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

MARTIN ORTIZ, individually, and on behalf of
all others similarly situated,

Plaintiff,

v.

TARA MATERIALS, INC., a Georgia
corporation, and DOES 1 through 10, inclusive,

Defendants.

Case No. 37-2021-0001473-CU-OE-CTL

CLASS ACTION

[Assigned for all purposes to: Hon. Eddie
Sturgeon, Dept. C-67]

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

FINAL APPROVAL HEARING

Date: May 26, 2023

Time: 9:00 a.m.

Dept: C-67

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1. I am a Case Manager at Phoenix Settlement Administrators (“Phoenix”), the Court-appointed Class Action Settlement Administrator for *Martin Ortiz v. Tara Materials, Inc.* (the “Action”). I have personal knowledge of the facts stated herein and, if called upon to testify, I could and would testify competently to such facts.

3. On March 1, 2023, Phoenix received a data file from Defense Counsel that contained names, last known mailing addresses, Social Security numbers, and dates of employment for each Class Member (“Class List”) during the Class Period. The final mailing list contained fifty-five (55) individuals identified as Class Members.

1 4. On March 1, 2023, Phoenix conducted a National Change of Address (“NCOA”)
2 search in an attempt to update the class list of addresses as accurately as possible. A search of this
3 database provides updated addresses for any individual who has moved in the previous four (4)
4 years and notified the U.S. Postal Service of their change of address.

5 5. On March 10, 2023, Phoenix mailed the Notice via U.S. first class mail, in English
6 and Spanish, to all fifty-five (55) Class Members on the Class List. A true and correct copy of the
7 mailed Notice is attached hereto as **Exhibit A**.

8 6. As of the date of this declaration, two (2) Notices have been returned to Phoenix.
9 None were returned with a forwarding address. For the two (2) Notices returned from the Post Office
10 without a forwarding address, Phoenix attempted to locate a current mailing address using
11 TransUnion TLOxp, one of the most comprehensive address databases available for skip tracing.
12 Of the two (2) Notices that were skip traced, two (2) updated addresses were obtained and the Notice
13 was promptly re-mailed to those Class Members via first class mail.

14 7. As of the date of this declaration, Phoenix has received zero (0) Requests for
15 Exclusion from Class Members. The deadline to request exclusion from the Class Settlement was
16 April 24, 2023.

17 8. As of the date of this declaration, Phoenix has received zero (0) Notices of Objection
18 from Class Members. The deadline for objecting to the Class Settlement was April 24, 2023.

19 9. As of the date of this declaration, Phoenix has received zero (0) Workweek disputes
20 from Class Members. The deadline for submitting a dispute was April 24, 2023.

21 10. There are fifty-five (55) Class Members who did not submit timely and valid
22 Requests for Exclusion and are therefore deemed Settlement Class Members, representing 100% of
23 the Class. Settlement Class Members have worked a collective total of five thousand eight hundred
24 eighty-two (5,882) Workweeks during the Class Period. Each Workweek is valued at approximately
25 \$10.94.

26 11. The Net Settlement Amount of \$64,333.33 available to pay Settlement Class
27 Members was determined by subtracting the requested Class Counsel attorneys' fees (\$46,666.67),
28 and Class Counsel costs (\$15,000.00), requested Enhancement Payment to Plaintiff Martin Ortiz

1 (\$2,500.00), the PAGA Amount (\$5,000.00), and the requested Settlement Administration Costs
2 (\$6,500.00) from the Gross Settlement Amount (\$140,000.00).

3 12. Based upon the calculations stipulated in the Settlement, the highest Individual
4 Settlement Share to be paid is approximately \$2,953.08, the lowest Individual Settlement Share to
5 be paid is approximately \$32.81, while the average Individual Settlement Share to be paid is
6 approximately \$1,169.70. Settlement Class Members will be issued payment of their Individual
7 Settlement Shares subject to reduction for the employee's share of taxes and withholdings with
8 respect to the wages portion of the Individual Settlement Share (the net payment is their "Individual
9 Settlement Payment").

10 13. Additionally, \$5,000.00 of the Gross Settlement Amount has been allocated toward
11 penalties under the Private Attorneys General Act ("PAGA Amount"), of which 75%, or \$3,750.00,
12 shall be paid to the Labor and Workforce Development Agency ("LWDA"), and 25%, or \$1,250.00,
13 of which shall be paid to all current and former hourly non-exempt individuals who are or were
14 employed by Defendant during the PAGA Period. There are thirty-three (33) Aggrieved Employees
15 who worked a total of two thousand two hundred nine (2,209) workweeks during the PAGA Period.
16 The highest Individual PAGA Payment to be paid is approximately \$63.94, and the average
17 Individual PAGA Payment to be paid is approximately \$37.88.

18 14. Pursuant to the Settlement, Defendant has agreed to fund the employer-side taxes in
19 addition to the Gross Settlement Amount.

20 15. Phoenix's costs associated with the administration of this matter are \$6,500.00. This
21 includes all costs incurred to date, as well as estimated costs involved in completing the settlement
22 distribution. A true and correct copy of the invoice from Phoenix is attached hereto as **Exhibit B**.

23
24 I declare under penalty of perjury of the laws of the State of California that the foregoing is
25 true and correct.

26 Executed this 4th day of May 2023, at Orange, California.

27
28 
JARROD SALINAS

EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO
Martin Ortiz v. Tara Materials, Inc.
Case No. 37-2021-00001473-CU-OE-CTL

Indicate Name/Address Changes, if any:

«Contact»

«Address_1»

«City», «State» «ZIP_Code»

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT.

TARA MATERIALS, INC. WILL NOT RETALIATE AGAINST YOU FOR PARTICIPATING IN THIS SETTLEMENT.

THIS NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.

A California court authorized this notice. This is not a solicitation from a lawyer.

YOU ARE HEREBY NOTIFIED that a proposed settlement (“the Settlement”) of the above-captioned class action (“the Action”) filed in the San Diego County Superior Court has been reached by Tara Materials, Inc. (“Tara Materials”) and Martin Ortiz (“Plaintiff”), an individual, on behalf of himself and all others similarly situated and has been granted Preliminary Approval by the Court supervising the Action. The San Diego County Superior Court has ordered that this Class Notice be sent to you because you may be a Settlement Class Member. The purpose of this Class Notice is to inform you of the Settlement of this class action and your legal rights under the Settlement as follows:

- Tara Materials has agreed to settle a lawsuit brought on behalf of all persons who worked for Tara Materials in California as an hourly-paid or non-exempt employee during the period from January 13, 2017 through March 15, 2022 (the “Settlement Period”) (hereafter, “Settlement Class”).
- The proposed Settlement resolves all alleged claims regarding the following wage and hour policies and/or practices of Tara Materials: minimum wage, straight time wage, overtime and/or double time wage, failure to pay for all hours worked, meal and rest breaks and any premiums thereon, wage statement violations, waiting time penalties, failure to indemnify for expenditures, and other penalties of any kind arising from an alleged failure to pay wages. Finally, the settlement resolves claims for unfair competition and penalties under California’s Private Attorneys General Act (“PAGA”) arising out of the alleged wage and hour policies and practices of Tara Materials. The settlement avoids costs and risks to you from continuing the lawsuit, pays money to employees, and releases Tara Materials from liability for these claims.
- The Parties in the lawsuit disagree on whether Tara Materials is liable for the allegations raised in this case and how much money could have been won if the employees won at trial.
- **Your legal rights may be affected. Read this notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Get a Payment	If you are a member of the Settlement Class, you will automatically receive a payment if you do not exclude yourself. If you do not exclude yourself, you will receive a payment and will give up certain rights as set forth on page 4 below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below.
Exclude Yourself	Get no payment. Send a letter to the Settlement Administrator as provided below. This is the only option that allows you to bring your own claim against Tara Materials about the legal claims in this case. The Settlement will bind all Settlement Class Members who do not request exclusion. Note that even if you exclude yourself, if the Court approves the Settlement, you will still release your claims under the PAGA only and will receive a settlement payment as to the PAGA only.
Object	Write to the Court about why you do not like the settlement. Directions are provided below.

WHY DID YOU RECEIVE THIS NOTICE?

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

WHAT IS THIS LAWSUIT ABOUT?

Plaintiff filed this lawsuit in San Diego County Superior Court on behalf of the Settlement Class. The lawsuit alleges that members of the Settlement Class were not paid all minimum, straight time, and overtime wages, were not paid for or properly provided meal and rest breaks, were not paid all wages due at termination and/or resignation, were not issued accurate wage statements, were not provided reimbursements for all necessary business-related expenses, and were subjected to unfair competition. The lawsuit seeks recovery of wages, restitution, statutory and civil penalties, interest, and attorneys' fees and costs.

Tara Materials denies any liability or wrongdoing of any kind associated with the claims alleged in the lawsuit. Tara Materials contends, among other things, that they complied at all times with the California Labor Code, the California Business and Professions Code, and all other applicable law. Tara Materials further denies that the lawsuit is appropriate for class treatment for any purpose other than settling this lawsuit.

The Court has made no ruling and will make no ruling on the merits of the Litigation and its allegations and claims.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did **not** decide in favor of the Plaintiff or Tara Materials. Plaintiff thinks he would have prevailed on his claims at a trial. Tara Materials does not think that Plaintiff would have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the costs, risks, and uncertainty of a trial, and the class members will get compensation. Plaintiff and Plaintiff's attorneys believe the settlement is fair, reasonable, adequate, and in the best interests of all class members.

B. Who is in the Class?

The Settlement Class consists of all persons who worked for Tara Materials in California as an hourly-paid or non-exempt employee during the Settlement Period.

C. What does the Settlement provide?

1. Settlement Amount.

Tara Materials will pay a total of One Hundred and Forty Thousand Dollars and Zero Cents (\$140,000.00) (the “Settlement Amount”) to settle the lawsuit.

The following sums will be paid from the Settlement Amount: all Net Settlement Payments (inclusive of all employment taxes and all other legally required withholdings that would otherwise be due from the individual class members) to the Settlement Class, Attorneys’ Fees (not to exceed 33 ⅓ % of the Settlement Amount, or \$46,666.67), Litigation Expenses not to exceed \$15,000.00, Settlement Administrative Costs estimated in an amount not to exceed \$10,000.00, the PAGA Settlement Payment in the amount of \$5,000.00, and an enhancement payment to the Named Plaintiff not to exceed \$2,500.00. Any and all Employer Taxes which Tara Materials normally would be responsible for paying on the Net Settlement Payments made to individual Class Members will be paid by Tara Materials separate and apart from the Settlement Amount.

The funds used for the Settlement Amount shall be paid to the Settlement Administrator. The Settlement Administrator shall disburse the Court-approved enhancement to the Named Plaintiff, Court-approved Attorneys’ Fees and Litigation Expenses, Settlement Administration Costs, and the PAGA Settlement Payment at the same time and manner as the Net Settlement Payments to the Settlement Class Members.

2. Net Settlement Amount.

“Net Settlement Amount” means the Settlement Amount minus the Attorneys’ Fees, Litigation Expenses, Settlement Administrative Costs, the portion of the PAGA Settlement payment payable to the Labor & Workforce Development Agency (“LWDA”), and the enhancement payment to the Named Plaintiff.

3. Your Individual Payment Amount.

The Claims Administrator will calculate the total number of workweeks for all Class Members who were employed by Defendant Tara Materials during the Settlement Period (“Total Workweeks”). The value of each Workweek shall be determined by the Claims Administrator by dividing the Net Settlement Amount by the total number of Workweeks available to the Class Members who do not “opt out” (as defined on page 5 below) during the Settlement Period (“Workweek Point Value”).

An “Individual Settlement Payment” for each Class Member will then be determined by multiplying a Class Member’s workweeks (“Eligible Workweeks”) by the Workweek Point Value. The Individual Settlement Payment will be reduced by any required legal deductions, for each participating Class Member.

In addition, all persons who worked for Tara Materials in California as an hourly-paid or non-exempt employee (“PAGA Group Member”) during the period of January 19, 2020 to March 15, 2022 (“PAGA Period”) will be paid a pro-rata share of the \$1,250.00 allocated for the PAGA Group Members’ share of the PAGA penalties. If you are a PAGA Group Member and the Court approves the Settlement, then you will receive a payment for your pro-rata share of the PAGA settlement regardless of whether you choose to exclude yourself from the Settlement.

4. Tax Matters.

The Settlement Administrator will distribute IRS Forms W-2 and 1099 (and the equivalent California forms) to Settlement Class Members reflecting the payments each Settlement Class Member receives under the Settlement. For tax purposes, Net Settlement Payments will be allocated as follows: 20% as wages and 80% as penalties and interest. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code and the California Franchise Tax Board.

Interest and penalties paid under this Settlement shall not be subject to federal, state and local payroll withholding taxes. The Settlement Administrator shall issue an IRS form 1099 for payments of interest and penalties. The usual and customary deductions will be taken out of the amounts attributable to unpaid wages. Settlement Class Members should consult with their tax advisors concerning the tax consequences of the payment they receive under the Settlement.

D. What are you giving up to get a payment and stay in the Class?

As of the Effective Date (as that term is defined in Section 1.19 of the Settlement Agreement), all members of the Settlement Class (excluding those who have timely submitted a valid Request for Exclusion), including each of their respective attorneys, agents, spouses, executors, representatives, guardians ad litem, heirs, successors, and assigns, and the Named Plaintiff, release Tara Materials and each of its former or present parents, subsidiaries, affiliates, investors, partners, owners, related organizations, predecessors or successors, and all agents, employees, officers, directors, shareholders, partners, members, managers, holding companies, insurers, and attorneys thereof (the “Released Parties”) from all claims asserted under any applicable laws and/or regulations relating to any and all facts and claims asserted in the Action or any other claims, with the exception of all claims under the PAGA, that could have been asserted in the Action based on the facts alleged, including without limitation claims related to minimum wages, overtime and double time wages (including, but not limited to, any claims for additional wages owed due to “rounding” or “off the clock” work); meal and rest breaks; failure to maintain accurate employment records; wage statement violations; separation pay violations; failure to reimburse business expenses; and unfair business practices arising during the Settlement Period.

THE FINAL APPROVAL HEARING

The Court will conduct a Final Approval Hearing regarding the proposed settlement (the “Final Approval Hearing”) on May 26, 2023, at 330 West Broadway, San Diego, California 92101, in Department C-67 of the San Diego County Superior Court. The Court will determine: (i) whether the settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (ii) whether the Settlement Class Members should be bound by the terms of the settlement; (iii) the amount of the attorneys’ fees and costs to Plaintiff’s counsel; and (iv) the amount that should be awarded to the Plaintiff as an enhancement payment. At the Final Approval Hearing, the Court will hear all objections, as well as arguments for and against the proposed Settlement. You are permitted to provide an objection at the Final Approval Hearing, in the first instance, even if you did not provide a written objection beforehand. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

The Final Approval Hearing may be continued without further notice to the Class. You may contact Plaintiff’s counsel, listed in this Notice, to inquire into the date and time of the Final Approval Hearing.

Condition of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class.

WHAT ARE YOUR OPTIONS?

• **OPTION 1 – GET A PAYMENT**

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS AND WISH TO RECEIVE YOUR SHARE OF THE SETTLEMENT, THEN YOU DO NOT HAVE TO DO ANYTHING AND YOU WILL AUTOMATICALLY RECEIVE A SETTLEMENT PAYMENT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.

The amount of the Settlement Payment paid to each Settlement Class Member is based upon the number of workweeks you worked between January 13, 2017 through March 15, 2022.

The average potential recovery for each proposed Settlement Class Member is \$1,169.70.

The estimated amount of your Settlement Payment is «ESA_Before_Paga». The estimated number of workweeks you worked for Tara Materials during the Settlement Period is: «Total_Weeks». If you believe that the number of workweeks stated is incorrect, you must notify the Settlement Administrator by April 24, 2023 of the dispute and submit documentation to support such dispute. You can only dispute your number of workweeks if you do not exclude yourself from the Settlement Class. If you believe that the number of workweeks stated is correct, you do not have to do anything.

In addition, all persons who worked for Tara Materials in California as a PAGA Group Member during the PAGA Period will be paid a pro-rata share of the Weekly PAGA Amount. The estimated number of workweeks you worked for Tara Materials during the PAGA Period is: «PAGA_Work_Weeks». Your Estimated Weekly PAGA Amount is «PAGA_Amount». Class Members who are PAGA Group Members will not be permitted to exclude themselves from the PAGA claim portion of the Settlement.

The Settlement Payment you will receive will be a full and final settlement of your released claims described in Section D above.

• **OPTION 2 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself (“opt out”) from the Settlement Class, but if you choose to do so, you will not receive any benefits from the proposed settlement. You will **not** be bound by a judgment in this case and you will have the right to file your own lawsuit against Tara Materials, subject to time limits called Statute of Limitations and other potential defenses that Tara Materials may assert, and to pursue your own claims in a separate suit.

In order to exclude yourself from the Settlement Class, you must submit a Request for Exclusion no later than April 24, 2023. A Request for Exclusion is a letter or written request to be excluded from the Settlement Class submitted by you to the Settlement Administrator, Phoenix Settlement Administrators P.O. Box 7208, Orange, CA 92863. In order to be valid, the Request for Exclusion must include the your name, address, telephone number, last four digits of the Social Security number, years of employment, and signature, and contain a statement to the effect of: “I wish to be excluded from the Settlement Class.”

Note that even if you exclude yourself, if the Court approves the Settlement, you will still release your claims under the PAGA only and will receive a settlement payment as to the PAGA only.

• **OPTION 3 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing to object, regardless of whether you provided a written objection beforehand, either in person or through an attorney at your own expense.

Any written objection may be mailed to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863 by April 24, 2023.

The contact information for Plaintiff’s counsel and Defendant’s counsel is provided below solely for your informational purposes. Written objections should only be sent to the Settlement Administrator at the address provided above, not to Plaintiff’s counsel or Defendant’s counsel.

PLAINTIFF’S/CLASS COUNSEL

Justin F. Marquez

justin@wilshirelawfirm.com

Benjamin H. Haber

benjamin@wilshirelawfirm.com

Arrash T. Fattahi

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Facsimile: (858) 597-9601

CHANGE OF ADDRESS

If you move after receiving this Notice, if it was misaddressed, or if for any reason you want your Settlement Award or future correspondence concerning this Action to be sent to a different address, you must supply your preferred address to the Settlement Administrator at:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you may review the detailed “Joint Stipulation of Class Action and PAGA Representative Claims” which is available for viewing online, along with other court records regarding this case, on the following website:

URL: <http://www.phoenixclassaction.com/ortiz-v-tara-materials/>

The pleadings and other records in the lawsuit are also available on the website.

Alternatively, you may also obtain a copy of the Settlement Agreement and related documents online through the San Diego County Superior Court’s website, by going to the following webpage: <https://roa.sdcourt.ca.gov/roa/> and entering “37-2021-00001473-CU-OE-CTL” for the case number.

ANY INQUIRIES REGARDING THIS LITIGATION SHOULD BE MADE TO PLAINTIFF’S COUNSEL LISTED ABOVE OR TO THE SETTLEMENT ADMINISTRATOR, Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, Telephone: (800) 523-5773. Please refer to the *Martin Ortiz v. Tara Materials, Inc.* Class Action Settlement.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS

NOTIFICACIÓN DE PROPUESTA DE ACUERDO DE DEMANDA COLECTIVA

TRIBUNAL SUPERIOR DEL ESTADO DE CALIFORNIA
 PARA EL CONDADO DE SAN DIEGO
Martin Ortiz contra Tara Materials, Inc.
 Caso n° 37-2021-00001473-CU-OE-CTL

Indique los cambios de nombre/dirección, si los hubiera:

«Contact»

«Address_1»

«City», «State» «ZIP_Code»

PUEDE TENER DERECHO A RECIBIR DINERO DE UN ACUERDO.

TARA MATERIALS, INC. NO TOMARÁ REPRESALIAS CONTRA USTED POR PARTICIPAR EN ESTE ACUERDO.

ESTE AVISO AFECTA A SUS DERECHOS. LE PEDIMOS QUE LO LEA DETENIDAMENTE.

Un tribunal de California autorizó este aviso. No se trata de una solicitud de un abogado.

POR LA PRESENTE SE LE NOTIFICA que Tara Materials, Inc. ("Tara Materials") y Martin Ortiz ("Demandante"), un individuo, han llegado a un acuerdo propuesto ("el Acuerdo") de la demanda colectiva arriba mencionada ("la Demanda") presentada ante el Tribunal Superior del Condado de San Diego, en su nombre y en el de todos los demás en situación similar, y que el Tribunal que supervisa la Demanda le ha concedido la Aprobación Preliminar. El Tribunal Superior del Condado de San Diego ha ordenado que se le envíe este Aviso de clase porque usted puede ser un Miembro de la clase del acuerdo. El propósito de este Aviso de demanda colectiva es informarle de la Conciliación de esta demanda colectiva y de sus derechos legales en virtud de la Conciliación como se indica a continuación:

- Tara Materials ha acordado llegar a un acuerdo en una demanda presentada en nombre de todas las personas que trabajaron para Tara Materials en California como empleados pagados por hora o no exentos durante el período comprendido entre el 13 de enero de 2017 y el 15 de marzo de 2022 (el "Período del Acuerdo") (en adelante, la "Clase del Acuerdo").
- El Acuerdo propuesto resuelve todas las supuestas reclamaciones relativas a las siguientes políticas y/o prácticas salariales y horarias de Tara Materials: Salario mínimo, salario por tiempo regular, salario por horas extraordinarias y/o salario por tiempo doble, falta de pago por todas las horas trabajadas, pausas para comer y descansar y cualquier prima por ello, violaciones de las declaraciones salariales, penalizaciones por tiempo de espera, falta de indemnización por gastos y otras penalizaciones de cualquier tipo derivadas de una supuesta falta de pago de salarios. Por último, el acuerdo resuelve las demandas por competencia desleal y las sanciones en virtud de la Ley de Abogados Generales Privados de California ("PAGA") derivadas de las supuestas políticas y prácticas de Tara Materials en materia de salarios y horarios. El acuerdo evita costes y riesgos de continuar con el pleito, paga dinero a los empleados y libera a Tara Materials de responsabilidad por estas reclamaciones.
- Las partes en el pleito discrepan sobre si Tara Materials es responsable de las alegaciones planteadas en este caso y sobre cuánto dinero podría haberse ganado si los empleados ganaran en el juicio.
- **Sus derechos legales pueden verse afectados. Lea atentamente este aviso.**

SUS DERECHOS Y OPCIONES LEGALES EN ESTE ACUERDO:	
Obtener un pago	Si es miembro del Grupo del Acuerdo, recibirá automáticamente un pago si no se excluye. Si no se excluye, recibirá un pago y renunciará a determinados derechos, tal y como se establece en la página 4 a continuación. Tras la aprobación definitiva del Tribunal, el pago le será enviado por correo a la misma dirección que figura en esta notificación. Si su dirección ha cambiado, notifíquelo al Administrador del Acuerdo como se explica a continuación.
Excluirse	No recibirá ningún pago. Debe enviar una carta al Administrador del Acuerdo como se indica a continuación. Esta es la única opción que le permite presentar su propia demanda contra Tara Materials sobre las reclamaciones legales en este caso. El Acuerdo vinculará a todos los Miembros de la Clase del Acuerdo que no soliciten la exclusión. Tenga en cuenta que incluso si se excluye, si el Tribunal aprueba el Acuerdo, usted liberará sus reclamaciones únicamente en virtud de la PAGA y recibirá un pago del Acuerdo únicamente en lo que respecta a la PAGA.
Objetar	Escriba al Tribunal explicando por qué no le gusta el acuerdo. A continuación, encontrará las instrucciones.

¿POR QUÉ HA RECIBIDO ESTE AVISO?

Este aviso explica una propuesta de acuerdo de una demanda y le informa de sus derechos legales en virtud de dicho acuerdo propuesto. Usted recibe este aviso porque puede ser miembro de una clase en cuyo nombre se ha presentado esta demanda.

¿DE QUÉ SE TRATA ESTA DEMANDA?

El demandante presentó esta demanda ante el Tribunal Superior del Condado de San Diego en nombre del Grupo del Acuerdo. En la demanda se alega que a los miembros del Grupo del Acuerdo no se les pagaron todos los salarios mínimos, por tiempo regular y por horas extraordinarias, no se les pagaron ni se les proporcionaron adecuadamente las pausas para comer y descansar, no se les pagaron todos los salarios debidos en el momento del despido y/o la dimisión, no se les expidieron extractos salariales exactos, no se les proporcionaron reembolsos por todos los gastos necesarios relacionados con el negocio y fueron objeto de competencia desleal. La demanda solicita la recuperación de los salarios, la restitución, las sanciones legales y civiles, los intereses y los honorarios y costas de los abogados.

Tara Materials niega cualquier responsabilidad o delito de cualquier tipo asociado con las reclamaciones alegadas en la demanda. Tara Materials sostiene, entre otras cosas, que cumplió en todo momento con el Código Laboral de California, el Código de Negocios y Profesiones de California y todas las demás leyes aplicables. Tara Materials niega además que la demanda sea apropiada para el tratamiento de clase para cualquier otro propósito que no sea la resolución de esta demanda.

El Tribunal no se ha pronunciado ni se pronunciará sobre el fondo del Litigio y sus alegaciones y demandas.

RESUMEN DEL ACUERDO

A. ¿Por qué hay un Acuerdo?

El tribunal **no se** pronunció a favor del demandante ni de Tara Materials. El Demandante cree que habría prevalecido en sus reclamaciones en un juicio. Tara Materials no cree que el Demandante hubiera ganado nada en un juicio. Pero no hubo juicio. En su lugar, ambas partes acordaron un acuerdo. De ese modo, evitan los costes, riesgos e incertidumbre de un juicio, y los miembros de la clase obtendrán una compensación. El demandante y sus abogados creen que el acuerdo es justo, razonable, adecuado y en el mejor interés de todos los miembros de la clase.

B. ¿Quién forma parte de la clase?

La Clase del Acuerdo consiste en todas las personas que trabajaron para Tara Materials en California como empleados pagados por hora o no exentos durante el Periodo del Acuerdo.

C. ¿Qué establece el Acuerdo?

1. Importe de la liquidación.

Tara Materials pagará un total de Ciento Cuarenta Mil Dólares y Cero Centavos (\$140,000.00) (el "Monto del Acuerdo") para resolver la demanda.

Se pagarán las siguientes sumas del Monto del Acuerdo: todos los Pagos Netos del Acuerdo (incluidos todos los impuestos laborales y todas las demás retenciones legalmente exigidas que de otro modo se adeudarían a los miembros individuales del grupo) al Grupo del Acuerdo, los Honorarios de los Abogados (que no excederán el 33 ⅓% del Monto del Acuerdo, o \$46,666.67), Gastos de Litigio que no excedan los \$15,000.00, Costos Administrativos del Acuerdo estimados en un monto que no exceda los \$10,000.00, el Pago del Acuerdo PAGA por un monto de \$5,000.00, y un pago de mejora al Demandante Nombrado que no exceda los \$2,500.00. Todos y cada uno de los Impuestos Patronales que Tara Materials normalmente sería responsable de pagar sobre los Pagos Netos del Acuerdo efectuados a los Miembros de la Clase individuales serán pagados por Tara Materials por separado y aparte de la Cantidad del Acuerdo.

Los fondos utilizados para el Monto del Acuerdo se pagarán al Administrador del Acuerdo. El Administrador del Acuerdo desembolsará la mejora aprobada por el Tribunal al Demandante Nombrado, los Honorarios de los Abogados y los Gastos del Litigio aprobados por el Tribunal, los Costes de Administración del Acuerdo y el Pago del Acuerdo PAGA al mismo tiempo y de la misma forma que los Pagos Netos del Acuerdo a los Miembros del Grupo del Acuerdo.

2. Importe neto de la liquidación.

El "Importe Neto del Acuerdo" significa el Importe del Acuerdo menos los Honorarios de los Abogados, los Gastos del Litigio, los Costes Administrativos del Acuerdo, la parte del pago del Acuerdo PAGA pagadera a la Agencia de Desarrollo Laboral y de la Fuerza de Trabajo ("LWDA"), y el pago de mejora al Demandante Nombrado.

3. Su importe de pago individual.

El Administrador de Reclamaciones calculará el número total de Semanas Laborales de todos los Miembros del Grupo que estuvieron empleados por el Demandado Tara Materials durante el Periodo del Acuerdo ("Total de Semanas Laborales"). El Administrador de Demandas determinará el valor de cada Semana Laboral dividiendo el Importe Neto del Acuerdo por el número total de Semanas Laborales disponibles para los Miembros del Grupo que no "opten por no participar" (tal y como se define en la página 5 a continuación) durante el Periodo del Acuerdo ("Valor en Puntos de la Semana Laboral").

A continuación, se determinará un "Pago Individual del Acuerdo" para cada Miembro del Grupo multiplicando las semanas de trabajo de un Miembro del Grupo ("Semanas de Trabajo Elegibles") por el Valor en Puntos de la Semana de Trabajo. El Pago Individual del Acuerdo se reducirá por cualquier deducción legal requerida, para cada Miembro de la Clase participante.

Además, a todas las personas que trabajaron para Tara Materials en California como empleados pagados por hora o no exentos ("Miembro del Grupo PAGA") durante el periodo del 19 de enero de 2020 al 15 de marzo de 2022 ("Periodo PAGA") se les pagará una parte prorrateada de los \$1,250.00 asignados para la parte de las sanciones PAGA de los Miembros del Grupo PAGA. Si usted es un Miembro del Grupo PAGA y el Tribunal aprueba el Acuerdo, entonces recibirá un pago por su parte prorrateada del acuerdo PAGA independientemente de si decide excluirse del Acuerdo.

4. Cuestiones Fiscales.

El Administrador del Acuerdo distribuirá los Formularios W-2 y 1099 del IRS (y los formularios equivalentes de California) a los Miembros de la Clase del Acuerdo que reflejen los pagos que cada Miembro de la Clase del

Acuerdo reciba en virtud del Acuerdo. A efectos fiscales, los Pagos netos del Acuerdo se asignarán de la siguiente manera: 20% como salarios y 80% como multas e intereses. Los Formularios W-2 y/o los Formularios 1099 se distribuirán en los plazos y de la forma exigidos por el Código de Impuestos Internos y la Junta de Impuestos de California.

Los intereses y sanciones pagados en virtud de este Acuerdo no estarán sujetos a retenciones de impuestos federales, estatales y locales sobre la nómina. El Administrador del Acuerdo emitirá un formulario 1099 del IRS para los pagos de intereses y sanciones. Las deducciones usuales y habituales se deducirán de las cantidades atribuibles a los salarios impagados. Los Miembros del Grupo del Acuerdo deben consultar con sus asesores fiscales acerca de las consecuencias fiscales del pago que reciban en virtud del Acuerdo.

D. ¿A qué está renunciando para obtener un pago y permanecer en la Clase?

A partir de la Fecha Efectiva (tal y como se define este término en la Sección 1.19 del Acuerdo de Liquidación), todos los miembros del Grupo de la Liquidación (excluidos aquellos que hayan presentado oportunamente una Solicitud de Exclusión válida), incluidos cada uno de sus respectivos abogados, agentes, cónyuges, albaceas, representantes, tutores ad litem, herederos, sucesores y cesionarios, y el Demandante Nombrado, liberan a Tara Materials y a cada una de sus matrices, subsidiarias, filiales, inversores, socios, propietarios, organizaciones relacionadas, predecesores o sucesores anteriores o actuales, y a todos los agentes, empleados, funcionarios, directores, accionistas, socios, miembros, gerentes, holdings, aseguradoras y abogados de los mismos (las "Partes Exoneradas") de todas las reclamaciones que se hagan valer en virtud de las leyes y/o reglamentos aplicables en relación con todos y cada uno de los hechos y reclamaciones que se hagan valer en la Acción o cualquier otra reclamación, con la excepción de todas las reclamaciones en virtud de la PAGA, que podrían haberse hecho valer en la Acción sobre la base de los hechos alegados, incluidas, entre otras, las reclamaciones relacionadas con los salarios mínimos, las horas extraordinarias y los salarios por doble jornada (incluida, entre otras, cualquier reclamación por salarios adicionales adeudados debido al "redondeo" o al trabajo "fuera de horario"); pausas para comer y descansar; falta de mantenimiento de registros de empleo precisos; infracciones de las declaraciones salariales; infracciones de la paga de separación; falta de reembolso de los gastos empresariales; y prácticas comerciales desleales surgidas durante el Periodo del Acuerdo.

LA AUDIENCIA DE APROBACIÓN FINAL

El Tribunal celebrará una Audiencia de Aprobación Definitiva en relación con el acuerdo propuesto (la "Audiencia de Aprobación Definitiva") el 26 de mayo de 2023, en 330 West Broadway, San Diego, California 92101, en el Departamento C-67 del Tribunal Superior del Condado de San Diego. El Tribunal determinará: (i) si el acuerdo debe recibir la aprobación final del Tribunal como justo, razonable, adecuado y en el mejor interés de los Miembros de la Clase del Acuerdo; (ii) si los Miembros de la Clase del Acuerdo deben estar obligados por los términos del acuerdo; (iii) el importe de los honorarios de los abogados y las costas al abogado del Demandante; y (iv) el importe que debe concederse al Demandante como pago de mejora. En la Audiencia de Aprobación Definitiva, el Tribunal escuchará todas las objeciones, así como los argumentos a favor y en contra del Acuerdo propuesto. Se le permite presentar una objeción en la Audiencia de Aprobación Definitiva, en primera instancia, incluso si no presentó una objeción por escrito con anterioridad. Tiene derecho a asistir a esta audiencia, pero no está obligado a hacerlo. También tiene derecho a contratar a un abogado para que le represente, o a comparecer y representarse a sí mismo.

La Audiencia de Aprobación Definitiva podrá prorrogarse sin previo aviso a la Clase. Puede ponerse en contacto con el abogado del Demandante, que figura en este Aviso, para informarse sobre la fecha y hora de la Audiencia de Aprobación Definitiva.

Condición del Acuerdo. Este Acuerdo está condicionado a que el Tribunal emita una orden en o después de la Audiencia de Aprobación Definitiva aprobando el Acuerdo como justo, razonable, adecuado y en el mejor interés de la Clase del Acuerdo.

¿CUÁLES SON SUS OPCIONES?

• OPCIÓN 1 - OBTENER UN PAGO

SI USTED ES MIEMBRO DE LA CLASE DEL ACUERDO Y DESEA RECIBIR SU PARTE DEL ACUERDO, NO TIENE QUE HACER NADA Y RECIBIRÁ AUTOMÁTICAMENTE EL PAGO DEL ACUERDO. NUNCA TENDRÁ QUE ACUDIR A LOS TRIBUNALES NI PAGAR NADA A LOS ABOGADOS DEL CASO.

El monto del Pago del Acuerdo pagado a cada Miembro de la Clase del Acuerdo se basa en el número de semanas laborales que trabajó entre el 13 de enero de 2017 y el 15 de marzo de 2022.

La recuperación potencial media para cada Miembro del Grupo del Acuerdo propuesto es de \$1,169.70.

La cantidad estimada de su Pago del Acuerdo es de «ESA_Before_Paga». El número estimado de semanas laborales que usted trabajó para Tara Materials durante el Periodo del Acuerdo es: «Total_Weeks». Si cree que el número de semanas de trabajo indicado es incorrecto, debe notificar la disputa al Administrador del Acuerdo antes del 24 de abril de 2023 y presentar la documentación que respalde dicha disputa. Sólo podrá disputar su número de semanas de trabajo si no se excluye del Grupo del Acuerdo. Si cree que el número de semanas de trabajo indicado es correcto, no tiene que hacer nada.

Además, a todas las personas que trabajaron para Tara Materials en California como Miembro del Grupo PAGA durante el Período PAGA se les pagará una parte prorrateada de la Cantidad PAGA Semanal. El número estimado de semanas laborales que usted trabajó para Tara Materials durante el Período PAGA es: «PAGA_Work_Weeks». Su Cantidad PAGA Semanal Estimada es de «PAGA_Amount». Los Miembros de la Clase que sean Miembros del Grupo PAGA no podrán excluirse de la parte del Acuerdo correspondiente a la reclamación PAGA.

El Pago de Liquidación que recibirá será una liquidación total y definitiva de sus reclamaciones liberadas descritas en la Sección D anterior.

• OPCIÓN 2 - EXCLUIRSE DEL ACUERDO

Usted tiene derecho a excluirse ("opt out") de la Clase del Acuerdo, pero si decide hacerlo, no recibirá ningún beneficio del acuerdo propuesto. Usted **no** estará obligado por una sentencia en este caso y tendrá derecho a presentar su propia demanda contra Tara Materials, sujeta a los límites de tiempo denominados Ley de Prescripción y otras posibles defensas que Tara Materials pueda hacer valer, y a presentar sus propias reclamaciones en una demanda separada.

Para excluirse de la Clase del Acuerdo, debe presentar una Solicitud de Exclusión a más tardar el 24 de abril de 2023. Una Solicitud de Exclusión es una carta o petición escrita para ser excluido de la Clase del Acuerdo presentada por usted al Administrador del Acuerdo, Phoenix Settlement Administrators P.O. Box 7208, Orange, CA 92863. Para que sea válida, la Solicitud de Exclusión debe incluir su nombre, dirección, número de teléfono, cuatro últimos dígitos del número de la Seguridad Social, años de empleo y firma, y contener una declaración en el sentido de: "Deseo ser excluido del Grupo del Acuerdo".

Tenga en cuenta que incluso si se excluye, si el Tribunal aprueba el Acuerdo, seguirá liberando sus reclamaciones sólo en virtud de la PAGA y recibirá un pago del acuerdo sólo en lo que respecta a la PAGA.

• OPCIÓN 3 - OPONERSE AL ACUERDO

Si desea seguir siendo Miembro del Grupo del Acuerdo, pero se opone al acuerdo propuesto (o a cualquiera de sus términos) y desea que el Tribunal considere su objeción en la Audiencia de Aprobación Definitiva, puede oponerse al acuerdo propuesto por escrito. También puede comparecer en la Audiencia de Aprobación Definitiva para objetar, independientemente de que haya presentado previamente una objeción por escrito, ya sea en persona o a través de un abogado a su cargo.

Cualquier objeción por escrito puede ser enviada por correo al Administrador del Acuerdo a P.O. Box 7208, Orange, CA 92863 antes del 24 de abril de 2023.

La información de contacto del abogado de la Demandante y del abogado de la Demandada se proporciona a continuación únicamente con fines informativos. Las objeciones por escrito sólo deben enviarse al Administrador del Acuerdo a la dirección proporcionada anteriormente, no al abogado del Demandante ni al abogado del Demandado.

ABOGADO DEL DEMANDANTE/CLASE

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ABOGADO DE TARA MATERIALS, INC.

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CAMBIO DE DIRECCIÓN

Si se muda después de recibir esta Notificación, si la dirección de la misma es incorrecta o si por cualquier motivo desea que su Adjudicación del Acuerdo o la correspondencia futura relativa a esta Acción se envíe a una dirección diferente, deberá facilitar su dirección preferida al Administrador del Acuerdo en la dirección:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

¿HAY MÁS DETALLES SOBRE EL ACUERDO?

Lo anterior es un resumen de los términos básicos del acuerdo. Para conocer los términos y condiciones precisos del acuerdo, puede revisar la "Estipulación Conjunta de Acción Colectiva y Reclamaciones Representativas PAGA" detallada, que está disponible para su visualización en línea, junto con otros registros judiciales relativos a este caso, en el siguiente sitio web:

URL: <http://www.phoenixclassaction.com/ortiz-v-tara-materials/>

Los alegatos y otros expedientes de la demanda también están disponibles en el sitio web.

Alternativamente, también puede obtener una copia del Acuerdo de Conciliación y de los documentos relacionados en línea a través del sitio web del Tribunal Superior del Condado de San Diego, accediendo a la siguiente página web: <https://roa.sdcourt.ca.gov/roa/> e introduciendo "37-2021-00001473-CU-OE-CTL" como número de caso.

TODAS LAS PREGUNTAS RELATIVAS A ESTE LITIGIO DEBEN HACERSE A LOS ABOGADOS DEL DEMANDANTE ANTEDICHOS O AL ADMINISTRADOR DEL ACUERDO, Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, Teléfono: (800) 523-5773. Consulte la demanda colectiva *Martin Ortiz v. Tara Materials, Inc.* – Acuerdo de Demanda Colectiva.

POR FAVOR, NO LLAME POR TELÉFONO AL TRIBUNAL O A LA OFICINA DEL SECRETARIO PARA OBTENER INFORMACIÓN SOBRE ESTE ACUERDO O SOBRE EL PROCESO DE RECLAMACIÓN

EXHIBIT B



CASE ASSUMPTIONS

Class Members	75
Opt Out Rate	1%
Opt Outs Received	1
Total Class Claimants	74
Subtotal Admin Only	\$6,500.00

Not-to-Exceed Total \$6,500.00

For 75 Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

January 5, 2023

Case: Ortiz v. Tara Materials Opt-Out wLanguage

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Attorney: Justin Marquez

Firm: Wilshire Law Firm, PLC

Contact Number: (213) 381-9988, Ext. 345

Email: justin@wilshirelawfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly.

Estimate is based on **75** Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	2	\$200.00
Programming Database & Setup	\$100.00	2	\$200.00
Toll Free Setup*	\$107.39	1	\$107.39
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$25.00	1	\$25.00
Total			\$564.39

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	2	\$250.00
Data Merge & Duplication Scrub	\$0.50	75	\$37.50
Notice Packet & Opt-Out Form	\$2.00	75	\$150.00
Estimated Postage (up to 2 oz.)*	\$0.84	75	\$63.00
Static Website	\$200.00	1	\$200.00
Language Translation	\$1,000.00	1	\$1,000.00
Total			\$1,700.50

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



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CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	2	\$110.00
Skip Tracing Undeliverables	\$2.00	15	\$30.00
Remail Notice Packets	\$2.00	15	\$30.00
Estimated Postage	\$0.84	15	\$12.60
Programming Undeliverables	\$50.00	1	\$50.00
Total			\$232.60

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	2	\$270.00
Non Opt-Out Processing	\$100.00	1	\$100.00
Case Associate	\$55.00	2	\$110.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$85.00	2	\$170.00
Total			\$680.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	2	\$270.00
Disbursement Review	\$135.00	2	\$270.00
Programming Manager	\$95.00	2	\$190.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$125.00	2	\$250.00
Mail Class Checks *	\$1.75	74	\$129.94
Estimated Postage	\$0.61	74	\$45.29
Total			\$1,355.23

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



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CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$100.00	3	\$300.00
Remail Undeliverable Checks (Postage Included)	\$1.50	15	\$22.28
Case Associate	\$50.00	2	\$100.00
Reconcile Uncashed Checks	\$75.00	2	\$150.00
Conclusion Reports	\$125.00	1	\$125.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$650.00	1	\$650.00
Check to Cy-Pres	\$150.00	1	Included
Uncashed Checks to the State of California Controllers Office	\$200.00	1	\$200.00
Estimated N/A Total Class Members			
Total			\$1,967.28

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

Estimate Total: \$6,500.00



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CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

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

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

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

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

Tax Reporting Requirements

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

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

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