated: January 20, 2022


THE CARLSON COMPANY, doing business as
"Mission Janitorial & Abrasive Supplies" and
"Mission Janitorial Supplies"
Defendant
By:
Its:

13
14
15
16
17 Dated: January 20, 2022


KEVIN CARLSON
Defendant

18
19
20 Dated: _____, 2022

CANDACE CARLSON
Defendant

21
22 Dated: Jan 21, 2022


GREGORY CARLSON
Defendant

23 **AGREED AS TO FORM ONLY:**

24
25 Dated: _____, 2022

DAVID D. BIBIYAN
Bibiyan Law Group, P.C.
Counsel for Plaintiff Jeffery Lee Conness

26
27
28 *(Additional Signatures on Next Page)*

1 **G. Severability.**

2 In the event that one or more of the provisions contained in this Agreement shall for any
3 reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
4 unenforceability shall in no way effect any other provision if Defendants' Counsel and Class
5 Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed
6 as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

7 **IT IS SO AGREED:**

8
9 Dated: _____, 2022

JEFFERY LEE CONNESS
Plaintiff and Class Representative

10
11
12 Dated: _____, 2022

THE CARLSON COMPANY, doing business as
"Mission Janitorial & Abrasive Supplies" and
"Mission Janitorial Supplies"
Defendant
By:
Its:

13
14
15
16
17 Dated: _____, 2022

KEVIN CARLSON
Defendant

18
19 Dated: 7-19-22, 2022

Candace Carlson

CANDACE CARLSON
Defendant

20
21
22 Dated: _____, 2022

GREGORY CARLSON
Defendant

23 **AGREED AS TO FORM ONLY:**

24
25 Dated: _____, 2022

DAVID D. BIBIYAN
Bibiy Law Group, P.C.
Counsel for Plaintiff Jeffery Lee Conness

26
27
28 *(Additional Signatures on Next Page)*

1 Dated: January 22, 2022


JASMIN K. GILL
J. Gill Law Group, P.C.
Counsel for Plaintiff Jeffery Lee Conness

2
3
4 Dated: January 21, 2022

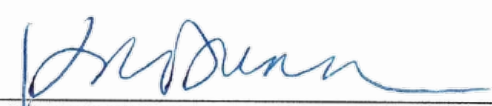

K. ELIZABETH DUNN
Dunn DeSantis Walt & Kendrick, LLP
**Counsel for Defendants The Carlson
Company, Inc., Brady Industries of
California, Inc., Kevin Carlson, Candace
Carlson, Gregory Carlson, and Travis Brady**

EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE
FOR FINAL APPROVAL**

Jeffery Lee Conness v. The Carlson Company, et al.

(County of San Diego, California Superior Court Case No. 37-2021-00015907-CU-OE-CTL)

As a current or former hourly-paid, non-exempt California employee for The Carlson Company, doing business as “Mission Janitorial & Abrasive Supplies” and “Mission Janitorial Supplies”, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of The Carlson Company, doing business as “Mission Janitorial & Abrasive Supplies” and “Mission Janitorial Supplies” (“Carlson Company”), Kevin Carlson, Gregory Carlson and Candace Carlson’s (“Defendants”) show you are a “Class Member,” and therefore entitled to a payment from this class action Settlement. Class Members are all persons currently or formerly employed by Carlson Company as non-exempt, hourly-paid employees in the State of California any time from April 9, 2017 through January 8, 2022.

- The settlement resolves a class action lawsuit, *Jeffery Lee Conness v. The Carlson Company, et al.* (the “Lawsuit”), which alleges Defendants: (1) failed to pay Class Members overtime wages, (2) failed to pay Class Members minimum wages, (3) failed to provide Class Members legally-compliant meal and rest breaks under California law, (4) failed to provide Class Members with legally compliant wage statements, (5) failed to timely pay all wages due upon termination or resignation, (6) failed to reimburse employees for business expenses, and (7) engaged in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiff also seek penalties under the California Labor Code Private Attorney Generals Act (“PAGA”) pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699.
- On [REDACTED], the San Diego County Superior Court granted preliminary approval of this class action Settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendants vigorously deny the claims in the Lawsuit and contend that they fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment, and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked from April 9, 2020 through and including January 8, 2022 (“PAGA Period”) as a non-exempt, hourly-paid employee of Defendant, as well, then you will be deemed an “Aggrieved Employee” and you will still receive your share of the proceeds available from the settlement of the PAGA Released Claims, defined below,

Questions? Contact the Settlement Claims Administrator toll free at [PHONE NUMBER]

	(your “Individual PAGA Payment”) regardless of whether you opt out of the class settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, Phoenix Class Action Settlement Administrators, about why you object to the settlement and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. If you timely object, you or your attorney may also address the Court during the Final Approval hearing scheduled for [DATE AND TIME] in the Hall of Justice Courthouse of San Diego County Superior Court, located at 330 West Broadway, San Diego, California 92101.

The Final Fairness and Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at [REDACTED].m. on [REDACTED], in the Hall of Justice Courthouse of San Diego County Superior Court, located at 330 West Broadway, Department C-72, San Diego, California 92101. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendants’ records show that you currently work, or previously worked, for Defendants as a non-exempt, hourly-paid employee in the State of California any time from April 9, 2017 through January 8, 2022. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Case About?

Jeffery Lee Conness was a non-exempt, hourly-paid employee for Defendants in California. He is the “Plaintiff” in this case and is suing on behalf of himself and Class Members for Defendants’ alleged failure to pay overtime wages, failure to pay minimum wages, failure to provide legally-compliant meal and rest breaks under California law, failure to provide compliant wage statements, failure to timely pay all wages due upon termination or resignation, failure to reimburse employees for business expenses, and engagement in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiff also seeks to recover penalties under the California Labor Code Private Attorney Generals Act pursuant to Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699.

Defendants deny all of the allegations made by Plaintiff and deny that they violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this Class Action Settlement. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing.

Questions? Contact the Settlement Claims Administrator toll free at [PHONE NUMBER]

Summary of the Settlement Terms

Plaintiff and Defendants have agreed to settle this case on behalf of themselves and the Class Members for the Gross Settlement Amount of \$275,000, unless the Gross Settlement Amount is increased or escalated pursuant to the Agreement. The Gross Settlement includes: (1) Administration Costs of up to \$5,250.00; (2) a service payment of up to \$7,500.00 to Plaintiff for his time and effort in pursuing this case and in exchange for a broader release of claims against Defendants; (3) up to 35% in attorneys' fees which, unless the Gross Settlement Amount is increased or escalated pursuant to the Agreement, amounts to \$96,250.00 in attorneys' fees; (4) actual litigation costs up to \$25,000.00 to Class Counsel; and (5) payment allocated to PAGA penalties in the amount of \$10,000.00, \$7,500.00 of which will be payable to the Labor and Workforce Development Agency ("LWDA") and \$2,500.00 of which will be payable to Aggrieved Employees. After deducting these sums, a total of approximately \$131,000.00 will be available for distribution to Class Members ("Net Settlement Amount"), and an additional \$2,500.00 to Aggrieved Employees. In addition to the Gross Settlement, Defendants will separately pay all employer-side payroll tax payments due and payable to federal and state tax authorities as a result of this Settlement.

Distribution to Class Members and Aggrieved Employees

Class Members who do not opt out will receive a *pro rata* payment based on the number of verified actual weeks worked by Class Members for Defendant during the Class Period ("Eligible Workweeks"). Specifically, Class Members' payments will be calculated by dividing the number of Eligible Workweeks attributed to the Class Member by all Eligible Workweeks attributed to members of the Settlement Class, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: (individual's Eligible Workweeks ÷ total Settlement Class Eligible Workweeks) x Net Settlement Amount. In addition, Class Members who worked during the PAGA Period will receive a pro rata share of the \$2,500 allocated as PAGA penalties, whether or not they opt out, based on the number of workweeks worked by the Class Member during the PAGA Period.

Defendants' records indicate that you worked [Eligible Workweeks] as a hourly paid, non-exempt employee in California during the "Class Period and [Eligible Pay Periods] during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [\$Estimated Award] and your estimated payment for PAGA civil penalties would be [\$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [RESPONSE DEADLINE]. Please include any documentation you have that you contend supports your dispute.

Tax Reporting

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties reported on an IRS Form 1099; 20% of each Settlement Payment will be allocated as wages and reported on an IRS Form W-2; and 80% will be allocated as penalties and interest reported on an IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Settlement Check because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by

Questions? Contact the Settlement Claims Administrator toll free at [PHONE NUMBER]

the settlement and receive a settlement payment. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment set forth above.**

Settlement payment checks must be cashed soon after receipt. The Settlement checks will be able to be cashed for 180 days after they are issued. Within 7 days after expiration of the 180-day period, the Settlement checks will no longer be able to be cashed. Any funds represented by Settlement checks remaining uncashed for more than 180 days after issuance shall be considered unpaid, unclaimed or abandoned funds and shall be transmitted to Legal Aid at Work, 180 Montgomery Street, Suite 600, San Francisco, California 94104 for use in San Diego County.

Class Members who do not submit a valid and timely opt out (pursuant to Section 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he or she may have or had upon final approval of this Settlement, entry of judgment, and payment by Defendants to the Settlement Administrator.

“Released Claims” means all claims asserted in the First Amended Complaint filed in the Action, and any and all claims that could be asserted against the Released Parties based on the factual allegations in the First Amended Complaint filed in the Action, including, for the duration of the Class Period: (a) all claims for failure to pay minimum wages; (b) all claims for failure to pay overtime wages; (c) all claims for failure to provide compliant meal and rest periods or compensation in lieu thereof; (d) all claims for the failure to timely pay all wages due upon termination or resignation; (e) all claims for non-compliant wage statements; (f) all claims for failure to reimburse costs as required under Labor Code § 2802; (f) violation of Labor Code section 226, subdivision (c) and (h) all claims asserted through California Business & Professions Code § 17200 *et seq.* arising out of the Labor Code violations referenced in the First Amended Complaint (the “Class Released Claims”).

For Aggrieved Employees, the release includes, for the duration of the PAGA Period, all claims released during the Class Period, as well as all claims for civil penalties under PAGA arising out of Labor Code sections 210, 226.3, 558, 1174.5, 1197.1 and 2699 based on the factual allegations and Labor Code sections alleged to have been violated in the First Amended Complaint, which includes, without limitation, alleged violations of Labor Code sections 200, 201, 202, 203, 204, 226, 246, 404, 432, 510, 512, 1174, 1194, 1197, 1198.5, 2802 and 2810.5 (the “PAGA Released Claims”).

“Class Period” means the period from April 9, 2017 through January 8, 2022.

“PAGA Period” means the period from April 9, 2020 through January 8, 2022.

“Released Parties” shall mean all named Defendants in the Lawsuit and each of Carlson Company’s past, present, and future respective affiliates, parents, subsidiaries, predecessors, successors, divisions, divisions, joint venturers and assigns, and each of these entities’ past or present directors, officers, employees, partners, members, principals, agents, insurers, co-insurers, re-insurers, shareholders, attorneys, and personal or legal representatives.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement. The written request for exclusion must include your name, your Social Security Number and signature, and the following statement or something to its effect: “Please exclude me from the Settlement Class in the *Jeffery Lee Conness v. The Carlson Company*,

Questions? Contact the Settlement Claims Administrator toll free at [PHONE NUMBER]

Inc., et al. matter”. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail to the address below.

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of the PAGA Released Claims. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, you will still receive an individual settlement share for the PAGA Released Claims and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right to individually pursue only the remaining Class Released Claims.

[Settlement Administrator]

The written request to be excluded from the Settlement must be postmarked or received by the Administrator not later than **[RESPONSE DEADLINE]**. If you exclude yourself from the Settlement then you will get no payment, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit.

Option 3 – *File an Objection to the Settlement*

If you wish to object to the Settlement, you may file an objection in writing stating why you object to the Settlement. Your objection must provide your full name, address, your reasons why you think the Court should not approve the Settlement, along with any legal authority, if any, you assert supports your objection, and your signature. Your objection must be mailed to the Administrator no later than **[RESPONSE DEADLINE]**. Please note that you cannot both object to the Settlement and exclude yourself. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Final Fairness Hearing

You may, if you wish, also appear at the Final Fairness and Approval Hearing set for [REDACTED] at [REDACTED].m. in the Hall of Justice Courthouse of San Diego County Superior Court, located at 330 West Broadway, Department C-72, San Diego, California 92101, and discuss your objections with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may visit **www.[REDACTED].com**, call the Settlement Administrator at **[PHONE NUMBER]** or Class Counsel:

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Questions? Contact the Settlement Claims Administrator toll free at **[PHONE NUMBER]**

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Office of the Clerk of San Diego County Superior Court, located at [ADDRESS], during regular business hours of each court day.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.**

Questions? Contact the Settlement Claims Administrator toll free at [PHONE NUMBER]