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MANAGEMENT COMPANY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MERCED

LE'ROI LOPEZ, individually, and on behalf of
other members of the general public similarly
situated,

Plaintiff,

vs.

BIG CREEK LUMBER COMPANY, a
California corporation; THE BIG CREEK
MANAGEMENT COMPANY, a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 21CV-00613

Assigned to the Hon. Brian L. McCabe

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT AND RELEASE**

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Le’Roi Lopez (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendants Big Creek Lumber Company and The Big Creek Management Company (“Defendants”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Le’Roi Lopez v. Big Creek Lumber Company*, No. 21CV-00613 (Merced County Superior Court).
2. “Attorneys’ Fees, Costs and Expenses” means attorneys’ fees agreed upon by the Parties and approved by the Court for Capstone Law APC’s (“Class Counsel”) litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Class Settlement Amount, or Seven Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$733,333.00). The Attorneys’ Fees, Costs and Expenses will also include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of this Action, up to Thirty Thousand Dollars (\$30,000.00), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsel’s request for the fees and reimbursement of costs as set forth above.
3. “Class Counsel” means Capstone Law APC.
4. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel or another electronic format accessible to the Settlement Administrator, and will

1 include each Class Member's full name; most recent mailing address and telephone number; Social
2 Security number; dates of employment; the respective number of Pay Periods during which each Class
3 Member worked during the Class Period; and any other relevant information needed by the Settlement
4 Administrator to calculate settlement payments.

5 5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendants
6 as a non-exempt, hourly employee in the State of California at any time from February 22, 2017 through
7 January 18, 2022.

8 6. "Class Period" means the period from February 22, 2017 through January 18, 2022.

9 7. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff
10 in recognition of his effort and work in prosecuting the Action on behalf of Class Members. Subject to
11 the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and
12 all appeals, Plaintiff will request Court approval of a Class Representative Enhancement Payment of
13 Two Thousand Five Hundred Dollars (\$2,500.00).

14 8. "Class Settlement Amount" means the Class Settlement Amount of Two Million Two
15 Hundred Thousand Dollars (\$2,200,000.00), to be paid by Defendants in full satisfaction of all Released
16 Claims arising from this Action, which includes the Individual Settlement Payments, Attorneys' Fees,
17 Costs and Expenses, Class Representative Enhancement Payment, General Release Payment, LWDA
18 Payment, and Settlement Administration Costs. In no event will Defendants be liable for more than the
19 Class Settlement Amount. There will be no reversion of the Class Settlement Amount to Defendants
20 unless required by law or Court order. Defendants will be separately responsible for any employer
21 payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall
22 not be paid from the Class Settlement Amount.

23 9. "Court" means the Merced County Superior Court.

24 10. "Defendants" means Defendants Big Creek Lumber Company and The Big Creek
25 Management Company.

26 11. "Effective Date" means the later of: (i) the date of Final Approval (if no timely
27 objections are filed, or are withdrawn prior to Final Approval); (ii) the sixty-first (61) calendar day after
28 the date of Final Approval (if a Class Member files an objection to the Settlement, provided no appeal is

initiated by an objector); or (iii) the date of final resolution of any timely appeal initiated by an objector appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

12. "Final Approval" means the date on which the Court enters an order granting final approval of the Settlement Agreement.

13. "General Release Payment" means the amount to be paid to Plaintiff in exchange for a general release of all claims arising out of his employment with Defendants. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a General Release Payment of Seven Thousand Five Hundred Dollars (\$7,500).

14. "Individual Settlement Payment" means each Participating Class Member's respective share of the Net Settlement Amount.

15. "LWDA Payment" means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"). The Parties have agreed that Two Hundred Thousand Dollars (\$200,000.00) of the Class Settlement Amount will be allocated to the resolution of Class Members' claims arising under PAGA. Pursuant to PAGA, Seventy-Five Percent (75%), or One Hundred Fifty Thousand Dollars (\$150,000.00), of the PAGA Settlement Amount will be paid to the LWDA, and Twenty-Five Percent (25%), or Fifty Thousand Dollars (\$50,000.00), of the PAGA Settlement Amount will be included in the Net Settlement Amount.

16. "Net Settlement Amount" means the portion of the Class Settlement Amount remaining after deducting the Attorneys' Fees, Costs and Expenses, Class Representative Enhancement Payment, General Release Payment, LWDA Payment, and Settlement Administration Costs. The Net Settlement Amount will be distributed to Participating Class Members. There will be no reversion of the Net Settlement Amount to Defendants.

17. "Notice of Objection" means a Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector's full name, address, telephone number, signature and date signed, (ii) a written statement of all grounds for the

1 objection accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other
2 documents upon which the objection is based; and (iv) a statement whether the objector intends to appear
3 at the final fairness hearing. Any Class Member who does not submit a timely written objection to the
4 Settlement, or who fails to otherwise comply with the specific and technical requirements of this section,
5 will be foreclosed from objecting to the Settlement and seeking any adjudication or review of the
6 Settlement, by appeal or otherwise.

7 18. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form
8 attached as Exhibit A.

9 19. "Parties" means Plaintiff and Defendants collectively.

10 20. "Participating Class Members" means all Class Members who do not submit timely and
11 valid Requests for Exclusion.

12 21. "Pay Period(s)" means, consistent with the definition provided by Labor Code section
13 204, the number of pay periods during which each and all Class Members worked during the Class
14 Period.

15 22. "Plaintiff" means Plaintiff Le'Roi Lopez.

16 23. "Preliminary Approval" means the date on which the Court enters an order granting
17 preliminary approval of the Settlement Agreement.

18 24. "Released Class Claims" means any and all actions, causes of action, rights, liabilities,
19 obligations, costs, expenses, damages, losses, claims, liabilities, suits, debts, demands, and benefits
20 (including attorneys' fees and costs), in law or in equity, known or unknown, suspected or unsuspected,
21 matured or unmatured, based on or reasonably related to any act, omission, event, occurrence, or non-
22 occurrence of said event alleged in Plaintiff's Complaint and PAGA Notice during the Class Period,
23 including but not limited to: (i) all claims for unpaid minimum wages; (ii) all claims for unpaid overtime;
24 (iii) all claims for meal and rest break violations; (iv) all claims for the failure to provide recovery
25 periods; (v) all claims for the failure to pay reporting time pay; (vi) all claims for the failure to reimburse
26 for necessary business expenses; (vii) all claims for the failure to timely pay wages upon termination
27 based on the preceding claims; (viii) all claims for the failure to timely pay wages during employment
28 based on the preceding claims; (ix) all claims for wage statement violations based on the preceding

claims; and (vii) all claims asserted through California Business & Professions Code §§ 17200, *et seq.*, and the Labor Code Private Attorneys General Act, California Labor Code §§ 2698, *et seq.* based on the preceding claims.

25. “Released Parties” means Defendants, and any of their respective affiliates, subsidiaries, parent companies, respective successors and predecessors in interest, related companies, partners, officers, directors, managers, servants, agents, past or present officers, directors, shareholders, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, employees, former employees, representatives, and attorneys, past or present, and all persons acting under, by, through, or in concert with any of them, if any.

26. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (i) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (ii) be signed and dated by the Class Member; (iii) be returned to the Settlement Administrator; (iv) expressly and clearly state that the Class Member received the Notice of Class Action Settlement, has decided not to participate in the Settlement, and wants to be excluded from the Settlement; and (v) be faxed or postmarked on or before the Response Deadline.

27. “Response Deadline” means the deadline by which Class Members must postmark or fax to the Settlement Administrator Requests for Exclusion, or postmark Notices of Objection to the Settlement Administrator. The Response Deadline will be thirty (30) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the thirtieth (30th) calendar day falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

28. “Settlement Administration Costs” means the costs payable from the Class Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Class Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Class Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the

1 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
2 approximately Four Hundred Thirty Three (433) Class Members, the Settlement Administration Costs
3 are currently estimated to be Ten Thousand Dollars (\$10,000).

4 29. "Settlement Administrator" means ILYM Group, Inc., or any other third-party class
5 action settlement administrator agreed to by the Parties and approved by the Court for the purposes of
6 administering this Settlement. The Parties each represent that they do not have any financial interest in
7 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
8 could create a conflict of interest.

9 **TERMS OF AGREEMENT**

10 The Plaintiff, on behalf of himself and the Settlement Class, and Defendants agree as follows:

11 30. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
12 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
13 entering into this Settlement, Defendants do not admit, and specifically deny, that they violated any
14 federal, state, or local law, or any ordinance or provision; violated any regulations or guidelines
15 promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements;
16 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
17 engaged in any other unlawful conduct with respect to their employees. Neither this Settlement
18 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will be
19 construed as an admission or concession by Defendants of any such violations or failures to comply with
20 any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement, this
21 Settlement Agreement and its terms and provisions will not be offered or received as evidence in any
22 action or proceeding to establish any liability or admission on the part of Defendants, or to establish the
23 existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or
24 other applicable law.

25 31. Joint Recital Regarding Pay Periods. The Settlement is premised on the Parties'
26 understanding that Class Members worked approximately 8,064 pay periods during the PAGA Period.

27 32. Funding of the Class Settlement Amount. Defendants will make a one-time deposit of
28 the Class Settlement Amount of Two Million Two Hundred Thousand Dollars (\$2,200,000.00) into a

1 Qualified Settlement Fund to be established by the Settlement Administrator. Defendants will pay the
2 employer's share of payroll taxes separately. After the Effective Date, the Class Settlement Amount will
3 be used for: (i) Individual Settlement Payments; (ii) the LWDA Payment; (iii) the Class Representative
4 Enhancement Payment and General Release Payment; (iv) Attorneys' Fees, Costs and Expenses; and (v)
5 Settlement Administration Costs. Defendants will deposit the Class Settlement Amount and the
6 employer's share of payroll taxes within fourteen (14) court days of the Effective Date ("Funding Date").

7 33. Full, Total and Entire Class Settlement Amount. The Parties agree that the Class
8 Settlement Amount of Two Million Two Hundred Thousand Dollars (\$2,200,000.00) shall constitute the
9 entire consideration due and is in full and complete satisfaction of any and all Released Claims and
10 Plaintiff's general release. Plaintiffs and Class Members agree that they will be entitled to no additional
11 consideration for any Released Claims, separate and apart from the Class Settlement Amount. Plaintiff
12 and Class Members acknowledge that Defendants continue to affirm that Plaintiff and Class Members
13 would not be entitled to receive the Class Settlement Amount if they did not make the promises that they
14 are making in this Settlement Agreement.

15 34. Attorneys' Fees, Costs and Expenses. Defendants agree not to oppose Class Counsel's
16 application or motion to the Court for Attorneys' Fees, Costs and Expenses of not more than Seven
17 Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$733,333.00), plus the
18 reimbursement of all out-of-pocket costs and expenses associated with Class Counsel's litigation and
19 settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed Thirty
20 Thousand Dollars (\$30,000.00), both of which will be paid from the Class Settlement Amount.

21 35. Class Representative Enhancement Payment. In recognition of his effort and work in
22 prosecuting the Action on behalf of Class Members, Defendants agree not to oppose Class Counsel's
23 application or motion for a Class Representative Enhancement Payment of Two Thousand Five Hundred
24 Dollars (\$2,500.00) for Plaintiff Le'Roi Lopez. The Class Representative Enhancement Payment will be
25 paid from the Class Settlement Amount and will be in addition to Plaintiff's Individual Settlement
26 Payment and General Release Payment as detailed herein. Plaintiff will be solely and legally responsible
27 to pay any and all applicable taxes on the Class Representative Enhancement Payment.

28 36. Settlement Administration Costs. The Settlement Administrator will be paid for the

1 reasonable costs of administration of the Settlement and distribution of payments from the Class
2 Settlement Amount, which is currently estimated to be Ten Thousand Dollars (\$10,000). These costs,
3 which will be paid from the Class Settlement Amount, will include, *inter alia*, the required tax reporting
4 on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Notice
5 Packets, calculating and distributing the Class Settlement Amount, and providing necessary reports and
6 declarations.

7 37. LWDA Payment. Subject to Court approval, the Parties agree that the amount of Two
8 Hundred Thousand Dollars (\$200,000.00) from the Class Settlement Amount will be designated for
9 satisfaction of Plaintiff's and Class Members' PAGA claims. Pursuant to PAGA, Seventy-Five Percent
10 (75%), or One Hundred Fifty Thousand Dollars (\$150,000.00), of this sum will be paid to the LWDA
11 and Twenty-Five Percent (25%), or Fifty Thousand Dollars (\$50,000.00), will become part of the Net
12 Settlement Amount.

13 38. Net Settlement Amount. The entire Net Settlement Amount will be distributed to
14 Participating Class Members. No portion of the Net Settlement Amount will revert to or be retained by
15 Defendants.

16 39. Individual Settlement Payment Calculations. Individual Settlement Payments will be
17 calculated and apportioned from the Net Settlement Amount based on the number of Pay Periods during
18 which a Class Member worked during the Class Period. Specific calculations of Individual Settlement
19 Payments will be made as follows:

20 39(a) Defendants will calculate the total number of Pay Periods worked by each
21 Class Member during the Class Period and the aggregate total number of
22 Pay Periods worked by all Class Members during the Class Period.

23 39(b) To determine each Class Member's "Individual Settlement Payment," the
24 Settlement Administrator will use the following formula: The Net
25 Settlement Amount will be divided by the aggregate total number of Pay
26 Periods, resulting in the "Pay Period Point Value." Each Class Member's
27 "Individual Settlement Payment" will be calculated by multiplying each
28 individual Class Member's total number of Pay Periods by the Pay Period

Point Value.

39(c) The Individual Settlement Payment will be reduced by any required deductions for each Participating Class Member as specifically set forth herein, including employee-side tax withholdings or deductions.

39(d) The entire Net Settlement Amount will be disbursed to all Class Members who do not submit a timely and valid Request for Exclusion. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payment for each Participating Class Member according to the number of Pay Periods worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Amount.

40. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

41. Administration Process. The Parties agree to cooperate in the administration of the settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

42. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

43. Notice by First-Class U.S. Mail. Within twenty (20) calendar days after receiving the Class List from Defendants, the Settlement Administrator will mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

44. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement

1 Administrator will perform a search based on the National Change of Address Database for information
2 to update and correct for any known or identifiable address changes. Any Notice Packets returned to the
3 Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly
4 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
5 Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is
6 provided, the Settlement Administrator will promptly attempt to determine the correct address using a
7 skip-trace, or other search using the name, address and/or Social Security number of the Class Member
8 involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed
9 Notice Packet, whether by skip-trace or by request, will have either (i) an additional fifteen (15) calendar
10 days or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an
11 objection to the Settlement.

12 45. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
13 will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement's
14 principal terms; (iii) the Settlement Class definition; (iv) the total number of Pay Periods each respective
15 Class Member worked for Defendants during the Class Period; (v) each Class Member's estimated
16 Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the
17 dates which comprise the Class Period; (vii) instructions on how to submit Requests for Exclusion or
18 Notices of Objection; (viii) the deadlines by which the Class Member must postmark or fax Request for
19 Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims to be released.

20 46. Disputed Information on Notice Packets. Class Members will have an opportunity to
21 dispute the information provided in their Notice Packets. To the extent Class Members dispute their
22 employment dates or the number of Pay Periods on record, Class Members may produce evidence to the
23 Settlement Administrator showing that such information is inaccurate. The Settlement Administrator will
24 decide the dispute. Defendants' records will be presumed correct, but the Settlement Administrator will
25 evaluate the evidence submitted by the Class Member and will make the final decision as to the merits of
26 the dispute. All disputes will be decided within ten (10) business days of the Response Deadline.

27 47. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
28 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement

1 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
2 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
3 for Exclusion has been timely submitted. An untimely Request for Exclusion will not be honored.

4 48. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
5 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid
6 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released
7 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
8 Settlement.

9 49. Releases by Participating Class Members. Upon the Funding Date, and except as to such
10 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
11 together and individually, on their behalf and on behalf of their respective heirs, executors,
12 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
13 Parties, or any of them, from each of the Released Claims arising during the Class Period.

14 50. Objection Procedures. To object to the Settlement Agreement, a Class Member must
15 postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
16 Deadline. The Notice of Objection must be signed by the Class Member and contain all information
17 required by this Settlement Agreement. The postmark will be deemed the exclusive means for
18 determining that the Notice of Objection is timely. Class Members who fail to object in the manner
19 specified above will be deemed to have waived all objections to the Settlement and will be foreclosed
20 from making any objections, whether by appeal or otherwise, to the Settlement Agreement. Class
21 Members who postmark timely Notices of Objection will have a right to appear at the Final Approval
22 Hearing in order to have their objections heard by the Court. At no time will any of the Parties or their
23 counsel seek to solicit or otherwise encourage Class Members to submit written objections to the
24 Settlement Agreement or appeal from the Order and Judgment. Class Counsel will not represent any
25 Class Members with respect to any such objections to this Settlement.

26 51. Certification Reports Regarding Individual Settlement Payment Calculations. The
27 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that
28 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to

the Settlement, and whether any Class Member has submitted a challenge to any information contained in their Notice Packet. These reports will continue through 30 days after the Response Deadline. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

52. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days of the Funding Date, the Settlement Administrator will issue payments to: (i) Participating Class Members; (ii) the LWDA; (iii) Plaintiff; and (iv) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

53. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be tendered to the State Controller's Office, Unclaimed Property Division.

54. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

55. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: (i) Thirty Percent (30%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (ii) Seventy Percent (70%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

56. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

57. Tax Liability. Class Members understand and agree that they are solely responsible for all tax obligations, including all reporting and payment obligations that may arise as a consequence of this Settlement Agreement and/or payment of any amounts agreed to herein. Plaintiff and Class Members agree to indemnify and hold harmless Defendants and any person or entity affiliated with

Defendants, from any tax liability or penalties that may arise from payments pursuant to this Settlement Agreement. This indemnification would include but not be limited to taxes, penalties and attorneys' fees and costs associated with any allocation of any payments pursuant to this Settlement Agreement. Plaintiff and Class Members further acknowledge that neither Defendants nor any of their representatives or attorneys has any obligation to and will not indemnify or defend him or her in any tax proceedings or from any tax consequences that could result from payments made in accordance with this Settlement Agreement. Further, Plaintiff and Class Members agree that neither Defendants nor any of their representatives or attorneys has made any promise, representation or warranty, express or implied, regarding the tax consequences of any consideration paid pursuant to this Settlement Agreement. Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard and acknowledge that they have the right to seek tax advice should they so choose.

58. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE

1 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
2 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
3 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER
4 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
5 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
6 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
7 AGREEMENT.

8 59. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
9 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
10 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
11 action or right herein released and discharged. Further, Plaintiff, agrees to indemnify and hold harmless
12 Defendants and all other Releasees, and each of them, against any loss or liability whatsoever, including
13 reasonable attorneys' fees and costs caused by: (i) any breach of this Settlement Agreement by Plaintiff
14 or his successors in interest; or (ii) any action or proceeding brought by Plaintiff, or his successors in
15 interest, if such action or proceeding is based upon or related to any of the Claims released in this
16 Settlement Agreement. Additionally, Class Members agree as to themselves individually and to their
17 own successors in interest, to indemnify and hold harmless Defendants and all other Releasees, and each
18 of them, against any loss or liability whatsoever, including reasonable attorneys' fees and costs caused
19 by: (i) any breach of this Settlement Agreement by that Class Member or his or her successors in interest;
20 or (ii) any action or proceeding brought by that Class Member or his or her successors in interest, if such
21 action or proceeding is based upon or related to any of the Claims released in this Settlement Agreement.

22 60. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
23 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
24 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
25 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
26 likewise be treated as void from the beginning.

27 61. Preliminary Approval Hearing. Plaintiff, via Class Counsel, will obtain a hearing before
28 the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a

1 Preliminary Approval Order for: (i) conditional certification of the Settlement Class for settlement
2 purposes only, (ii) preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a
3 final fairness hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all
4 Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will
5 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
6 proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for
7 drafting all documents necessary to obtain preliminary approval.

8 62. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
9 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
10 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
11 Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees, Costs and
12 Expenses; (ii) the Class Representative Enhancement Payment and General Release Payment; (iii)
13 Individual Settlement Payments; (iv) the LWDA Payment; (v) all Settlement Administration Costs. The
14 final fairness hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.
15 Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class
16 Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the
17 final approval hearing.

18 63. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
19 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
20 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
21 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
22 administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or
23 as set forth in this Settlement Agreement.

24 64. General Release Payment. In exchange for the general release set forth below in the
25 sections General Release by Plaintiff and General Release of Unknown Claims, Plaintiff will seek Court
26 approval of a General Release Payment of Seven Thousand Five Hundred Dollars (\$7,500). The
27 Settlement Administrator will issue Plaintiff an IRS Form 1099 for the General Release Payment.
28 Plaintiff will be solely and legally responsible to pay any and all applicable taxes on the General Release

1 Payment.

2 65. General Release by Plaintiff. Upon the Funding Date, and in addition to the claims being
3 released by all Participating Class Members, Plaintiff agrees as follows: In consideration for the promises
4 set forth in this Settlement Agreement, Plaintiff does hereby—for himself and for his heirs,
5 representatives, attorneys, executors, administrators, successors, and assigns—release, acquit, remise,
6 and forever discharge Defendants, and all Released Parties from any and all actions, causes of action,
7 obligations, costs, expenses, damages, losses, claims, liabilities, suits, debts, demands, and benefits
8 (including attorneys' fees and costs), of whatever character, in law or in equity, known or unknown,
9 suspected or unsuspected, matured or unmatured, asserted or not asserted, of any kind or nature
10 whatsoever, based on any act, omission, event, occurrence, or non-occurrence from the beginning of
11 time to the date of execution hereof, including but not limited to any claims or causes of action arising
12 out of or in any relating to Plaintiff's employment (including but not limited to all class action claims
13 and/or claims under PAGA), which was raised in or could have been raised in the Action being settled
14 herein, or which could have been made in the a lawsuit, Complaint or Charge with any entity regarding
15 Defendants and Released Parties. Further, in line with this General Release Plaintiff agrees that he will
16 not cause or encourage any private lawsuits to be maintained or instituted against Defendants, and he
17 will not assist any individual in the preparation or filing of, or otherwise participate in any manner in, any
18 such private legal proceedings against Defendants, *except where required by law*. Finally, in line with
19 this General Release and to ensure all claims are released and not reinstituted, Plaintiff agrees not to visit
20 any of Released Parties' facilities, associated facilities, or job site locations. Plaintiff also agrees not to
21 initiate contact with any owner or member of management of Defendants or any Released Parties,
22 through call, text, email, or other means of communication. Nothing in this Paragraph shall prohibit
23 Plaintiff from contacting Defendants' Human Resources Department solely for any disclosures of
24 information required pursuant to the Labor Code, Plaintiff's dates of employment, positions held and, if
25 authorized in writing by Plaintiff, the Plaintiff's last rate of pay.

26 Notwithstanding this general release of claims, nothing in this Settlement Agreement is intended
27 to operate as, nor shall be construed as, a release or waiver of any rights and/or claims that cannot be
28 released or waived as a matter of law, or of Plaintiff's ability to enforce the Settlement.

1 66. General Release of Unknown Claims. For the purpose of implementing a full and
2 complete release, Plaintiff expressly acknowledges that the release he gives in this Settlement Agreement
3 is intended to include in its effect, without limitation, claims that he did not know or suspect to exist at
4 the time of execution hereof, regardless of whether the knowledge of such claims, or the facts upon
5 which they might be based, would materially have affected the settlement of this matter. Plaintiff further
6 agrees that the consideration given under this Settlement Agreement is also for the release of those
7 claims mentioned in this paragraph, and contemplates the extinguishment of any such unknown claims.
8 In furtherance of this settlement, Plaintiff therefore expressly waives any and all rights and benefits he
9 may have under California Civil Code Section 1542 (and other similar statutes and regulations). Section
10 1542 provides as follows:

11 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
12 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
13 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
14 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
15 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
16 PARTY.

17 67. Future Claims – No Filing of Any Complaint or Charge. Plaintiff has filed no other
18 charges, grievances or complaints against, about, or concerning Defendants (including but not limited to
19 class action claims and/or claims subject to the Private Attorney General’s Act (“PAGA”)) with the
20 Department of Fair Employment and Housing (“DFEH”), the Equal Employment Opportunity
21 Commission (“EEOC”), the California Department of Labor Standards Enforcement (“DLSE”), the
22 United States Department of Labor (“DOL”) and/or its Wage and Hour Division (“WHD”), California’s
23 Labor and Workforce Development Agency (“LWDA”), California Division of Worker’s
24 Compensation (“DWC”), the California Division of Occupational Safety and Health (“Cal/OSHA”),
25 California’s Department of Consumer Affairs (“DCA”), or any union, and has filed no lawsuits
26 regarding the same with any court, board, or tribunal. Further, Plaintiff has filed no other lawsuits
27 regarding the same with any court, board, or tribunal other than those listed herein. Further, Plaintiff
28 agrees not to seek to file, institute, cause to be instituted, or join any action in state or federal court, or

before any local, state, or federal governmental entity (as permitted by law), including but not limited to the DFEH, the EEOC, the DLSE, the DOL, the WHD, the LWDA, the DWC, Cal/OSHA, the DCA, any union, or any similar federal, state or local entity, that arises out of or relates in any manner whatsoever to the alleged unlawful acts and/or omissions of Defendants (or any of Defendants' affiliates, subsidiaries, parent company, related companies, partners, officers, directors, managers, servants, agents, employees, former employees, representatives, and attorneys, past or present, and all persons acting under, by, through, or in concert with any of them), with respect to the above referenced claims in this Action or any other matter relating to or arising out of Plaintiff's employment with Defendants or the ending of Plaintiff's employment (as these matters are all released herein) including, without limitation, claims based on the Fair Employment and Housing Act, Title VII of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990, and the Age Discrimination in Employment Act of 1967, the California Labor Code, the California Government Code, the Fair Labor Standards Act, the California Business and Professions Code, the California Code of Regulations, and/or any collective bargaining agreement. All obligations of Defendants in this Agreement are contingent upon Plaintiff never filing such.

68. No Re-employment. In consideration of the promises made by Defendants in this Agreement, Plaintiff promises that he will not seek or accept future employment from Defendants or any Released Parties, Plaintiff further agrees that he will not accept assignment with Defendants as an employee, as an independent contractor, subcontractor, per diem, or consultant, or through any contract service, agency, or registry. The Parties agree that Defendants have no obligation to employ or to continue to employ Plaintiff and may refuse to do so without any recourse, should Plaintiff be inadvertently employed. If Plaintiff does seek or obtain such employment after the date of execution of this Settlement Agreement, this Settlement Agreement shall constitute sufficient non-retaliatory and non-discriminatory cause for refusal to hire and/or for the termination of any such employment.

69. Non-Disparagement. Plaintiff agrees that, apart from court filings, he will not make any statements, either verbal or written, including without limitation any person or entity, including, but not limited to, any current, former or future employee of Defendants; to any member of or contributor to the print, electronic, social or other media; to or on a publicly-available forum; or to any community

1 organizations, that would disparage the reputation, image, good will or commercial interest of
2 Defendants.

3 70. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
4 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
5 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

6 71. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
7 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
8 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
9 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
10 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
11 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
12 contradict the terms of this Settlement Agreement. The Parties agree that the provisions of this
13 Settlement Agreement are contractual and not mere recitals.

14 72. Amendment or Modification. No amendment, change, or modification to this Settlement
15 Agreement will be valid or binding unless in writing and signed, by Plaintiff and a duly authorized
16 officer of Defendants.

17 73. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
18 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
19 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
20 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
21 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
22 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
23 reach agreement on the form or content of any document needed to implement the Settlement, or on any
24 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
25 may seek the assistance of the Court to resolve such disagreement.

26 74. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
27 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined,
28 including but not limited to Plaintiff, Class Members, and their heirs, representatives, executors,

1 administrators, successors, insurers, and assigns. Moreover, this Settlement Agreement shall inure to the
2 benefit of each and all of the Defendants and Released Parties, and to their heirs, representatives,
3 executors, administrators, successors, and assignees.

4 75. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
5 will be governed by, revised according to and in accordance with, and interpreted according to the laws
6 of the State of California.

7 76. Execution and Counterparts. This Settlement Agreement is subject only to the execution
8 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
9 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
10 copies of the signature page, will be deemed to be one and the same instrument.

11 77. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
12 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
13 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account
14 all relevant factors, present and potential. This Agreement is deemed to have been drafted jointly by the
15 Parties. Any uncertainty or ambiguity shall not be construed for or against any Party, since all Parties
16 have participated in the negotiations and drafting of this Agreement. The Parties further acknowledge
17 that they are each represented by competent counsel and that they have had an opportunity to consult
18 with their counsel regarding the fairness and reasonableness of this Settlement.

19 78. Invalidity of Any Provision. Before declaring any provision of this Settlement
20 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
21 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
22 valid and enforceable. Further, the language of all parts in this Settlement Agreement shall be construed
23 as a whole, according to its fair meaning. Should any provision in this Settlement Agreement be declared
24 or determined to be illegal, invalid or unenforceable, the Settlement Agreement shall be considered as if
25 the invalid/unenforceable provisions did not exist and the remaining parts, terms, or provisions shall be
26 valid and unaffected by the illegal or invalid provision, in accordance with the Court's approval of this
27 Settlement Agreement as detailed herein. In the event any provision of this Settlement Agreement is held
28 to be illegal or unenforceable, the Parties will fully cooperate to effectuate its purpose to conform the

1 provision(s) to law and incorporate them into the valid Settlement Agreement.

2 79. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
3 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may
4 appeal any reduction to the Attorneys' Fees, Costs and Expenses below the amount they request from the
5 Court, and either Party may appeal any court order that materially alters the Settlement Agreement's
6 terms.

7 80. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
8 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
9 approved, the stipulation to certification will be void. The Parties further agree that certification for
10 purposes of the Settlement is not an admission that class action certification is proper under the standards
11 applied to contested certification motions and that this Settlement Agreement will not be admissible in
12 this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendants
13 are liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

14 81. No Public Comment: The Parties and their counsel agree that they will not issue any
15 press releases, initiate any contact with the press, respond to any press inquiry, or have any
16 communication with the press about the fact, amount or terms of the Settlement. Further, Plaintiff
17 promises that he shall not disclose or offer to disclose, and has not disclosed any of the terms or
18 provisions of this Settlement Agreement or the negotiations leading to this Settlement Agreement to any
19 person or entity that is not a Class Member, including, but not limited to, any current, former or future
20 employee of Defendants who are not Class Members; to any member of the print, electronic or social or
21 other media; to or on a publicly-available forum; or to any community organizations, outside of the
22 disclosures required by law.

23 82. Plaintiff's Comments Restricted: Plaintiff agrees that to the extent that he receives
24 inquiries about this Action and/or any claims released herein from the press or third parties who are not
25 Class Members, he is authorized to say nothing other than "it has been resolved" or similar words to that
26 effect without disclosing any information relating to the terms and conditions of this Settlement
27 Agreement, the process leading to reaching this Settlement Agreement, or anything else related to or
28 regarding Plaintiff's issue with his employment with Defendants or settlement of this Action. Nothing in

1 this paragraph should be construed to interfere in any way with Plaintiff's ability to discharge his
2 obligations to Settlement Class as its Class Representative.

3 83. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
4 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
5 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

6 84. Actions for Breach and Admissibility of this Agreement. In the event that one or more of
7 the Parties institutes any legal action or other proceeding against any other Party or Parties for breach of
8 the provisions of this Settlement Agreement, the successful Party or Parties will be entitled to recover
9 from the unsuccessful Party or Parties reasonable attorneys' fees and costs. Further, the Parties agree that
10 this Settlement Agreement is admissible for the purposes of proving up and or enforcing the terms of the
11 Parties' Settlement Agreement, as set forth herein, pursuant to California Evidence Code Section 1123
12 and California Civil Code Section 664.6.

13 85. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
14 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
15 more strictly against one party than another merely by virtue of the fact that it may have been prepared
16 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
17 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

18 86. Representation By Counsel. The Parties acknowledge that they have been represented
19 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
20 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
21 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

22 87. All Terms Subject to Final Court Approval. All amounts and procedures described in
23 this Settlement Agreement herein will be subject to final Court approval.

24 88. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
25 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
26 Settlement Agreement.

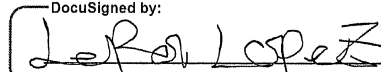
27 89. Binding Agreement. The Parties warrant that they understand and have full authority to
28 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully

enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

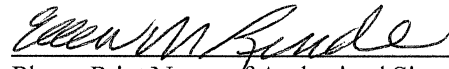
PLAINTIFF

Dated: 5/10/2022

DocuSigned by:

 Le'Roi Lopez

**DEFENDANTS BIG CREEK LUMBER
COMPANY AND THE BIG CREEK
MANAGEMENT COMPANY**

Dated: 05/16/2022


 Please Print Name of Authorized Signatory
 Ellen Kinde

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 5/10/2022

By: 
 Raul Perez

Attorneys for Plaintiff Le'Roi Lopez

WOOD SMITH HENNIG & BERMAN LLP

Dated: 5/11/22

By: 
 Kristin A. Smith

Attorneys for Defendants Big Creek Lumber
Company and The Big Creek Management Company

Exhibit A

Le'Roi Lopez v. Big Creek Lumber Company, No. 21CV-00613
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF MERCED
NOTICE OF CLASS ACTION SETTLEMENT

This is not a lawsuit against you. You are not being sued. This notice affects your rights. Please read it carefully
*Si desea una traducción al Español de este Aviso, por favor llame al administrador al ***-***-*****

To: All persons who worked for Defendants Big Creek Lumber Company and The Big Creek Management Company (“Defendants”) as a non-exempt, hourly employees in the State of California at any time from February 22, 2017 through January 18, 2022 (“Class Members”).

On _____, the Honorable Brian L. McCabe of the Merced County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your proportionate share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at ____:00 ____m. on _____, 2022 in Courtroom 8 of the Merced County Superior Court located at 627 West 21st Street, Merced, California 95340. You are not required to attend the hearing, but you are welcome to do so.

SUMMARY OF THE LITIGATION

Plaintiff Le’Roi Lopez brought a lawsuit on behalf of himself and other current and former non-exempt employees, claiming that Defendants alleged violated California state labor laws. He claims that Defendants allegedly failed to: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon employment separation; (4) reimburse employees for all necessary business expenses incurred; (5) pay reporting time pay; (6) provide recovery periods; and (7) provide employees with accurate, itemized wage statements.

The Court has not determined that Mr. Lopez's claims and allegations about Defendants on behalf of himself or the Class Members are meritorious. Further, the Court has not determined that Defendants did anything unlawful.

Nevertheless, after the exchange of relevant information and evidence, the Parties agreed to attend mediation in an attempt to informally resolve the claims in the case without Court proceedings progressing. On January 18, 2022, the Parties participated in a mediation with experienced and well-respected class action mediator Louis Marlin, Esq. The Parties were able to negotiate a complete settlement of Plaintiff’s claims, with Mr. Marlin’s guidance.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. Class Counsel recognize that, as inherent in all lawsuits, there is a risk and expense associated with continued litigation. Thus, while Class Counsel believe in Plaintiff’s case, they also believe settlement is justified. Class Counsel further believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendants have denied, and continue to deny, the factual allegations made by Plaintiff on behalf of himself and the Class Members. Moreover, Defendants have researched the applicable law and see no legal merit to any of the allegations raised by Plaintiff. Defendants are confident that they have valid factual and legal defenses to each and every one of Plaintiff’s claims. By agreeing to settle, Defendants are not admitting any of the factual allegations or claims in the case,

not admitting any legal liability in any manner, and not agreeing that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiff, based on the additional cost of litigation.

SUMMARY OF THE PROPOSED SETTLEMENT TERMS

Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for a Class Settlement Amount of \$2,200,000.00. This amount is inclusive of: (1) individual settlement payments to all Class Members who do not opt out; (2) an individual settlement payment to Plaintiff Le'Roi Lopez for \$10,000.00 which includes a Class Representative Enhancement Payment of \$2,500 for acting as a representative of the class and a General Release Payment of \$7,500 for a general release of all claims arising out of his employment with Defendants; (3) \$733,333.00 in attorneys' fees and up to \$30,000.00 in litigation costs and expenses; (4) a \$150,000.00 payment to the California Labor and Workforce Development Agency ("LWDA") in connection and accordance with the Labor Code Private Attorneys General Act of 2004 ("PAGA") and Plaintiff's claim relating thereto, and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$_. After deducting the Class Representative Enhancement Payment; the General Release Payment; attorneys' fees, costs and expenses; the payment to the LWDA; and the Settlement Administrator's fees and expenses, a total of approximately \$_____ will be allocated to Class Members who do not opt out of the settlement ("Net Settlement Amount").

Each Class Member's settlement payment will be based on the number of Pay Periods during which each Class Member worked in a non-exempt position at any time from February 22, 2017 through January 18, 2022 ("Class Period"). The formula for calculating settlement payments is as follows:

- (a) Defendants will calculate the total aggregate number of Pay Periods that all Class Members worked during the applicable Class Period ("Total Pay Periods").
- (b) The value of each individual Pay Period shall then be determined by dividing the proceeds of the Net Settlement Amount by the Total Pay Periods amount, resulting in the "Pay Period Point Value."
- (c) An "Individual Settlement Payment" amount for each Class Member will then be determined by multiplying the individual Class Member's number of Pay Periods by the Pay Period Point Value.
- (d) The entire Net Settlement Amount will be disbursed to all Class Members who do not opt-out by submitting timely and valid Requests for Exclusion.

According to Defendants' records, you worked during the Class Period in a non-exempt position for a total of ____ Pay Periods. Accordingly, your estimated payment is approximately \$_____. If you believe the information provided above is incorrect, please contact the Settlement Administrator at _____. If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

YOUR OPTIONS UNDER THE SETTLEMENT

YOU MUST CHOOSE ONLY ONE

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator via mail, if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, you will be deemed to have released or waived the following claims ("Released Claims): Any and all actions, causes of action, rights, liabilities, obligations, costs, expenses, damages, losses, claims, liabilities, suits,

debts, demands, and benefits (including attorneys' fees and costs), in law or in equity, known or unknown, suspected or unsuspected, matured or unmatured, based on or reasonably related to any act, omission, event, occurrence, or non-occurrence alleged in Plaintiff's Complaint and PAGA Notice during the Class Period, including but not limited to: (i) all claims for unpaid minimum wages; (ii) all claims for unpaid overtime; (iii) all claims for meal and rest break violations; (iv) all claims for the failure to provide recovery periods; (v) all claims for the failure to pay reporting time pay; (vi) all claims for the failure to reimburse for necessary business expenses; (vii) all claims for the failure to timely pay wages upon termination based on the preceding claims; (viii) all claims for the failure to timely pay wages during employment based on the preceding claims; (ix) all claims for wage statement violations based on the preceding claims; and (vii) all claims asserted through California Business & Professions Code §§ 17200, et seq., and the Labor Code Private Attorney General's Act, California Labor Code §§ 2698, et seq. based on the preceding claims.

Option 2 – Opt Out of the Settlement via a Request for Exclusion

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written Request for Exclusion to the Settlement Administrator. The Requests for Exclusion must expressly and clearly indicate that: (1) you have received this Notice of Class Action Settlement, (2) decided not to participate in the settlement, and (3) desire to be excluded from this settlement. The written Request for Exclusion must also include your name, signature, address, telephone number, the last four digits of your Social Security Number, and the date you signed the Request for Exclusion. Mail the Request for Exclusion by First Class U.S. Mail or equivalent, to the address below.

ILYM Group, Inc. - Settlement Administrator

The written Request for Exclusion must be postmarked or faxed no later than _____, 2022. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2022, your Request for Exclusion will be *rejected, and you will be included in the settlement class as a Class Member.*

If you choose **Option 2**, you will no longer be a Class Member, and you will: (1) be barred from participating in the settlement and receiving any payment of funds from the settlement, (2) not be deemed to have released the Released Claims, and (3) be barred from filing an objection to the settlement.

Option 3 – Object to the Settlement via Written Objection

If you decide to object to the settlement because you find it unfair or unreasonable, you must submit a Written Objection stating why you object to the settlement. Your objection must provide: (1) your full name, signature, address, telephone number and the date you signed the Written Objection, (2) a written statement of all grounds for your objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which your objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The Written Objection must be mailed to the Administrator at [administrator's address].

All Written Objections must be received by the Administrator by not later than _____ 2022. Late Written Objections will not be considered. By submitting a Written Objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above in **Option 2**. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of Merced and discuss your Written Objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel - Raul Perez, Capstone Law APC, 1875 Century Park E., Suite 1000, Los Angeles, CA 90067, 1 (888) 745-8853.