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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF TULARE**

JOSE LUIS TAPIA, and JOAQUIN D
CASTILLO, individually and on behalf of all
others similarly situated,

Plaintiffs,

vs.

SIERRA FOREST PRODUCTS, a California
corporation; and DOES 1 through 10, inclusive,

Defendants

Case No.: VCU288833

CLASS AND REPRESENTATIVE ACTION

*[Assigned for all purposes to Honorable
Nathan Ide, Dept. 2]*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
CLASS NOTICE**

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement and Class Notice (“Agreement” or “Settlement Agreement”) is made by and between Plaintiffs Jose Luis Tapia and Joaquin D. Castillo (“Plaintiffs”) and Defendant Sierra Forest Products (“Defendant”) (collectively, the “Parties,” and individually, a “Party”).

1. DEFINITIONS.

1.1. “Action” means the Plaintiffs’ lawsuit alleging wage-and-hour and related violations against Defendant captioned *Tapia et al. v. Sierra Forest Products* initiated on February 26, 2021, Case Number VCU288833.

1.2. “Administrator” or “Settlement Administrator” means Apex Class Action LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Costs Payment” means the amount the Settlement Administrator will be paid from the Gross Settlement Amount for the costs of administering the settlement in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. “Aggrieved Employee” means all current and former non-exempt employees employed by Defendant in the State of California at any time during the PAGA Period.

1.5. “Class” means all current and former non-exempt employees employed by Defendant in the State of California at any time during the Class Period.

1.6. “Class Counsel” means Kane Moon, Allen Feghali, and Charlotte Mikat-Stevens of Moon & Yang, APC.

1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and actual litigation costs, respectively, incurred in prosecuting the Action.

1.8. “Class Data” means Class Member identifying information in Defendant’s possession, including the Class Member’s name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

1.9. “Class Member” means a member of the Class, as either a Participating Class Member or

Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means, including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. "Class Notice" means the "Notice of Proposed Class Action and PAGA Settlement" to be mailed to Class Members, in English with Spanish translation, in the form, without material variation unless otherwise instructed by the Court or counsel for both respective Parties, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. "Class Period" means the period from February 26, 2017 through the date of Preliminary Approval of the Settlement, but, if the number of total Workweeks exceeds 34,536 by the date of Preliminary Approval, then Defendant shall have the exclusive right, but not the obligation, to choose a release date earlier than the date of Preliminary Approval for Workweeks such that the number of total Workweeks does not exceed 34,536.

1.13. "Class Representatives" means Jose Luis Tapia and Joaquin D. Castillo, the named Plaintiffs in the Action, subject to the Court's approval.

1.14. "Class Representative Enhancement Award" means the payment from the Gross Settlement Amount to each of the named Plaintiffs for their service as Class Representatives and participation in this Action, and in exchange for providing a General Release and waiver of Civil Code § 1542 rights.

1.15. "Court" means the California Superior Court for the County of Tulare.

1.16. "Defendant" means Sierra Forest Products, the named Defendant in the Action.

1.17. "Defense Counsel" means Ian B. Wieland and Charles P. Hamamjian of Sagaser, Watkins & Wieland, PC.

1.18. "Final Approval" means the Court's Order Granting Final Approval of the Class Action and PAGA Settlement.

1.19. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of

the Class Action and PAGA Settlement.

1.20. “Final Judgment” or “Judgment” means the Judgment Entered by the Court upon granting Final Approval.

1.21. “Gross Settlement Amount” means Five Hundred Fifty Thousand Dollars and Zero Cents (\$550,000.00) which is the total amount Defendant agrees to pay, except as provided in Paragraphs 3.1 and 8 *infra*, within the timeframes set forth under this Settlement Agreement, in exchange for a release of the Class and PAGA claims and Plaintiffs’ general releases. The Gross Settlement Amount will be used to pay: (a) Individual Settlement Class Payments, (b) Individual PAGA Payments, (c) the LWDA PAGA Payment, (d) the Class Counsel Fees Payment, (e) the Class Counsel Litigation Expenses Payment, (f) the Class Representative Enhancement Award payments, and (g) the Administration Costs Payment.

1.22. “Individual Settlement Class Payment” means each Participating Class Member’s pro rata share of the Net Settlement Amount, as calculated by the Administrator, according to the number of his or her individual qualifying Workweeks.

1.23. “Individual PAGA Payment” means each Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties, as calculated by the Administrator, according to the number of his or her PAGA Pay Periods.

1.24. “Judgment” means the judgment entered by the Court based upon granting Final Approval.

1.25. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled to receipt of the LWDA PAGA Payment pursuant to Labor Code § 2699(i).

1.26. “LWDA PAGA Payment” means the seventy-five percent (75%) of the PAGA Penalties allocated and paid to the LWDA.

1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: (i) the LWDA PAGA Payment, (ii) the Class Representative Enhancement Award payments, (iii) the Class Counsel Fees Payment, (iv) the Class Counsel Litigation Expenses Payment, and (v) the Administration Costs Payment. The remainder is to be paid to Participating Class Members as Individual Settlement Class Payments, and to Aggrieved Employees as Individual PAGA Payments.

- 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion. Any Non-Participating Class Member who is an Aggrieved Employee will be subject to the Released Claims as it pertains to the release of PAGA claims, as provided in Paragraph 5.3 *infra*.
- 1.29. “PAGA” means the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *et seq.*).
- 1.30. “PAGA Period” means the period from February 22, 2020 until the date of Preliminary Approval of the Settlement.
- 1.31. “PAGA Notice Letter” means Plaintiffs’ letter, as amended on May 16, 2022, to Defendant and the LWDA providing notice of Labor Code violations, pursuant to Labor Code § 2699.3(a).
- 1.32. “PAGA Penalties” means the total amount allocated for settlement of Plaintiffs’ PAGA claims. Defendant agrees to allocate Forty Thousand Dollars and Zero Cents (\$40,000.00) from the Gross Settlement Amount for PAGA Penalties, distributed as twenty-five percent (25%) to Aggrieved Employees (i.e., \$10,000.00) and seventy-five percent (75%) to the LWDA (i.e., \$30,000.00).
- 1.33. “PAGA Pay Periods” means any fourteen (14) day period during which an Aggrieved Employee was employed by Defendant during the PAGA Period.
- 1.34. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement, and accordingly, is eligible for an Individual Settlement Class Payment and subject to the Released Claims.
- 1.35. “Plaintiffs” means Jose Luis Tapia and Joaquin D. Castillo, the named Plaintiffs in the Action.
- 1.36. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Class Action and PAGA Settlement.
- 1.37. “Preliminary Approval Order” means the Proposed Order Granting Preliminary Approval of the Class Action and PAGA Settlement.

1.38. “Released Claims” means the claims being released as described in Paragraph 5.2 *infra*.

1.39. “Released Parties” means Defendant, together with its present and former parents, subsidiaries, affiliated and related entities, present and former owners, boards, officers, directors, trustees, shareholders, members, partners, employees, agents, insurers, attorneys, representatives, heirs, executors, administrators, successors, and assigns.

1.40. “Request for Exclusion” means a Class Member’s written submission to the Administrator, in the form described in Paragraph 7.5.1 *infra*, faxed or post-marked by the Response Deadline, requesting to be excluded from the Settlement Class.

1.41. “Response Deadline” means forty-five (45) calendar days after the Administrator mails Notice Packets to Class Members and shall be the last date on which Class Members may fax or post-mark to the Administrator (a) a Request for Exclusion, (b) an Objection to the Class portion of the Settlement, or (c) a Work Week Dispute. Class Members to whom Notice Packets are resent after having been returned to the Administrator as non-delivered shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.42. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.43. “Work Week Dispute” means a written dispute that a Class Member may send to the Administrator, via fax or post-marked by the Response Deadline, regarding calculation of his or her Workweeks and/or PAGA Pay Periods, containing: (a) the Class Member’s full name, signature, address, telephone number, and last four Social Security number digits; (b) the number of Workweeks and/or PAGA Pay Periods the Class Member contends is correct; and (c) any evidence supporting the Class Member’s contention.

1.44. “Workweek” means any week during which a Class Member was employed by Defendant during the Class Period.

2. RECITALS.

2.1. On February 26, 2021, Plaintiff Tapia commenced this Action by filing an initial Complaint against Defendant in the California Superior Court for the County of San Bernardino (Case

No. CIVSB2107116) alleging causes of action against Defendant for 1) failure to pay minimum and regular rate wages; 2) failure to pay overtime compensation; 3) failure to provide meal periods; 4) failure to authorize and permit rest breaks; 5) failure to timely pay final wages at termination; 6) failure to provide accurate itemized wage statements; and 7) committing unfair business practices. On June 30, 2021, the San Bernardino Court granted the Parties' joint stipulation to a change of venue, transferring the Action this Court (Case No. VCU288833). On August 11, 2021, Plaintiff Tapia filed a First Amended Complaint to add an Eighth Cause of Action for civil penalties under PAGA. On June 22, 2022, the Court signed an order allowing Plaintiff to file a Second Amended Complaint to add Plaintiff Castillo as a second-named Plaintiff and a Ninth Cause of Action for failure to indemnify necessary business expenses. Pursuant to the foregoing order, the Second Amended Complaint was deemed filed as of June 22, 2022. The Parties agree that Plaintiffs' Second Amended Complaint is the Operative Complaint in the Action.

2.2. Pursuant to Labor Code § 2699.3(a), Plaintiffs gave timely written notice to Defendant and the LWDA of Labor Code violations by sending the PAGA Notice Letter.

2.3. On February 15, 2023, the Parties participated in an all-day mediation presided over by experienced neutral mediator Honorable Carl J. West, Esq., which led to this Agreement.

2.4. Prior to mediation, Plaintiffs obtained from Defendant, through both formal and informal discovery, information sufficient to meaningfully evaluate the claims at issue, including various written policy documents in effect during the Class Period, time and pay records, and the Class average hourly rate. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal. App. 4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116, 129–130 (“*Dunk/Kullar*”).

2.5. The Court has not granted class certification. Defendant agrees that the Parties will seek the Court's approval of class certification solely for the purpose of Settlement.

2.6. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the

Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 *infra*, Defendant promises to pay a Gross Settlement Amount in the total amount of Five Hundred Fifty Thousand Dollars and Zero Cents (\$550,000.00). Defendant's share of payroll taxes will be paid by Defendant separate from and in addition to the Gross Settlement Amount. The Administrator will calculate the employer's share of taxes and inform Defendant of the amount owed. Defendant's share of payroll taxes will be due by the time Defendant must fully fund the Gross Settlement Amount, as provided by Paragraph 4.3 *infra*. Defendant has no obligation to pay the Gross Settlement Amount or payroll taxes prior to the deadline stated in Paragraph 4.3 *infra*.

3.2. Payments from the Gross Settlement Amount. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim form as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval and Judgment:

3.2.1. To Plaintiffs: Defendant will not oppose a request for a Class Representative Enhancement Award up to Ten Thousand Dollars and Zero Cents (\$10,000.00) to each of the named Plaintiffs, in addition to Plaintiffs' eligible Individual Settlement Class Payment and Individual PAGA Payment. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Enhancement Award no later than 16 court days prior to the Final Approval Hearing. Any portion of the Class Representative Enhancement Award allocation not approved by the Court shall remain part of the Net Settlement Amount and be distributed to Participating Class Members. The Administrator will pay the Class Representative Enhancement Award payments using IRS 1099 Forms. Plaintiffs each assume full responsibility

and liability for taxes owed on their Class Representative Enhancement Award.

3.2.2. To Class Counsel: Defendant will not oppose a request for a Class Counsel Fees Payment of not more than 33 1/3 percent (33.33%) of the Gross Settlement Amount (currently estimated to be \$183,315.00) and a Class Counsel Litigation Expenses Payment of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00). Plaintiffs and/or Class Counsel will file a motion for approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. Any portion of the fee allocation not approved by the Court shall remain part of the Net Settlement Amount and be distributed to Participating Class Members. Likewise, any portion of the costs allocation not approved by the Court, or alternatively, any unused funds of the cost allocation approved by the Court, shall remain part of the Net Settlement Amount and be distributed to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other designated counsel for Plaintiffs arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment, and hold Defendant harmless and indemnify Defendant from any dispute or controversy regarding any division or sharing of any of said payments.

3.2.3. To the Administrator: Defendant will not oppose a request for an Administration Costs Payment to the Settlement Administrator not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00), except for a showing of good cause and as approved by the Court. To the extent administration costs are less or to the extent the Court approves payment in an amount less than \$20,000.00, the Administrator will retain the remainder in the Net Settlement Amount for distribution to Participating Class Members.

1 3.2.4. Individual Settlement Class Payments: An Individual Settlement Class Payment is
2 payable to each Participating Class Member from the Net Settlement Amount on a
3 pro rata basis, as calculated by the Settlement Administrator. The Administrator will
4 calculate each Individual Settlement Class Payment using the following formula:
5 (a) subtracting the PAGA Penalties portion amount allocated to Aggrieved
6 Employees (i.e., \$10,000.00) from the Net Settlement Amount, (b) dividing that
7 resulting amount by the total number of Workweeks employed by all Class
8 Members during the Class Period, and (c) multiplying that result by each
9 Participating Class Member's individual qualifying Workweeks.

10 3.2.4.1. Tax Allocation of Individual Settlement Class Payments. Twenty Percent
11 (20%) of each Participating Class Member's Individual Settlement Class
12 Payment will be allocated to settlement of wage claims (the "Wage
13 Portion"), which will be subject to tax withholding and will be reported
14 on an IRS W-2 Form. The remaining portion of each Participating Class
15 Member's Individual Settlement Class Payment will be allocated to
16 settlement of claims as Forty Percent (40%) for interest and Forty Percent
17 (40%) for penalties (the "Non-Wage Portion"), which will not be subject
18 to wage withholdings and will be reported on IRS 1099 Forms.
19 Participating Class Members each assume full responsibility and liability
20 for any taxes owed on their Individual Settlement Class Payment.

21 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
22 Settlement Class Payments. Non-Participating Class Members will not
23 receive an Individual Settlement Class Payment. The Administrator will
24 retain amounts equal to their Individual Settlement Class Payment in the
25 Net Settlement Amount for distribution to Participating Class Members
26 on a pro rata basis. Nonetheless, Non-Participating Class Members
27 remain eligible for an Individual PAGA Payment, if they qualify as
28 Aggrieved Employees.

1 3.2.5. Individual PAGA Payments: An Individual PAGA Payment is payable to each
2 Aggrieved Employee from the Net Settlement Amount on a pro rata basis, as
3 calculated by the Settlement Administrator. The Administrator will calculate each
4 Individual PAGA Payment by using the following formula: (a) dividing the PAGA
5 Penalties portion amount allocated to Aggrieved Employees (i.e., \$10,000.00) by
6 the total number of PAGA Pay Periods employed by all Aggrieved Employees, and
7 (b) multiplying the result by each Aggrieved Employee's individual qualifying
8 PAGA Pay Period.

9 3.2.5.1. Effect of the Court's Non-Approval of the PAGA Penalties Allocation. If
10 the Court approves PAGA Penalties of less than the amount requested
11 herein this Agreement, the Administrator will retain the remainder in the
12 Net Settlement Amount for distribution to Participating Class Members.

13 3.2.5.2. Tax Allocation of Individual PAGA Payments. All amounts for PAGA
14 Penalties to Aggrieved Employees shall be characterized as non-wages
15 and be reported on IRS 1099 Forms. Aggrieved Employees assume full
16 responsibility and liability for any taxes owed on their Individual PAGA
17 Payment.

18 3.2.6. To the LWDA: Defendant will not oppose a LWDA PAGA Payment from the Gross
19 Settlement Amount in the amount of Thirty Thousand Dollars and Zero Cents
20 (\$30,000.00), which constitutes Seventy-Five Percent (75%) of the total amount
21 allocated for PAGA Penalties.

22 3.2.6.1. Effect of the Court's Non-Approval of the PAGA Penalties Allocation. If
23 the Court approves PAGA Penalties of less than the amount requested
24 herein this Agreement, the Administrator will retain the remainder to the
25 Net Settlement Amount for distribution to Participating Class Members.

26 **4. SETTLEMENT FUNDING AND PAYMENTS.**

27 4.1. Class Estimates. Based on a review of its records to date, Defendant estimates there are
28 approximately (1) 378 Class Members who collectively worked a total of 31,396

1 Workweeks, and (2) approximately 8,386 PAGA Pay Periods.

2 4.2. Class Data. Not later than fifteen (15) days after the Court grants Preliminary Approval of
3 the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a
4 Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator
5 must maintain the Class Data in confidence, use the Class Data only for purposes of this
6 Settlement and for no other purpose, and restrict access of the Class Data to Administrator
7 employees who need access to effect and perform under this Agreement. Nothing in this
8 confidentiality provision shall be construed or work to preclude Class Counsel from
9 performing their fiduciary duties to the Class. Defendant has a continuing duty to
10 immediately notify Class Counsel if it discovers that the Class Data omitted Class Member
11 identifying information and to provide corrected or updated Class Data as soon as
12 reasonably feasible. Without any extension of the deadline by which Defendant must send
13 the Class Data to the Administrator, the Parties and their respective counsel will
14 expeditiously use their best efforts, in good faith, to reconstruct or otherwise resolve any
15 issues related to missing or omitted Class Data.

16 4.3. Funding of Gross Settlement Amount and Employer's Share of Payroll Taxes. Defendant
17 shall fully fund the Gross Settlement Amount, in addition to its employer's share of payroll
18 taxes, no later than thirty (30) days following the date of Final Approval of the Settlement
19 by the Court.

20 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days of Defendant
21 having fully funded the Gross Settlement Amount, the Administrator will mail checks for
22 all Individual Settlement Class Payments, all Individual PAGA Payments, the LWDA
23 PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the
24 Class Counsel Litigation Expenses Payment, and the Class Representative Enhancement
25 Award payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel
26 Litigation Expenses Payment, and the Class Representative Enhancement Award payments
27 shall not precede disbursement of Individual Settlement Class Payments and Individual
28 PAGA Payments.

1 4.4.1. The Administrator will issue checks for the Individual Settlement Class Payments
2 eligible Individual PAGA Payments and send them to Class Members via First Class
3 U.S. Mail (“USPS”) with postage prepaid, including to all Participating Class
4 Members whose Class Notice Packet was returned undelivered. The face of each
5 check shall prominently state the date (not less than 180 days after the date of
6 mailing) when the check will be voided. The Administrator will cancel all checks
7 not cashed by the void date. The Administrator shall promptly send a replacement
8 check to any Class Member whose original check was lost or misplaced, if requested
9 by the Class Member prior to the void date. The Administrator may send
10 Participating Class Members a single check combining their Individual Settlement
11 Class Payment and the Individual PAGA Payment, if any. Before mailing any
12 checks, the Administrator must update the recipients’ mailing addresses using the
13 National Change of Address Database.

14 4.4.2. Within seven (7) days of receiving any returned check, the Administrator must re-
15 mail the check to the USPS forwarding address provided or to an address ascertained
16 through the Class Member Address Search. The Administrator must conduct a Class
17 Member Address Search for all other Class Members whose checks are returned
18 undelivered without a USPS forwarding address provided. The Administrator need
19 not take further steps to re-deliver checks to Class Members whose re-mailed checks
20 are returned as undelivered a second time.

21 4.4.3. For any Class Member whose Individual Settlement Class Payment check or
22 Individual PAGA Payment check is uncashed and cancelled after the void date, the
23 Administrator shall transmit the funds represented by such checks to Valley
24 Children’s Hospital.

25 4.4.4. The payment of Individual Settlement Class Payments and Individual PAGA
26 Payments shall not obligate Defendant to confer any additional benefits or make
27 any additional payments to Class Members (such as 401(k) contributions or
28 bonuses) beyond those specified in this Agreement.

1 **5. RELEASES OF CLAIMS.**

2 Claims will be released against all Released Parties, according to the terms provided *infra*,
3 effective only on the date when both of the following events have occurred: (a) the Court enters an
4 order granting Final Approval of this settlement and (b) Defendant fully funds the entire Gross
5 Settlement Amount.

6 5.1. General Release by Plaintiffs. In addition to the Released Claims, as provided in Paragraph
7 5.2 of the Settlement Agreement, Plaintiffs each agree to generally release and discharge the
8 Released Parties from all individual claims that were asserted or could have been asserted in
9 connection with Plaintiffs' employment with Defendant during the Class Period and/or
10 PAGA Period (the "General Release"). Plaintiffs' General Release does not extend to any
11 claims or actions to enforce this Agreement. Plaintiffs acknowledge that Plaintiffs may
12 discover facts or law different form, or in addition to, the facts or law that Plaintiffs now
13 know or believe to be true but agree, nonetheless, that Plaintiffs' General Release shall be
14 and remain effective in all respects, notwithstanding such different or additional facts or law
15 or Plaintiffs' discovery of them. For purposes of Plaintiffs' General Release, Plaintiffs
16 expressly waive and relinquish the provisions, rights, and benefits, if any, of California Civil
17 Code § 1542, which reads: *A general release does not extend to claims that the creditor or*
18 *releasing party does not know or suspect to exist in his or her favor at the time of executing*
19 *the release and that, if known by him or her, would have materially affected his or her*
20 *settlement with the debtor or released party.*

21 5.2. Released Claims. All Class Members who do not opt out of the Settlement will be bound by
22 a release of all claims alleged in Plaintiffs' Second Amended Complaint filed on June 22,
23 2022 (the "Operative Complaint") and/or Plaintiffs' amended PAGA notice letter submitted
24 on May 16, 2022 (the "PAGA Notice Letter"). The release shall extend to the Released
25 Parties. The Released Claims shall include, but not be limited to, all claims alleged by
26 Plaintiffs in the Operative Complaint and/or PAGA Notice Letter, or which could have been
27 alleged by Plaintiffs in the Operative Complaint and/or PAGA Notice Letter by reason of or
28 in connection with any matter or fact set forth or referred to in the Operative Complaint and/or

PAGA Notice Letter, including any and all claims, debts, liabilities, demands, actions, or causes of action arising from or relating to the Released Claims during the Class Period and/or PAGA Period, as defined herein. Without limiting the foregoing, the Released Claims shall include claims for unpaid wages, including, but not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, and interest; failure to timely pay regular and preliminary wages; failure to provide compliant meal, rest, and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, and/or recovery period obligations; compensation due by reason of a split shift; reporting time pay; claims arising from invalid meal period waivers and on-duty meal period waivers; payment for all hours worked; failure to furnish accurate wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; making unlawful deductions; failing to reimburse necessary business expenses; unfair business practices; any and all related penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting time penalties; and statutory penalties and/or civil penalties associated with any of the foregoing. Such Released Claims shall include, but not be limited to, those claims arising under California Labor Code §§ 201–204, 204b, 206, 210, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.3, 226.7, 233, 234, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 400–410, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2698 *et seq.*, and 2699 *et seq.*, and/or those arising under the applicable Industrial Welfare Commission Wage Order(s) (including, but not limited to, subsections 3, 4, 5, 7, 8, 9, 11, 12, 13, 18, and 20 of the applicable Wage Order(s) [including the provisions of the California Code of Regulations codifying the applicable Wage Order(s)], which may include, but are not limited to, Wage Orders 1-2001, 7-2001, and/or 9-2001); 8 C.C.R. § 3395; California Business and Professions Code §§ 17200, *et seq.* (including, without limitation, California Business and Professions Code §§ 17200–17208); the California Civil Code §§ 3287, 3289, and 3294; California Code of Civil Procedure § 1021.5; and any related claims under the Fair Labor Standards Act (“FLSA”)

(29 U.S.C. §§ 201, *et seq.*) (the “Released Claims”). The Parties intend that this release be construed as broadly as possible to encompass all claims alleged by Plaintiffs, or those which could have been alleged by Plaintiffs based on the factual allegations in the Operative Complaint and/or PAGA Notice Letter. The Released Claims exclude the release of claims not permitted by law, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period or based on facts not arising from or relating to the Released Claims. This Agreement is the compromise of all possible disputed claims related to wages, and fully and finally settles all possible claims between the Parties regarding Class Members’ and Aggrieved Employees’ wages. The Parties warrant and represent that this release resolves, pursuant to Labor Code §§ 206 and 206.5 and applicable case law (including, but not limited to, *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796), a good faith dispute regarding any and all wages, if any, owed to Class Members through their last day of employment with Released Parties within the Class Period and/or PAGA Period.

5.3. Release of Claims by Non-Participating Class Members Who Are Aggrieved Employees.

Class Members who submit a valid and timely request for exclusion from the settlement (i.e., “Non-Participating Class Members”) will not be subject to Released Claims, as provided in Paragraph 5.2 of the Settlement Agreement. However, Non-Participating Class Members who are Aggrieved Employees will be subject to the Released Claims, as provided in Paragraph 5.2 of the Settlement Agreement, to the extent it pertains to the release of PAGA claims.

6. **MOTION FOR PRELIMINARY APPROVAL.**

The Parties agree to jointly prepare and file a motion for preliminary approval of this Settlement Agreement.

6.1. Plaintiffs’ Responsibilities. Plaintiffs will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of notice of motion, and memorandum in support of the motion for preliminary approval that includes an analysis of the Settlement

under *Dunk/Kullar* and a request for approval of the PAGA portion of the Settlement under Labor Code § 2699(f)(2)); (ii) a draft proposed Preliminary Approval Order; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming their willingness and competency to serve as Class Representatives; (v) a signed declaration from Class Counsel attesting to competency to represent the Class Members; timely transmission to the LWDA of all necessary PAGA documents (i.e., PAGA Notice Letter [Labor Code § 2699.3(a)], Operative Complaint [Labor Code § 2699(l)(1)], and this Agreement [Labor Code § 2699(l)(2)]); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. Plaintiffs' draft approval motion will be subject to Defendant's approval prior to filing. Plaintiffs will provide a draft of the approval motion to Defendant, via counsel, within ten (10) court days before the filing deadline, and Defendant must provide Plaintiffs its final review, comments, and/or edits, via counsel, within five (5) court days before the filing deadline. If Class Counsel do not receive Defendant's proposed review, comments, and/or edits within this time frame, it will be assumed that Defendant does not have any revisions, comments, and/or edits to the draft motion, and Plaintiffs may proceed with filing.

6.2. Responsibilities of Counsel. Class Counsel will be responsible for expeditiously drafting, finalizing, and filing the motion for preliminary approval following the full execution of this Agreement; obtaining a prompt hearing date for the motion for preliminary approval; and for appearing in Court to advocate in favor of the motion for preliminary approval. Class Counsel are responsible for delivering the Court's signed Preliminary Approval Order to the Administrator.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed motion for preliminary approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or if it conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work

1 together on behalf of the Parties by meeting in person or by telephone, and in good faith, to
2 modify the Agreement and otherwise satisfy the Court's concerns.

3 **7. SETTLEMENT ADMINISTRATION.**

4 7.1. Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to
5 serve as the Administrator. The Parties have verified that as a condition of appointment,
6 Apex Class Action LLC agrees to be bound by this Agreement and to perform, as a
7 fiduciary, all duties specified in this Agreement in exchange for the Administration Costs
8 Payment. The Parties and their respective counsel represent that they have no interest or
9 relationship, financial or otherwise, with the Administrator other than a professional
10 relationship arising out of prior experiences administering settlements.

11 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
12 Identification Number for purposes of calculating payroll tax withholdings and providing
13 reports to the state and federal tax authorities.

14 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
15 the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation §
16 468B-1, into which Defendant will fund the Gross Settlement Amount and employer's
17 share of payroll taxes.

18 7.4. Notice to Class Members.

19 7.4.1. No later than three (3) business days after receipt of the Class Data, the
20 Administrator shall notify Class Counsel that the list has been received and shall
21 state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA
22 Pay Periods in the Class Data.

23 7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen
24 calendar (14) days after receiving the Class Data, the Administrator will send, via
25 first-class USPS mail, to all Class Members identified in the Class Data the Class
26 Notice with Spanish translation, substantially in the form attached to this Agreement
27 as Exhibit A without material variation, unless otherwise instructed by the Court or
28 counsel for both respective Parties. The Class Notice shall prominently estimate the

dollar amounts of the Class Member's Individual Settlement Class Payment and Individual PAGA Payment (if applicable) payable to the respective Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate the foregoing amount(s). Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3. Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Plaintiffs, Defendant, Defendant Counsel, or Class Counsel are contacted by or otherwise discover any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer, in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via e-mail or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) calendar days after receipt of Class Notice, or by the Response

Deadline, whichever is later.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (i.e., opt-out of) the Class Settlement must send the Administrator, by fax or mail, a signed and written Request for Exclusion not later than forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed). To be valid, a Request for Exclusion must include a written statement providing as follows: (1) explicitly and unambiguously state the following, or a similar, statement: "I wish to exclude myself from the settlement reached in the matter of *Tapia et al. v. Sierra Forest Products* (Tulare County Case No. VCU288833). I understand that by excluding myself, I will not receive any money from the settlement reached in this matter, expect a proportionate share, if eligible, of the PAGA Penalties portion allocated to Aggrieved Employees."; (2) contain the name, mailing address, telephone number, and last four digits of the Social Security number of the Class Member requesting exclusion; (3) be signed by the Class Member requesting exclusion or by his/her representative; and (4) be timely faxed or postmarked by the Response Deadline to the Settlement Administrator at the specified address in the Class Notice Packet. The date of the postmark on the return mailing envelope transmitting the Request for Exclusion shall be the exclusive means used to determine whether a mailed Request for Exclusion was timely submitted.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in Paragraph 7.5.1 *supra*. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and his or her desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional

proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Released Claims under Paragraph 5.2 *supra*, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Settlement Class Payment or have the right to object to the class action portion of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 *supra* and will still receive an Individual PAGA Payment, notwithstanding their Request for Exclusion from the Class portion of the Settlement.

7.6. Challenges to Calculation of Workweeks.

7.6.1. Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and/or PAGA Pay Periods (if any) determined for the Class Member and as stated in the Class Notice Packet. The Class Member may challenge the Workweeks and/or PAGA Pay Periods determination by communicating their Work Week Dispute to the Administrator in writing via fax or mail by the Response Deadline. The date of the postmark on the return mailing envelope transmitting the Work Week Dispute shall be the exclusive means used to determine whether a mailed Work Week Dispute was timely submitted. The Administrator must request that the challenging Class Member submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or

PAGA Pay Periods (if any) stated in the Class Notice Packet are correct so long as they are consistent with the Class Data.

7.6.2. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods (if any). The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or PAGA Pay Periods (if any), along with the Administrator's determination as to the challenges, to Defense Counsel and Class Counsel.

7.7. Objections to Settlement.

7.7.1. Only Participating Class Members may object to the Settlement and/or this Agreement, and only with respect to the class action portion, including contesting the fairness of the Settlement and/or the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Enhancement Award. Class Members, regardless whether they are participating or not, have no right to object to the PAGA portion of the Settlement and/or this Agreement.

7.7.2. For any Participating Class Member to object, the Class Member must send a written objection, signed by the Class Member, to the Administrator by via fax or mail, no later than forty-five (45) calendar days after the Administrator's mailing of the Class Notice Packet (plus an additional fourteen (14) calendar days for Class Members whose Class Notice was re-mailed). Class Members may communicate their objection to the Administrator in writing via fax or mail by the Response Deadline. The date of the postmark on the return mailing envelope transmitting the objection shall be the exclusive means used to determine whether a mailed objection was timely submitted. The Settlement Administrator shall send all objections it receives to Defense Counsel and Class Counsel within three (3) business days of receipt. Participating Class Members may also appear in Court (or hire an attorney to appear

in Court on their behalf) to present verbal objections at the Final Approval Hearing. The Court retains final authority with respect to the consideration and admissibility of any Class Member objections.

7.7.3. Class Members who have submitted a timely and valid Request for Exclusion may not object to the Settlement and/or this Agreement.

7.7.4. Non-Participating Class Members have no right to object to the Settlement and/or this Agreement.

7.7.5. Aggrieved Employees shall have no right to object to the PAGA portion of the Settlement and shall be bound by the release of claims identified in Paragraph 5.3 *supra*.

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator as contained *infra*, throughout this Agreement, or as otherwise instructed by the Court or mutually requested by the respective counsel for the Parties.

7.8.1. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review, on a rolling basis, Requests for Exclusion to ascertain their validity. Not later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing: (a) the names and other identifying information of Class Members who timely submitted valid Requests for Exclusion (the "Exclusion List"); (b) the names and other identifying information of Class Members who submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from the Settlement submitted (whether valid or invalid).

7.8.2. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: (a) Class Notices mailed or re-mailed; (b) Class Notices returned as undelivered; (c) Requests for Exclusion (whether valid or invalid) received; (d) objections received; (e) Work Week Disputes received and/or resolved; and (f)

1 following Final Approval, checks mailed for Individual Settlement Class Payments
2 and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must
3 include the Administrator’s assessment of the validity of any Requests for Exclusion
4 received and attach copies of all exclusion requests and objections received.

5 7.8.3. Administrator’s Final Declaration. Not later than fourteen (14) calendar days before
6 the date by which Plaintiffs are required to file the motion for final approval of the
7 Settlement, the Administrator will provide to Class Counsel and Defense Counsel,
8 a signed declaration suitable for filing with the Court, attesting to its due diligence
9 and compliance with all of its obligations under this Agreement, including, but not
10 limited to, its mailing of Class Notice Packets, the Class Notices returned as
11 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
12 total number of any written objections received, the total number of any Requests
13 for Exclusion received (both valid or invalid) and attaching thereto the Exclusion
14 List (if any), and its disbursement of all payments required under this Agreement.
15 The Administrator will supplement its declaration as needed or requested by counsel
16 for the respective the Parties and/or the Court. Class Counsel is responsible for filing
17 the Administrator’s declaration(s) in Court.

18 7.8.4. Final Report by Settlement Administrator. Within ten (10) calendar days after the
19 Administrator disburses all Gross Settlement Amount funds designated in this
20 Agreement, the Administrator will provide Class Counsel and Defense Counsel with
21 a final report detailing its disbursements of all payments made. Regarding
22 disbursements to employees, the Administrator’s final report shall identify, by
23 employee identification number only, the employees to whom disbursements were
24 made.

25 **8. WORKWEEK ESTIMATES and ESCALATOR CLAUSE.**

26 Based on its records, Defendant estimates that, as of the date of this Settlement Agreement,
27 the Class worked an estimated total of 31,396 Workweeks at the time the mediation occurred. If
28 the actual number of Workweeks worked by Class Members at the time the mediation occurred

1 exceeds 31,396 by ten percent (10%), meaning that the actual Workweeks worked by Class
2 Members at the time the mediation occurred are more than 34,546 Workweeks, then Defendant
3 shall have the option to either (i) establish the end date of the Class Period as of the 34,536th
4 Workweek, which shall end the Class Period, or (ii) pay additional Gross Settlement Amount
5 money for the additional release period commensurate with the number of Workweeks that exceed
6 34,536 Workweeks.

7 **9. DEFENDANT'S RIGHT TO WITHDRAW.**

8 If the number of valid and timely Requests for Exclusion identified in the Exclusion List
9 exceeds ten percent (10%) of the total number of all Class Members, Defendant may, but is not
10 obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws,
11 the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party
12 will have any further obligation to perform under this Agreement; provided, however, Defendant
13 will remain responsible for paying all of the Settlement Administrator's costs incurred to that point.
14 Defendant must notify Class Counsel and the Court of its election to withdraw not later than
15 fourteen (14) calendar days after the Administrator sends the final Exclusion List to Defense
16 Counsel; a late election by Defendant will have no effect.

17 **10. MOTION FOR FINAL APPROVAL.**

18 Not later than sixteen (16) court days before the calendared Final Approval Hearing,
19 Plaintiffs will file with the Court a motion for final approval of the Settlement that includes: (a) a
20 request for approval of the PAGA portion of the Settlement, pursuant to Labor Code § 2699(l)(2);
21 (b) a proposed final approval order; and (c) a proposed judgment. Class Counsel and Defense
22 Counsel will expeditiously meet and confer, in person or by telephone, and in good faith, to resolve
23 any disagreements concerning the motion for final approval. Plaintiffs' draft approval motion will
24 be subject to Defendant's approval prior to filing. Plaintiffs will provide a draft of the approval
25 motion to Defendant, via counsel, within ten (10) court days before the filing deadline, and
26 Defendant must provide Plaintiffs its final review, comments, and/or edits, via counsel, within five
27 (5) court days before the filing deadline to enable Plaintiffs sufficient time to finalize the motion
28 for filing. If Class Counsel do not receive Defendant's proposed review, comments, and/or edits,

1 Plaintiffs may proceed with filing.

2 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by
3 a Participating Class Member, including the right to file responsive documents with the
4 Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise
5 ordered or accepted by the Court.

6 10.2. Duty to Cooperate. If the Court does not grant Final Approval or if it conditions Final
7 Approval on any material change to the Settlement (including, but not limited to, the scope
8 of release to be granted by Class Members), the Parties will expeditiously work together,
9 and in good faith, to address the Court's concerns by revising the Agreement as necessary
10 to obtain Final Approval. The Court's decision to award less than the amounts requested
11 for the Class Representative Enhancement Award, Class Counsel Fees Payment, Class
12 Counsel Litigation Expenses Payment, and/or Administration Costs Payment shall not
13 constitute a material modification to the Agreement within the meaning of this Paragraph.

14 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
15 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes
16 of: (i) enforcing this Agreement and/or Judgment; (ii) addressing settlement administration
17 matters; and (iii) addressing such post-Judgment matters as are permitted by law.

18 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
19 conditions of this Agreement (specifically including the Class Counsel Fees Payment and
20 Class Counsel Litigation Expenses Payment) the Parties, their respective counsel, and all
21 Participating Class Members who did not object to the Settlement as provided for in this
22 Agreement, waive all rights to appeal the Judgment, including all rights to post-Judgment
23 and appellate proceedings, the right to file motions to vacate Judgment, motions for new
24 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
25 of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment,
26 the Parties' obligations to perform under this Agreement will be suspended until such time
27 as the appeal is finally resolved and the Judgment becomes final, except as to matters that
28 do not affect the amount of the Net Settlement Amount.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional settlement administration costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Enhancement Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this Paragraph, so long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT.

If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Action have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except

for proceedings to enforce or effectuate the Settlement and/or this Agreement).

12.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree to keep this Settlement confidential through Preliminary Approval. Thereafter, Plaintiffs and their counsel will further agree to keep this Settlement confidential, including, without limitation, no disclosures to current or former employees of Defendant, to the media, or on any websites, blogs, social media, and/or online platforms. Exceptions to the obligation of confidentiality in this Paragraph are: (i) disclosures necessary to comply with the law, judicial process, or for financial planning or tax preparation purposes; (ii) to obtain and seek approval of this Settlement in court and as is necessary to provide settlement information to Class Members; and (iii) if any Party to this Agreement seeks to enforce any term or condition of this Agreement against any other Party to this Agreement. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before Preliminary Approval is granted, with any third party regarding this Agreement or the matters giving rise to this Agreement, except to respond only that “the matter was resolved,” or words to that effect. This Paragraph does not restrict Class Counsel’s communications with the Settlement Administrator and/or Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of the Settlement, object to the Settlement, or appeal from the Judgment. Nothing in this Paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

12.4. Integrated Agreement. Upon execution by all Parties and their respective counsel, this Agreement, together with its attachment, shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties,

covenants, or inducements made to or by any Party.

12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

12.6. Cooperation. The Parties and their respective counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, amending the Settlement Agreement, submitting supplemental evidence, and submitting supplementing points and authorities, as needed or as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by each Party in this Settlement.

12.8. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties and/or their representatives, and approved by the Court.

12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11. Applicable Law. All terms and conditions of this Agreement and its attachment will be

governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that said Party was the drafter or participated in the drafting of the Agreement.

12.13. Confidentiality. To the extent permitted by law, all agreements made and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code § 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) calendar days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final disbursement of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendant, unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16. Computation of Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or state or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17. Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third (3rd) business day after mailing by USPS, or the day sent by e-mail or messenger, addressed

as follows:

To Plaintiffs:

Kane Moon, Esq.
E-mail: kmoon@moonlawgroup.com
Allen Feghali, Esq.
E-mail: afeghali@moonlawgroup.com
Charlotte Mikat-Stevens, Esq.
E-mail: cmikat-stevens@moonlawgroup.com
MOON LAW GROUP, PC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017

To Defendant:

Ian B. Wieland, Esq.
E-mail: ian@sw2law.com
Charles P. Hamamjian, Esq.
E-mail: charles@sw2law.com
SAGASER, WATKINS & WIELAND, PC
5260 North Palm Avenue, Suite 400
Fresno, California 93704

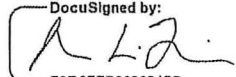
12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., Adobe, DocuSign), or email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts, and each of them, will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement, the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon the signing of this Agreement, pursuant to Code of Civil Procedure § 583.330, to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this Settlement process.

1 **AGREED AND UNDERSTOOD BY:**

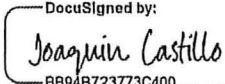
2 **Plaintiff:**

3 Dated: 8/8/2023

By: 
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Jose Luis Tapia

5 **Plaintiff:**

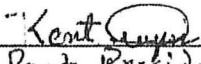
6 Dated: 7/31/2023

By: 
BB94B723773C400...
Joaquin D. Castillo

8 **Defendant:**

9 Dated: August 18, 2023

SIERRA FOREST PRODUCTS

By: 
Its: Past President

12 **APPROVED AS TO FORM BY:**

13 **Class Counsel:**

14 Dated: August 9, 2023

MOON LAW GROUP, PC

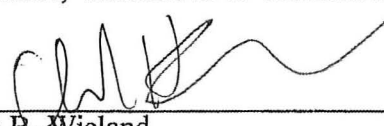
By: Charlotte Mikat-Stevens
Kane Moon
Allen Feghali
Charlotte Mikat-Stevens

*Attorneys for Plaintiffs JOSE LUIS TAPIA and
JOAQUIN D CASTILLO*

20 **Defendant's Counsel:**

21 Dated: August 18, 2023

SAGASER, WATKINS & WIELAND, PC

By: 
Ian B. Wieland
Charles P. Hamamjian

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF TULARE**

JOSE LUIS TAPIA, and JOAQUIN D
CASTILLO, individually and on behalf of all
others similarly situated,

Plaintiffs,

vs.

SIERRA FOREST PRODUCTS, a California
corporation; and DOES 1 through 10, inclusive,

Defendants

Case No.: VCU288833

CLASS AND REPRESENTATIVE ACTION

*[Assigned for all purposes to Honorable
Nathan Ide, Dept. 2]*

**ADDENDUM TO CLASS ACTION AND
PAGA SETTLEMENT AGREEMENT
AND CLASS NOTICE**

ADDENDUM TO
CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Addendum to Class Action and PAGA Settlement Agreement and Class Notice (“Addendum to Settlement Agreement”) is made by and between Plaintiffs Jose Luis Tapia and Joaquin D. Castillo (“Plaintiffs”) and Defendant Sierra Forest Products (“Defendant”) (collectively, the “Parties,” and individually, a “Party”).

1. RECITALS.

1.1. WHEREAS, on August 18, 2023, the Parties executed a Class Action and PAGA Settlement Agreement and Class Notice (“Settlement Agreement”), which, once approved by the Court, will fully resolve this Action.

1.2. WHEREAS, on October 23, 2023, the Court held a Hearing on Plaintiffs’ Motion for Preliminary Approval of Settlement and continued the Hearing to November 6, 2023, for supplemental declarations and argument as to the lodestar figure regarding attorneys’ fees and the notice period, as stated in the Court’s tentative ruling issued on October 20, 2023.

1.3. WHEREAS, as stated in the Court’s October 20, 2023 tentative ruling, the Court regularly approves notice periods of 60 days or longer for class members wishing to object to or opt out of a proposed class action settlement.

1.4. WHEREAS, this Addendum to Settlement Agreement sets forth the modify terms upon which the Parties have agreed to settle this Action and to satisfy the Court’s regular notice period requirements, and that upon full execution of this Addendum to Settlement Agreement, the Settlement Agreement will be modified as provided for herein.

1.5. WHEREAS, the Settlement Agreement is hereby incorporated by reference into this Addendum to Settlement Agreement as though fully set forth herein, and therefore all terms used herein shall have the same meaning and/or effect as defined and/or specified under the Settlement Agreement, unless otherwise defined and/or specified herein.

1 **2. MODIFIED PROVISIONS.**

2 2.1. Paragraphs 1.41, 7.4.4, 7.5.1, 7.6.1, and 7.7.2 of the Settlement Agreement are
3 hereby modified to provide that the Response Deadline for Class Members shall be
4 **sixty (60) calendar days** from the date of mailing of the Notice, and that for any
5 Notices that are re-mailed the Response Deadline shall be extended by an additional
6 **fourteen (14) calendar days** from the postmarked date of re-mailing.

7 **3. MISCELLANEOUS PROVISIONS.**

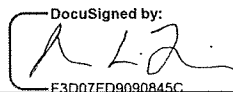
8 3.1. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
9 of this Addendum to Settlement Agreement, and therefore this Addendum will not
10 be construed against any Party on the basis that the Party was the drafter or
11 participated in the drafting.

12 3.2. Execution and Counterparts. This Addendum to Settlement Agreement may be
13 executed in one or more counterparts by facsimile, electronically (i.e., Adobe,
14 DocuSign, etc.), or email, which for purposes of this Addendum shall be accepted
15 as an original. All executed counterparts and each of them will be deemed to be one
16 and the same instrument if Counsel for the Parties will exchange between
17 themselves signed counterparts. Any executed counterpart will be admissible in
18 evidence to prove the existence and contents of this Addendum.
19
20

21 **AGREED AND UNDERSTOOD BY:**

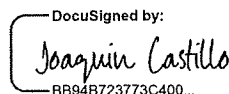
22 **Plaintiff:**

23 Dated: 10/24/2023

By: 
E3D07ED9090845C
Jose Luis Tapia

25 **Plaintiff:**

26 Dated: 10/25/2023

By: 
BB94B723773C400...
Joaquin D. Castillo

1 **Defendant:**

2 Dated: 10/27/2023

SIERRA FOREST PRODUCTS

3 By: Kent Meyer
4 Its: Past President

5 **APPROVED AS TO FORM BY:**

6 **Class Counsel:**

7 Dated: 10/24/2023

MOON LAW GROUP, PC

8 By: DocuSigned by:
Charlotte Mikat-Stevens
224CEC32A05B41B

9 Kane Moon
10 Allen Feghali
Charlotte Mikat-Stevens

11 *Attorneys for Plaintiffs JOSE LUIS TAPIA and*
12 *JOAQUIN D CASTILLO*

13 **Defendant's Counsel:**

14 Dated: 10/27/2023

SAGASER, WATKINS & WIELAND, PC

15 By: Ian B. Wieland
16 Charles P. Hamamjian

17 *Attorneys for Defendant SIERRA FOREST*
18 *PRODUCTS*

EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Jose Luis Tapia and Joaquin D Castillo v. Sierra Forest Products
Tulare County Superior Court Case No. VCU288833

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

IF YOU WORKED AS A NON-EXEMPT EMPLOYEE OF SIERRA FOREST PRODUCTS (“DEFENDANT”) IN CALIFORNIA AT ANY TIME BETWEEN FEBRUARY 26, 2017 AND <<DATE OF PRELIMINARY APPROVAL>>, THIS PROPOSED CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Jose Luis Tapia and Joaquin D Castillo v. Sierra Forest Products*, Tulare County Superior Court Case No. VCU288833 (the “Action”). The purpose of this Notice of Proposed Class Action Settlement (the “Notice”) is to briefly describe the Action, and to inform you of your rights and options in connection with the Action and the proposed Settlement.

The proposed Settlement will resolve all claims in the Action. A hearing concerning Final Approval of the proposed Settlement will be held before the Honorable Nathan Ide in Department 2 of the Tulare County Superior Court, located at 221 S. Mooney Blvd., Visalia, CA 93291, and is currently scheduled for <<FA Date and Time>>, to determine whether the Settlement is fair, adequate, and reasonable. Class Members are eligible to receive a payment under the proposed Settlement and will be bound by the release of claims, as described in this Notice and the Settlement Agreement filed with the Court, unless you timely request to be excluded from the Settlement and/or the Court does not grant Final Approval of the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
YOU CAN DO NOTHING	If you do nothing, you will be considered part of the Settlement Class and will receive settlement benefits as explained below. In exchange, you will give up your rights to pursue a separate legal action against Defendant for the Released Claims asserted in the Action, as explained below.
YOU CAN EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS, BUT NOT THE PAGA SETTLEMENT DEADLINE TO EXCLUDE YOURSELF <i>IN WRITING</i>: <<RESPONSE DATE>>	You might pursue separate legal action against Defendant, and you may wish to hire an attorney at your expense to decide whether you wish to do so. Or, you may simply wish not to fully participate in the proposed Settlement. If so, you must exclude yourself, in writing, from the Settlement by sending the Settlement Administrator a Request to be Excluded by the Response Deadline. Once excluded, you will not receive a pro rata share of Individual Settlement Class Payments to Participating Class Members, and you cannot object to any portion of the proposed Settlement. Except that, even if you request exclusion, you will still receive a pro rata share, if eligible, of Individual PAGA Payments to Aggrieved Employees for PAGA Penalties, and you will release PAGA claims, as discussed below. You cannot exclude yourself from the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees, and in exchange, all Aggrieved Employees will give up their rights to pursue the PAGA claims against Defendant and the Released Parties.
PARTICIPATING CLASS MEMBERS CAN OBJECT TO	Participating Class Members (i.e., all Class Members who do not timely and validly exclude themselves) can object to the proposed Settlement. To object to the Settlement, you may mail a written

THE CLASS SETTLEMENT, BUT NOT THE PAGA SETTLEMENT DEADLINE TO SUBMIT WRITTEN OBJECTIONS: <<RESPONSE DATE>>	explanation to the Settlement Administrator of why you do not agree with the proposed Settlement, appear at the Final Approval Hearing (currently scheduled to take place on <<FA Date>>), and/or hire an attorney, at your own expense, to object for you. These options are available to you only if you do <u>not</u> exclude yourself from the proposed Settlement. You may arrange to appear at the hearing remotely via CourtCall by dialing 1-888-882-6878 or by visiting the CourtCall website at www.courtcall.com to schedule a remote appearance no later than five court days prior to the date of the Final Approval Hearing. The Final Approval Hearing may be continued to a future date without further notice to Class Members. Class Members <u>cannot</u> object to the PAGA portion of the proposed Settlement.
YOU CAN CHALLENGE THE CALCULATIONS OF WORKWEEKS AND PAY PERIODS (IF APPLICABLE) DEADLINE TO SUBMIT WRITTEN CHALLENGES: <<RESPONSE DATE>>	The amount of your Individual Settlement Payment as an Aggrieved Employee (if eligible) and a Participating Class Member will depend on how many Pay Periods and Workweeks you worked within the PAGA Period and Class Period, respectively. The number of your Workweeks and Pay Periods is stated below. If you disagree with either of these numbers, you may submit a Work Week Dispute to the Settlement Administrator by <<RESPONSE DATE>>, in the form described below.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class (the “Class”):

All current and former non-exempt employees employed by Defendant in the State of California at any time during the Class Period. The Class Period is February 26, 2017 through <<**the date of preliminary approval**>> of the Settlement, but, if the number of total Workweeks exceeds 34,536 by the date of Preliminary Approval, then Defendant shall have the exclusive right, but not the obligation, to choose a release date earlier than the date of Preliminary Approval for Workweeks such that the number of total Workweeks does not exceed 34,536 (the “Class Period”).

According to Defendant’s records, you are a member of the Class (a “Class Member”).

What is this case about?

In the Action, Plaintiffs Jose Luis Tapia and Joaquin D. Castillo (“Plaintiff”), individually and on behalf of the Class, allege that Defendant: (1) Failed to Pay Minimum and Regular Rate Wages; (2) Failed to Pay Overtime Compensation; (3) Failed to Provide Meal Periods; (4) Failed to Authorize and Permit Rest Breaks; (5) Failed to Timely Pay Final Wages at Termination; (6) Failed to Provide Accurate Itemized Wage Statements; (7) committed Unfair Business Practices; (8) Violated provisions of the California Labor Code giving rise to civil penalty liability under the California Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699, *et seq.*]; and (9) Failed to Indemnify Necessary Business Expenses. Plaintiffs seek unpaid wages, reimbursement for necessary business expenses, actual damages, declaratory relief, statutory penalties, civil penalties under PAGA, restitution, interest, attorneys’ fees, and costs.

Defendant denies all liability and is confident that it has strong legal and factual defenses to Plaintiffs’ claims, but it recognizes the risks, distractions, and costs associated with continued litigation of this Action. Defendant contends that its conduct is and has been lawful at all times relevant, that Plaintiffs’ claims do not have merit or meet the requirements for class certification, and that Plaintiffs do not qualify as PAGA representatives.

The proposed Settlement is a compromise reached after good faith, arm’s-length negotiations between Plaintiffs and Defendant (collectively, the “Parties”), through their attorneys with the assistance of a neutral mediator, and is not an admission of liability on the part of Defendant. Both sides agree that this Settlement is fair, adequate, and reasonable. Plaintiffs also believe this Settlement is in the best interests of all Class Members.

The Court has not ruled on the merits of Plaintiffs’ claims or Defendant’s defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

MOON LAW GROUP, PC

Kane Moon, Esq.

E-mail: kmoon@moonlawgroup.com

Allen Feghali, Esq.

E-mail: afeghali@moonlawgroup.com

Charlotte Mikat-Stevens, Esq.

E-mail: cmikat-stevens@moonlawgroup.com

1055 W. Seventh St., Suite 1880

Los Angeles, California 90017

Telephone: (213) 232-3128

Facsimile: (213) 232-3125

Defendant's Counsel

SAGASER, WATKINS & WIELAND, PC

Ian B. Wieland, Esq.

ian@sw2law.com

Charles P. Hamamjian, Esq.

charles@sw2law.com

5260 North Palm Avenue, Suite 400

Fresno, California 93704

Telephone: (559) 421-7000

Facsimile: (559) 473-1483

What are the Settlement terms?

Subject to final Court approval, Defendant agrees to pay \$550,000.00 (the "Gross Settlement Amount") for: (a) Individual Settlement Class Payments to Participating Class Members; (b) the Class Representative Enhancement Award to Plaintiffs (up to \$10,000.00 to each Plaintiff); (c) Class Counsel's attorneys' fees (up to 33 1/3 percent [33.33%] of the Gross Settlement Amount); (d) Class Counsel's litigation costs (up to \$20,000.00); (e) \$40,000.00 total for PAGA Penalties, distributed as 75% (\$30,000.00) to the Labor and Workforce Development Agency ("LWDA") and 25% (\$10,000.00) to Aggrieved Employees in Individual PAGA Payments; and (f) Administration Costs to the Settlement Administrator (up to \$20,000.00). Separate from and in addition to the Gross Settlement Amount, Defendant will pay its employer's share of payroll taxes owed on the wage portion, as described below, of the Individual Settlement Class Payments to Participating Class Members.

Individual Settlement Payments. After deduction from the Gross Settlement Amount for Class Counsel's attorneys' fees and costs, the enhancement award to Plaintiffs, the PAGA Penalties payment to the LWDA, and settlement administration costs, there will be a Net Settlement Amount (the "Net Settlement Amount").

From this Net Settlement Amount, Defendant will make an Individual Settlement Class Payment to each Class Member who does not timely and validly request to be excluded from (i.e., opt-out of) the Settlement (the "Participating Class Members") as well as an Individual PAGA Payment to each Class Member (regardless of whether she or he has opted-out) who qualifies as an Aggrieved Employee. Together, Individual Settlement Class Payments and Individual PAGA Payments are referred to as Individual Settlement Payments (the "Individual Settlement Payments"). The Settlement Administrator may issue a single check to each Class Member for his or her Individual Settlement Class Payment and Individual PAGA Payment (if applicable).

Within 30 days of the Court's Final Approval of the Settlement, Defendant will make a one-time payment of \$550,000.00 into a qualified settlement account established by the Settlement Administrator. The Settlement Administrator will mail Individual Settlement Payments to Class Members within 14 calendar days after Defendant has fully funded the Gross Settlement Amount.

From the Net Settlement Amount, a total amount of \$10,000.00 will be allocated for Individual PAGA Payments to Aggrieved Employees. Aggrieved Employees are all Class Members employed by Defendant in the State of California at any time during the PAGA Period, regardless of whether the Class Member is excluded from the

Settlement (the “Aggrieved Employees”). These payments shall be divided among Aggrieved Employees on a pro rata basis based upon the total number of PAGA Pay Periods (defined as a 14-day period during which an Aggrieved Employee was employed by Defendant during the PAGA Period [“PAGA Pay Periods”]) worked by each respective Aggrieved Employee. The PAGA Period is February 22, 2020 until <<**Date of Preliminary Approval**>> of the Settlement (the “PAGA Period”). Your estimated Individual PAGA Payment and PAGA Pay Periods is as follows (if none is listed, then according to Defendant’s records, you are not eligible for an Individual PAGA Payment because you do not qualify as an Aggrieved Employee):

- Your estimated Individual PAGA Payment is <<**Estimated Payment**>> based on Defendant’s records showing that you had <<**PAGA Pay Periods**>> during the relevant period between February 22, 2020 and <<**Date of Preliminary Approval**>>.

Subtracting the total amount allocated for Individual PAGA Payments (i.e., \$10,000.00) from the Net Settlement Amount, the remainder will be allocated for Individual Settlement Class Payments and divided among all Participating Class Members on a pro rata basis based upon the total number of Workweeks (defined as a week during which a Class Member was employed by Defendant during the Class Period [“Workweeks”]) worked by each respective Participating Class Member. Your estimated Individual Settlement Class Payment and Workweeks is as follows:

- Your estimated Individual Settlement Class Payment is <<**Estimated Payment**>> (less applicable withholdings) based on Defendant’s records showing that you had <<**Workweeks**>> during the relevant period between February 26, 2017 and <<**Date of Preliminary Approval, but, if the number of total Workweeks exceeds 34,536 by the date of preliminary approval, then Defendant shall have the exclusive right, but not the obligation, to choose a release date earlier than the date of preliminary approval for Workweeks such that the number of Workweeks does not exceed 34,536**>>.

To the extent you dispute the number of Workweeks and/or PAGA Pay Periods, you must make your dispute (the “Work Week Dispute”) in writing and send it to the Settlement Administrator via fax or mail. Your Work Week Dispute must be postmarked or faxed no later than <<**RESPONSE DATE**>> (the “Response Deadline”) to:

Apex Class Action LLC, <<**Mailing Address & Fax Number**>>

Your Work Week Dispute must be in writing and contain: (a) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (b) the number of Workweeks and/or PAGA Pay Periods you contend is correct; and (c) any evidence supporting your contention. Defendant’s records will be presumed correct unless you prove otherwise by credible evidence. The Settlement Administrator will resolve and decide all Work Week Disputes, and its decision will be reviewable by the Court during the Final Approval Hearing. **REMINDER:** If you believe that your estimated Individual Settlement Class Payment amount is incorrect because your reported Workweeks (i.e., the number of total weeks you worked within the Class Period only) is wrong, and/or if you believe that your estimated Individual PAGA Payment amount is incorrect because your reported PAGA Pay Periods (i.e., the number of total pay periods you worked within the PAGA Period only) is wrong, the deadline to submit a dispute is <<**RESPONSE DATE**>> (the “Response Deadline”).

For tax reporting purposes, the payments to Class Members for Individual Settlement Class Payments will be allocated 20% as wages, 40% as penalties, and 40% as interest, excluding Individual PAGA Payments, which will be allocated as 100% penalties. The wage portion of Individual Settlement Class Payments will be subject to the withholding of applicable local, state, and federal taxes for applicable employee-side payroll taxes, as deducted by the Settlement Administrator and reported on IRS W-2 Forms. The portion of the Settlement Payments allocated to penalties and interest will be classified as other miscellaneous income and reported on IRS 1099-MISC Forms by the Settlement Administrator. Any taxes owed on other miscellaneous income will be the responsibility of Class Members receiving those payments. Defendant will be responsible for the employer’s share of payroll taxes, separate and apart from the Gross Settlement Amount.

All checks for Individual Settlement Payments will advise Class Members that the checks will remain valid and negotiable for one hundred eighty (180) days from the date of the checks’ issuance and shall thereafter automatically be void if not cashed within that time. Any Individual Settlement Payment that is not cashed within that time will be transmitted to Valley Children’s Hospital. The Settlement Administrator will void any tax documents issued to Class Members who did not cash their checks within 180 days of issuance. In such event, the Class Member shall nevertheless remain bound by the Settlement.

None of the Parties or their attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member.

Class Counsel Attorneys' Fees and Costs, Class Representative Enhancement Awards, Settlement Administration Costs, and the LWDA PAGA Payment. Class Counsel will ask the Court to award reimbursement of attorneys' fees up to 33 1/3 percent (33.33%) of the Gross Settlement Amount (currently estimated to be \$183,315.00) and reimbursement of actual litigation costs incurred in the Action not to exceed \$20,000.00. In addition, Class Counsel will ask the Court to authorize payment of a Class Representative Enhancement Award of up to \$10,000.00 to each Plaintiff for their service as class representatives and participation in this Action and in exchange for providing a general release of claims and waiver of Civil Code § 1542 rights. Additionally, the Settlement Administrator will be paid up to \$20,000.00 for reimbursement of costs in administering the Settlement. Additionally, a payment in the amount of \$30,000.00 will be made to the LWDA for PAGA Penalties, which represents 75% of the \$40,000.00 set aside for PAGA Penalties.

What claims are being released by the proposed Settlement?

Effective only on the date when both of the following events have occurred (a) the Court enters an order granting Final Approval of this settlement and (b) Defendant fully funds the entire Gross Settlement Amount, Class Members will release claims against the Released Parties as follows:

- (a) **Identity of the Released Parties:** Defendant, together with its present and former parents, subsidiaries, affiliated and related entities, present and former owners, boards, officers, directors, trustees, shareholders, members, partners, employees, agents, insurers, attorneys, representatives, heirs, executors, administrators, successors, and assigns (collectively, the "Released Parties").
- (b) **Plaintiffs' General Release:** In addition to the Released Claims, as provided in Paragraph 5.2 of the Settlement Agreement, Plaintiffs each agree to generally release and discharge the Released Parties from all individual claims that were asserted or could have been asserted in connection with Plaintiffs' employment with Defendant during the Class Period and/or PAGA Period (the "General Release"). Plaintiffs' General Release does not extend to any claims or actions to enforce this Agreement. Plaintiffs acknowledge that Plaintiffs may discover facts or law different form, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or law or Plaintiffs' discovery of them. For purposes of Plaintiffs' General Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of California Civil Code § 1542, which reads: *A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.*
- (c) **Released Claims:** All Class Members who do not opt out of the Settlement will be bound by a release of all claims alleged in Plaintiffs' Second Amended Complaint filed on June 22, 2022 (the "Operative Complaint") and/or Plaintiffs' amended PAGA notice letter submitted on May 16, 2022 (the "PAGA Notice Letter"). The release shall extend to the Released Parties. The Released Claims shall include, but not be limited to, all claims alleged by Plaintiffs in the Operative Complaint and/or PAGA Notice Letter, or which could have been alleged by Plaintiffs in the Operative Complaint and/or PAGA Notice Letter by reason of or in connection with any matter or fact set forth or referred to in the Operative Complaint and/or PAGA Notice Letter, including any and all claims, debts, liabilities, demands, actions, or causes of action arising from or relating to the Released Claims during the Class Period and/or PAGA Period, as defined herein. Without limiting the foregoing, the Released Claims shall include claims for unpaid wages, including, but not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, and interest; failure to timely pay regular and preliminary wages; failure to provide compliant meal, rest, and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, and/or recovery period obligations;

compensation due by reason of a split shift; reporting time pay; claims arising from invalid meal period waivers and on-duty meal period waivers; payment for all hours worked; failure to furnish accurate wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; making unlawful deductions; failing to reimburse necessary business expenses; unfair business practices; any and all related penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting time penalties; and statutory penalties and/or civil penalties associated with any of the foregoing. Such Released Claims shall include, but not be limited to, those claims arising under California Labor Code §§ 201–204, 204b, 206, 210, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.3, 226.7, 233, 234, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 400–410, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2698 *et seq.*, and 2699 *et seq.*, and/or those arising under the applicable Industrial Welfare Commission Wage Order(s) (including, but not limited to, subsections 3, 4, 5, 7, 8, 9, 11, 12, 13, 18, and 20 of the applicable Wage Order(s) [including the provisions of the California Code of Regulations codifying the applicable Wage Order(s)], which may include, but are not limited to, Wage Orders 1-2001, 7-2001, and/or 9-2001); 8 C.C.R. § 3395; California Business and Professions Code §§ 17200, *et seq.* (including, without limitation, California Business and Professions Code §§ 17200–17208); the California Civil Code §§ 3287, 3289, and 3294; California Code of Civil Procedure § 1021.5; and any related claims under the Fair Labor Standards Act (“FLSA”) (29 U.S.C. §§ 201, *et seq.*) (the “Released Claims”). The Parties intend that this release be construed as broadly as possible to encompass all claims alleged by Plaintiffs, or those which could have been alleged by Plaintiffs based on the factual allegations in the Operative Complaint and/or PAGA Notice Letter. The Released Claims exclude the release of claims not permitted by law, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period or based on facts not arising from or relating to the Released Claims. This Agreement is the compromise of all possible disputed claims related to wages, and fully and finally settles all possible claims between the Parties regarding Class Members’ and Aggrieved Employees’ wages. The Parties warrant and represent that this release resolves, pursuant to Labor Code §§ 206 and 206.5 and applicable case law (including, but not limited to, *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796), a good faith dispute regarding any and all wages, if any, owed to Class Members through their last day of employment with Released Parties within the Class Period and/or PAGA Period.

- (d) **Release of Claims by Non-Participating Class Members Who Are Aggrieved Employees:** Class Members who submit a valid and timely request for exclusion from the settlement (i.e., “Non-Participating Class Members”) will not be subject to Released Claims, as provided in Paragraph 5.2 of the Settlement Agreement. However, Non-Participating Class Members who are Aggrieved Employees will be subject to the Released Claims, as provided in Paragraph 5.2 of the Settlement Agreement, to the extent it pertains to the release of PAGA claims.

What are my options in this matter?

You have several options under this Settlement, each of which is further discussed below. You may: (A) do nothing to remain in the Settlement Class and receive an Individual Settlement Payment; (B) if you choose option (A), you may also object to the Settlement excluding the PAGA portion, as explained below; (C) exclude yourself from the Settlement, in which case you may still receive an Individual PAGA Payment and will release PAGA claims; or (D) challenge the underlying calculations before receiving an Individual Settlement Payment.

If you remain in the Settlement Class, you will receive an Individual Settlement Class Payment in change for the Released Claims, as described above, and you will be subject to any Judgment that will be entered in the Action.

OPTION A. Remain in the Class: If you wish to remain in the Settlement Class and be eligible to receive an Individual Settlement Payment, **you do not need to take any action.** By remaining in the Settlement Class and receiving settlement monies, you consent to the release of the Released Claims, as described above.

Any amount paid to Settlement Class Members will not count or be counted for determination of eligibility for, or calculation of, any employee benefits (for example, vacations, holiday pay, retirement plans, non-qualified deferred compensation plans, etc.), or otherwise modify any eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Defendant, unless otherwise required by law.

OPTION B. Objecting to the Settlement: If you believe the proposed Settlement is not fair, reasonable, or adequate in any way, you have several options that you may use to object to it or express any concerns. To object, you may appear in person at the Final Approval Hearing (currently scheduled to take place on <<**FA Date**>>), have an attorney object for you at your own cost, and/or submit a written brief or statement of objection (a “written objection”) to the Settlement Administrator at Apex Class Action LLC, <<**Mailing Address & Fax Number**>>. You may hire an attorney, at your own expense, to decide whether to object to the Settlement. If you submit a written objection, it should contain sufficient information to confirm your identity and the basis of the objection, including: (1) your full name; (2) the grounds for the objection; (3) your signature; and (4) be faxed or postmarked on or before <<**Response Deadline**>> and returned to the Settlement Administrator at the fax number or address listed above to ensure that it is received in time to be transmitted to and considered by the Court. You can also hire an attorney, at your own expense, to represent you in your objection. The Parties may file responses to any written objections before the Final Approval Hearing. Regardless of whether you object in writing, the Court may, in its sole discretion, permit you to orally state any objections you may have at the Final Approval Hearing. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of Released Claims, as set forth above, unless the Settlement is not finally approved by the Court.**

Only Participating Class Members can object to the proposed Settlement, although they cannot object to the PAGA portion of the proposed Settlement. Also, if you submit a timely and valid Request for Exclusion (Option C), then the option to object is no longer available to you.

Regardless of the form, an objection alone will not satisfy the requirement that a Settlement Class Member must formally intervene and become a party of record in the action to appeal a judgment entered following an Order finally approving this Settlement, as is required under the California Supreme Court decision of *Hernandez v. Restoration Hardware* (2018) 4 Cal. 5th 260.

OPTION C. Request to Be Excluded from the Settlement and Receive No Individual Settlement Class Payment (Does NOT Include PAGA): If you do not want to be part of the Settlement Class, you must submit a written request to be excluded from the Settlement to the Settlement Administrator at Apex Class Action LLC, <<**Mailing Address & Fax Number**>> by <<**Response Deadline**>>.

In order to be valid, your request to be excluded must include a written statement providing as follows: (1) explicitly and unambiguously state the following, or a similar, statement: “I wish to exclude myself from the settlement reached in the matter of *Tapia et al. v. Sierra Forest Products* (Tulare County Case No. VCU288833). I understand that by excluding myself, I will not receive any money from the settlement reached in this matter, expect a proportionate share, if eligible, of the PAGA Penalties portion allocated to Aggrieved Employees.”; (2) contain the name, mailing address, telephone number, and last four digits of the Social Security number of the Class Member requesting exclusion; (3) be signed by the Class Member requesting exclusion or by his/her representative; and (4) be timely faxed or postmarked by the Response Deadline to the Settlement Administrator. The date of the postmark on the return mailing envelope transmitting the Request for Exclusion shall be the exclusive means used to determine whether a mailed Request for Exclusion was timely submitted.

You may hire an attorney, at your own expense, to decide whether to request to be excluded from the Settlement. If you do not submit a written request to be excluded from the Settlement on time (as evidenced by the postmark or fax date), your request to be excluded will be rejected, you will be deemed a Participating Class Member, and you will be bound by the release of Released Claims, as described above, and be bound all other terms of the Settlement.

If you submit a written request to be excluded from the Settlement by the Response Deadline, you will have no further role in the Action. You will not be able to complain to the Court about any aspect of the Settlement. **You will not be entitled to any benefit, including a pro rata share of the Net Settlement Amount allocated to Individual Settlement Class Payments, except that, if eligible, you will still receive an Individual PAGA Payment and will be subject to the release of PAGA claims.** You cannot exclude yourself from the PAGA portion of the proposed Settlement regardless of whether you request to be excluded from the Settlement.

OPTION D. Challenge the Calculations Underlying Individual Settlement Payments: The amount of your Individual Settlement Payment, including your Individual Settlement Class Payment as a Participating Class

Member and your Individual PAGA Payment as an Aggrieved Employee (if applicable), depend on how many Workweeks and PAGA Pay Periods you worked for Defendant in California within the Class Period and PAGA Period, respectively. The reported number of your Workweeks and PAGA Pay Periods (if applicable) is stated above. If you disagree with either of these numbers, you may submit a written Work Week Dispute to the Settlement Administrator by <<**Response Deadline**>>, as provided above. Your Work Week Dispute must contain the information stated above.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness, and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's request for attorneys' fees and costs, the Class Representative Enhancement Award to Plaintiffs, the Administration Costs Payment, and the payment to the LWDA and to Aggrieved Employees for PAGA Penalties on <<**FA Date and Time**>> in Department 2 of the Tulare County Superior Court, located at 221 S. Mooney Blvd., Visalia, CA 93291.

If you wish to attend the Final Approval Hearing, you may arrange to appear at the hearing remotely via CourtCall by dialing 1-888-882-6878 or by visiting the CourtCall website at www.courtcall.com to schedule a remote appearance no later than five court days prior to the date of the Final Approval Hearing. The Final Approval Hearing may be continued to a future date without further notice to Class Members.

You are not required to attend the Final Approval Hearing to receive any monies under the Settlement.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the proposed Settlement. More details are in the Class Action and PAGA Settlement Agreement attached to the Declaration of Kane Moon in Support of Plaintiffs' Motion for Preliminary Approval. The Class Action and PAGA Settlement Agreement, and all other records relating to the Action, are available for inspection and/or copying with the Tulare County Superior Court upon using the online request form available at <https://www.tulare.courts.ca.gov/online-services/records-request>. You may also request a copy of the Settlement Agreement from Class Counsel and/or Defendant's Counsel referenced above.

PLEASE DO NOT OTHERWISE CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.