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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

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

Plaintiffs,

vs.

LUMBER CITY CORP., a California
corporation d/b/a DIY HOME CENTER;
and DOES 1 through 50, inclusive,

Defendants.

Case No.: CIVDS2010240

[Assigned for all purposes to the Hon. David
Cohn, Dept. S-26]

**DECLARATION OF JARROD SALINAS
REGARDING NOTICE AND
SETTLEMENT ADMINISTRATION**

Date: May 2, 2022

Time: 10:00 a.m.

Dept.: S-26

Complaint Filed: June 2, 2020

FAC Filed: January 29, 2021

SAC Filed: July 23, 2021

Trial Date: Not Set

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1 without a forwarding address, PSA attempted to locate a current mailing address using TransUnion
2 TLOxp, one of the most comprehensive address databases available for skip tracing. Of the 59 Notice
3 Packets that were skip traced, 54 updated addresses were obtained, and the Notice Packet was
4 promptly re-mailed to those Class Members via first class mail.

5 7. As of the date of this declaration, 5 Notice Packets are considered undeliverable
6 because an updated address could not be obtained.

7 8. PSA has received zero Request for Exclusion (i.e. "Opt-Out's"). The deadline for
8 Class Members to submit an "Opt-Out" request was January 21, 2022.

9 9. PSA has received zero Objections to the Settlement. The deadline for Class Members
10 to submit an "Objection" to the Settlement was January 21, 2022.

11 10. There are no outstanding disputes.

12 11. The Net Settlement Fund of \$673,916.67 available to pay Class Members was
13 determined by subtracting the Class Counsel attorneys' fees (\$393,333.33), Class Counsel costs
14 payment (\$25,000.00), Class Representative Enhancement Awards (\$20,000.00), the LWDA
15 distribution (\$56,250.00), and the Claims Administrator costs (\$11,500.00) from the Gross Settlement
16 Fund (\$1,180,000.00). Based upon the calculations stipulated in the Settlement, the highest individual
17 settlement payment to be paid will be approximately \$2,825.43, and the lowest individual settlement
18 payment to be paid will be approximately \$13.22, with the average individual settlement payment to
19 be paid being approximately \$647.31, without applicable taxes, withholdings, and employee
20 garnishments.

21 12. PSA's costs associated with the administration of this matter are \$11,500.00. This
22 includes all costs incurred to date, as well as estimated costs involved in completing the settlement
23 distribution.

24 I declare under penalty of perjury under the laws of the State of California that the foregoing
25 is true and correct. Executed this 2nd day of April 2022, at Orange, California.

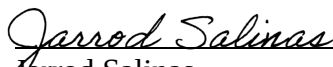
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EXHIBIT A

James Pevey v. Lumber City Corp.
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN BERNARDINO
(CASE NO. CIVDS2010240)

NOTICE OF CLASS ACTION SETTLEMENT (“NOTICE”)

IF YOU ARE A:

- CURRENT OR FORMER CALIFORNIA NON-EXEMPT EMPLOYEE OF LUMBER CITY CORP. (“LUMBER CITY”) AND YOU EARNED WAGES AT ANY TIME FROM APRIL 6, 2016, THROUGH JULY 31, 2021 (the “Class”); or
- CURRENT OR FORMER EXEMPT EMPLOYEE OF LUMBER CITY WHO EARNED WAGES AT ANY TIME BETWEEN APRIL 6, 2018, THROUGH JULY 31, 2021 (the “Exempt Class”);

YOU MAY BE ELIGIBLE TO RECEIVE MONEY AS PART OF A SETTLEMENT

The San Bernardino County Superior Court (“Court”) authorized this Notice to be sent by Phoenix Settlement Administrators (“Settlement Administrator”). This is not an advertisement. This is not a solicitation from a lawyer.

ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

**YOU ARE ESTIMATED TO RECEIVE
APPROXIMATELY
\$«MERGED_EstSettAmnt_CALC»
THROUGH THIS CLASS ACTION
SETTLEMENT**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

You Can DO NOTHING	You will receive a payment from the settlement. If you do nothing, you continue your participation in this lawsuit, and you will be impacted by the outcome of this case. You will receive a settlement payment; however, you will lose any rights to sue LUMBER CITY separately for the same legal claims made in the lawsuit. The estimated amount of your settlement payment is shown above. To receive your settlement payment, all you need to do is keep the Settlement Administrator informed of your current mailing address. Once the Court grants final approval of the settlement, the Settlement Administrator will mail your check to the address on file for you.
You Can ASK TO BE EXCLUDED FROM THE SETTLEMENT (Deadline: January 21, 2022)	If you ask to be excluded from the settlement, you will get no payment from the settlement, aside from the “PAGA Amount” (described below), but you will keep any rights to sue LUMBER CITY separately for the same legal claims made in this lawsuit other than penalty claims premised on California’s Private Attorney General Act, Labor Code § 2698, et seq.
You Can OBJECT TO THE SETTLEMENT (Deadline: January 21, 2022)	If you do not like the settlement, you can send a written objection to the Settlement Administrator by the deadline or personally appear at the final approval hearing. If your objection is overruled by the Court, you will still be bound by the terms of the settlement and will receive a settlement payment. Important: If you object to the settlement, you cannot also ask to be excluded.

**THESE RIGHTS AND OPTIONS—AND THE DEADLINES TO EXERCISE THEM—ARE
EXPLAINED IN THIS NOTICE.**

The Court is in charge of this lawsuit and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. **Please be patient.**

1. Why Should You Read this Notice?

You should read this Notice because you may be entitled to money from a class action settlement.

2. What is this Lawsuit About?

In the lawsuit, the Plaintiffs allege that LUMBER CITY failed to provide full and complete meal and rest periods, provide accurate wage statements, and pay all wages owed upon separation of employment in violation of California Labor Code sections 201-203, 226(a), 226.7, 512, and 2698, *et seq.*, and engaged in unfair business practices in violation of Business and Professions Code section 17200, *et seq.* LUMBER CITY denies the allegations in the lawsuit and denies it has engaged in any wrongdoing. LUMBER CITY asserts that it complied with all legal requirements, but is resolving this action in order to avoid the risk and costs of further legal proceedings.

3. Why is this a Class Action?

This lawsuit is a class action. In a class action, one or more persons, called a class representative (in this case, James Pevey and Anne Peterson), sue on behalf of people who allegedly have similar claims. All these people are a class or class members. One case resolves the issues for all class members, except for those who exclude themselves from the class. The San Bernardino County Superior Court is in charge of the case. The lawsuit is known as *James Pevey v. Lumber City Corp.*, Case No. CIVDS2010240.

4. Why is There a Settlement?

The Court did not decide in favor of Plaintiffs or LUMBER CITY. Plaintiffs think they could have won at trial. LUMBER CITY thinks that it would have won at trial. But there was no trial. Instead, both parties agreed to a settlement. That way, they avoid the risks and cost of litigation, and the individuals potentially affected will get compensation. The class representatives and the attorneys think the settlement is best for class members.

5. How Do I Know If I Am Part of the Settlement?

The Court has decided that the following individuals are class members: all current and former non-exempt employees of Defendant in the State of California who earned wages at any time between April 6, 2016, through July 31, 2021 (the “Class”), and all current and former exempt employees of Defendant in the State of California who earned wages at any time between April 6, 2018, through July 31, 2021 (the “Exempt Class”). If you received this Notice you are a member of the Class or Exempt Class.

6. What Does the Settlement Provide?

The proposed settlement provides for a cash payment by LUMBER CITY in the amount of \$1,180,000.00 to fully and finally resolve all claims in the lawsuit (referred to as the “Gross Settlement Amount”). The total amount to be distributed to class members who can be located, and who do not exclude themselves from the settlement, will be the Gross Settlement Amount minus the following (the “Net Settlement Amount”): (a) settlement administration costs not to exceed \$11,500.00; (b) class representative enhancement award to Plaintiffs not to exceed \$10,000.00 each (\$20,000.00 total) for their work and efforts in prosecuting this cases, and for undertaking the risks of costs (in the event the outcome was not favorable); (c) Class Counsel’s attorneys’ fees not to exceed \$393,333.33; (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$25,000.00; and (e) payment of \$56,250.00 to the Labor and Workforce Development Agency. **Class Counsel’s attorneys’ fees and costs remain subject to Court approval.**

The proposed settlement also provides that a portion of the penalties allocated to the claims brought under the Private Attorneys General Act (“PAGA”), Cal. Labor Code § 2698, *et seq.*, will be distributed to class members even if they request exclusion. The “PAGA Amount” will be 25% of the total amount allocated for the satisfaction of claims for civil penalties under the PAGA, currently estimated to total Eighteen Thousand Seven Hundred Fifty Dollars (\$18,750.00).

Part of the proposed settlement permits LUMBER CITY to pay the the Gross Settlement Amount over six months in six equal payments of One Hundred and Ninety-Six Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents (\$196,666.67).

No portion of the Net Settlement Amount will be returned to LUMBER CITY under any circumstances. Instead any unclaimed portions will be distributed to a charitable organization.

7. How Much Will My Payment Be?

Your estimated share of the settlement is shown on the first page of this notice. The amount you are to receive is based on the number of applicable pay periods you worked during the period of April 6, 2016, through July 31, 2021 if you are part of the Class, and between April 6, 2018, through July 31, 2021, if you a part of the Exempt Class.

Based upon LUMBER CITY's records, you are a member of the [Class/Exempt Class]. Based thereon, the number of pay periods you worked during the relevant time period for your class is determined to be **. If this information appears correct, you do not need to do anything further to receive your settlement payment. If you disagree with the number of pay periods, see below (Question 9).

8. How Do I Receive a Payment?

To qualify for payment, you need not do anything. The Settlement Administrator will mail you a check within approximately forty-five days after the Court enters a judgment based on this settlement, but possibly later depending on whether there is any appeal of the judgment entered by the Court.

9. What If I Believe the Information is Inaccurate?

If you believe the number of pay periods you worked is inaccurate, you may dispute it by sending a letter to Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863 no later than **January 21, 2022**. Be sure to include your name, address, telephone number, last four digits of your Social Security Number, and a statement as to what and why you are disputing. Also attach a copy of any documentation you want to include to support your dispute.

10. What Am I Giving Up to Receive a Settlement Payment?

Unless you request to be excluded from the settlement, you remain a part of the settlement class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against LUMBER CITY or the other Released Parties for any legal claims based on the subject matter of this settlement. Specifically, you will be giving up or "releasing" the claims summarized below, as fully defined within the Parties' Settlement Agreement.

Class

- All claims, including penalties, costs, and attorneys' fees related thereto, that could have been brought under the factual allegations made in the operative Complaint, including but not limited to violations of Labor Code §§ 201-203, 226, 226.7, 512, and 2698, et seq. and Business and Professions Code § 17200, et seq., that accrued from April 6, 2016, through July 31, 2021.
- All claims for penalties under the California Labor Code Private Attorneys General Act of 2004, including costs and attorneys' fees related thereto, predicated on the violation of Labor Code §§ 201-203, 226, 226.7, and 512, based on the facts as alleged in the operative Complaint that accrued from April 6, 2016, through July 31, 2021. OR

Exempt Class

- All claims, including penalties, costs, and attorneys' fees related thereto, that could have been brought under the factual allegations made in the operative Complaint for violations of Labor Code § 226, and 2698, et seq. that accrued from April 6, 2018, through July 31, 2021.
- All claims for penalties under the California Labor Code Private Attorneys General Act of 2004, including costs and attorneys' fees related thereto, predicated on the violation of Labor Code § 226, based on the facts as alleged in the operative Complaint that accrued from April 6, 2018, through July 31, 2021.

11. How Do I Exclude Myself from the Settlement?

To exclude yourself from the settlement (also referred to as “opt-out”), you must mail a letter to the Settlement Administrator saying that you want to be excluded from the *James Pevey v. Lumber City Corp.* settlement.

Be sure to include your name, address, telephone number, last four digits of your Social Security Number, and your signature. You must mail your exclusion letter postmarked no later than **January 21, 2022**, to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863.

If you submit a timely and valid “opt-out” request, you will no longer be a member of the class and you will not receive any money from the settlement (except for that portion of the settlement allocated to PAGA penalty payments – i.e., the PAGA Amount), or be able to object to the settlement, but you will not be legally bound by anything that happens in this lawsuit. You will keep any rights to sue (or continue to sue) LUMBER CITY in the future for the same legal claims made in this lawsuit, at your own expense, and with the exception of .

12. How Do I Tell the Court that I Don’t Believe that the Settlement is Fair?

As a class member, you can object to the settlement if you believe that the settlement is unfair or inadequate. You can give reasons why you think the Court should not approve the settlement. If you object and follow the procedures set out in this section, your objection will be considered.

If you decide to object to the proposed settlement, you may do so in writing to the Settlement Administrator. Upon the submission of your objection, you may then also appear at the final approval hearing for the settlement, either in person or through an attorney at your own expense. (See Question 14.) Regardless of whether you submitted a timely written objection to the Settlement Administrator, you may appear in person at the final approval hearing in order to object.

All written objections should be signed by you and should include: (1) your full name, address, and telephone number; (2) a written statement of the basis for your objection; and (3) any copies of papers, briefs, or documents upon which the objection is based. You must mail your objection postmarked no later than **January 21, 2022**, to the Settlement Administrator at Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863.

13. What is the Difference Between Objecting and Excluding?

Objecting is simply telling the Court that you don’t like something about the settlement. You can object only if you stay in the class. Excluding yourself, on the other hand, is telling the Court that you don’t want to be part of the class. If you exclude yourself, you have no basis to object because the case no longer affects you. However, if you file an objection, you will still receive settlement benefits under the settlement if it is approved by the Court. If the Court approves the settlement, you will receive your portion of the PAGA Amount regardless of whether you object or exclude yourself.

14. Do I Have a Lawyer in this Case?

The Court decided that the law firms of Diversity Law Group, Polaris Law Group, and David Lee Law, APC, all of which represent the Plaintiffs, are also qualified to represent you and all class members. You will not be charged for these lawyers. These law firms are referred to as “Class Counsel.” If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How Will the Attorneys for the Class and the Class Representatives be Paid?

The attorneys for the Plaintiffs and the class will be paid from the Gross Settlement Amount. Class Counsel will ask for up to \$393,333.33 in attorneys’ fees and for actual litigation costs incurred up to a maximum of \$25,000.00, the actual amount of which will be determined by the Court at the final approval hearing (see Question 16 below for details as to when this hearing will take place). Class members (like you) do not have to pay the fees and costs of Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

If approved by the Court, a service payment for the Plaintiffs of an amount up to \$20,000.00, collectively, will be paid from the Gross Settlement Amount for their work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome of this lawsuit was not favorable).

16. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

The Court has preliminarily approved the settlement and will hold a final approval hearing to decide whether to give final approval to the settlement. This hearing will be held before the Honorable David Cohn on May 2, 2022, at 10:00 a.m., in Department S-26 of the Superior Court of California for the County of San Bernardino, located at 247 West 3rd Street, San Bernardino, CA 92415, to determine whether the proposed settlement is fair, reasonable, and adequate, and whether it should be finally approved by the Court. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The final approval hearing may be continued without further notice. The Court may adjourn or continue the hearing from time to time, without further notification, as the Court may direct.

Once final approval is granted by the Court, the Court will enter a Joint Stipulation of Class Action Settlement, and all class members who have not requested exclusion will be deemed to have waived the Released Claims set forth above.

17. How Do I Receive More Information?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by contacting Class Counsel.

18. What is the Contact Information for Class Counsel?

The addresses for Class Counsel are as follows:

DIVERSITY LAW GROUP, P.C.
Larry W. Lee
Max W. Gavron
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Telephone: (213) 488-6555
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POLARIS LAW GROUP
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DAVID LEE LAW, APC
David J. Lee
515 S. Flower Street, Suite 1900
Los Angeles, CA 90071
Telephone: (213) 236-3536
Fax: (866) 658-4722

WHAT IF I HAVE QUESTIONS?

If you have any questions about the settlement, you may contact the Settlement Administrator:

James Pevey v. Lumber City Corp.
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Toll-Free Phone Number: (800) 523-5773

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

PLEASE DO NOT CONTACT LUMBER CITY, ITS MANAGERS, OR ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.