

NOTE: This cover sheet is to be used to electronically file and submit to the court a proposed order. The proposed order sent electronically to the court must be in PDF format and must be attached to this cover sheet. In addition, a version of the proposed order in an editable word-processing format must be sent to the court at the same time as this cover sheet and the attached proposed order in PDF format are filed.

1. Name of the party submitting the proposed order:
JOSE MALDONADO
2. Title of the proposed order:
PROPOSED ORDER GRANTING PRELIMINARY APPROVAL
3. The proceeding to which the proposed order relates is:
 - a. Description of proceeding: MOTION FOR PRELIMINARY APPROVAL
 - b. Date and time: 7/22/2022 AT 9 am
 - c. Place: DEPARTMENT CX104
4. The proposed order was served on the other parties in the case.


(SIGNATURE OF PARTY OR ATTORNEY)

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [CSB No. 295611]
peter@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
4590 Allstate Drive
Riverside, CA 92501
Tel: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiff Jose Maldonado, and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

JOSE MALDONADO, individually, on a
representative basis, and on behalf of all
others similarly situated;

Plaintiff,

vs.

ADD-ON COMPUTER PERIPHERALS
LLC, a California Limited Liability
Company; and DOES 1 through 20,
inclusive;

Defendants.

Case No.: 30-2021-01206062-CU-OE-CXC
*[Assigned to Hon. William Claster, Dept
CX104, for all purposes]*

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL AND:**

- (1) CONDITIONALLY CERTIFYING
THE CLASS FOR SETTLEMENT
PURPOSES ONLY;**
- (2) ORDERING THE DISTRIBUTION
OF THE NOTICE PACKET TO
THE CLASS; AND**
- (3) SETTING A FINAL FAIRNESS
HEARING FOR FINAL APPROVAL
OF THE SETTLEMENT**

Complaint Filed: June 14, 2021

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¹ See Exhibit A to the Declaration of Brian Mankin ISO Motion for Preliminary Approval, which was filed on June 6, 2022.

1 of Pay Period Worked by each Aggrieved Employee during the PAGA Period. Any Aggrieved
2 Employee who timely requests exclusion from the Settlement will still receive a share of PAGA
3 Penalties and be bound by the release of the PAGA Claims.

4 4. The Court has determined that sufficient evidence has been presented to grant
5 preliminary approval of the Settlement Agreement, as the terms appear to be presumptively
6 valid, proper and fall within the range of a fair, reasonable, and adequate settlement, subject to a
7 final determination at the Final Approval Hearing.

8 5. For settlement purposes only, Plaintiff Jose Maldonado is appointed as the Class
9 Representative, and Brian Mankin and Peter Carlson of Lauby Mankin Lauby LLP are appointed
10 as Class Counsel.

11 6. The Court approves, as to form and content, the Class Notice (attached hereto as
12 Exhibit "A") and finds that the Class Notice satisfies the requirements of California Rule of
13 Court, rules 3.766 and 3.769, subd. (f), and fairly apprises the Class Members of the final
14 approval hearing date, the proposed Settlement terms and of their options, including: (1) the
15 nature of the action, the definition of the Class, the identity of Class Counsel, and the essential
16 terms of the Settlement; (2) Named Plaintiff's and Class Counsel's applications for the class
17 representative's enhancement award, and Class Counsel's request for attorneys' fees and
18 litigation costs; (3) a formula used to determine the Class Member's estimated payment; (4)
19 Class Members' rights to appear through counsel if they desire; (5) how to object to the
20 Settlement or submit a request to opt-out of the Settlement with respect to the Released Class
21 Claims if a Class Member wishes to do so; and (6) how to obtain additional information
22 regarding the action and the Settlement. Counsel for the Parties are authorized, upon mutual
23 agreement, to correct any typographical errors in the Settlement Agreement and make
24 clarifications, to the extent the same are found or needed, so long as such corrections do not
25 materially alter the substance of the documents.

26 7. The Court approves the procedure for Class Members to participate in, request
27 exclusion from, or object to the Settlement with respect to the Released Class Claims. The Court
28 also approves the procedure for Class Members to preserve the right to appeal as set forth in the

1 Settlement Agreement and the Class Notice. Class Members who wish to request exclusion or
2 object to the Settlement of the Class Claims are directed to mail the appropriate documents to the
3 Settlement Administrator (and not to the Court) within the time periods set forth in the Class
4 Notice.

5 8. The Court approves Phoenix Class Action Administration to act as the Settlement
6 Administrator, who is directed to fulfill all of the duties and services set forth in the Settlement
7 Agreement.

8 9. The Court finds that the deadlines and method set forth in the Settlement
9 Agreement for the mailing of the Notice and related forms described herein meet the
10 requirements of due process, provide the best notice practicable under the circumstances,
11 constitute due and sufficient notice to all persons entitled to notice, and otherwise satisfy the
12 requirements of California law.

13 10. Defendant is directed to provide the Settlement Administrator, not later than
14 twenty-one (21) days after entry of the Preliminary Approval Order, a spreadsheet containing the
15 Class Data, as set forth in the Settlement Agreement.

16 11. The Court directs the Settlement Administrator to calculate the number of Pay
17 Periods credited for each Class Member and Aggrieved Employee, perform address verification
18 measures and mail the Class Notice in English (with Spanish and Vietnamese translations
19 available upon request) by first class mail to the Settlement Class Members within ten (10) days
20 of receipt of the Class Data and to otherwise carry out the Settlement according to the terms of
21 the Settlement Agreement and in conformity with this Order. The Parties are also ordered to
22 carry out the Settlement according to the terms of the Settlement Agreement.

23 12. All Class Members shall be deemed to participate in the Settlement, although any
24 Class Member who wishes to comment on or object to the Settlement as to the Class Claims or
25 who elects not to participate in the Settlement as to the Class Claims has forty-five (45) calendar
26 days (i.e., the "Notice Response Deadline") from the date the Class Notice is mailed to submit
27 his or her objection or Request for Exclusion from the Settlement as to the Class Claims,
28 pursuant to the procedures set forth in the Class Notice.

1 13. The Court approves the handling of unclaimed funds set forth in the Settlement
2 Agreement, specifically that any unclaimed funds in the Settlement Administrator's account as a
3 result of a Class Member or Aggrieved Employee's failure to timely cash a settlement check
4 shall be issued to the State Controller's Office in the name of the Class Member or Aggrieved
5 Employee.

6 14. The following dates shall govern for purposes of this Settlement:

7 July 22, 2022	Preliminary Approval (PA) hearing
8 August 12, 2022 9 (or not later than 21 calendar days 10 after entry of the Preliminary 11 Approval Order)	Deadline for Defendant to produce the Class List to the Settlement Administrator.
12 August 22, 2022 13 (or not later than 10 calendar days 14 after Defendant produces the Class 15 List)	Deadline for Settlement Administrator to complete first mailing of the Notice Packet to all Settlement Class Members.
16 October 6, 2022 17 (or not later than 45 calendar days 18 from the date the Class Notice is 19 mailed to the Class Members)	Deadline for Settlement Class Members to mail Requests for Exclusion, Objections to the Settlement, as well as dispute his/her Pay Periods credited.
20 16 court days before Final Approval 21 hearing	Deadline for Plaintiff to file and serve Motion for Final Approval of Settlement and application for award of attorneys' fees, costs and service payments.
22 9 court days before Final Approval 23 hearing	Deadline for filing of any written opposition to Plaintiff's Motion for Final Approval of Settlement, or filing any response to an objection to the Settlement.
24 5 court days before final approval 25 hearing	Deadline for filing of any written reply to opposition Motion for Final Approval of Settlement.
26 TBD (Approximately November 11, 27 2022)	Final Approval Hearing.
28 20 calendar days after the Effective Date.	Defendant shall make a deposit into the Qualified Settlement Fund of the Gross Settlement Amount.

1 15. A final approval hearing shall be held in this Court on November 11, 2022, at
2 9:00 a.m. (or alternatively, on _____, 2022, at _____ a.m./p.m.) to determine
3 (1) whether the proposed Settlement is fair, reasonable, and adequate and should be finally
4 approved by the Court; (2) the amount of attorneys' fees and costs to award to Class Counsel;
5 and (3) the amount of the service awards awarded to the class representatives.

6 16. Upon final approval, Participating Class Members and Aggrieved Employees will
7 be bound by the terms and conditions of the Settlement Agreement, the final Order/Judgment,
8 and the releases set forth therein; and, except as otherwise provided herein and in the Settlement
9 Agreement, will be deemed to have waived all objections and oppositions to the fairness,
10 reasonableness, and adequacy of the Settlement.

11 17. Neither this Order, the Settlement Agreement, nor any document referred to
12 therein, nor any action taken to carry out the settlement embodied in the Settlement Agreement
13 may be construed as, or may be used as an admission by or against Defendant or any of the other
14 Released Parties (as that term is defined in the Settlement Agreement) of any fault, wrongdoing
15 or liability whatsoever.

16 18. The Court may, for good cause shown, extend any of the deadlines set forth in
17 this Order. If any Settlement Class Member submits an objection to the settlement and the Final
18 Approval Hearing is continued, either Class Counsel or the Settlement Administrator are directed
19 to give notice of the new hearing date to the objecting party; and

20 19. In the event that the Settlement Agreement does not receive final approval or the
21 Effective Date (as that term is defined in the Settlement Agreement) of the Settlement does not
22 occur, this Order shall be rendered null and void and shall be vacated.

23
24 Date: _____

Hon. William Claster

EXHIBIT “A”

NOTICE OF SETTLEMENT OF CLASS AND REPRESENTATIVE ACTION

Jose Maldonado v. Add-On Computer Peripherals, LLC
Superior Court of the State of California, County of Orange
Case No. 30-2021-01206062-CU-OE-CXC

[In Spanish: "If you need a Spanish copy of the settlement notice, please contact the settlement administrator at <telephone number> and refer to the Maldonado v. Add-On case.]

[In Vietnamese: "If you need a Vietnamese copy of the settlement notice, please contact the settlement administrator at <telephone number> and refer to the Maldonado v. Add-On case.]

To: all current and former non-exempt employees of Defendant Add-On Computer Peripherals, LLC ("Add-On"), who worked in California at any time between June 14, 2017, and June 15, 2022 (the "Class"):

THIS NOTICE is of a proposed settlement of the above-referenced class action and representative action lawsuit (the "Lawsuit"), and an announcement of a court hearing that you may choose to attend. Your rights may be affected by the legal proceedings in this Lawsuit. The Court will conduct a hearing on [REDACTED], 2022, to address whether the proposed settlement should be approved (the "Final Approval Hearing"). You may be entitled to receive a payment under the terms of this class action settlement contained in the Settlement Agreement.

[IDENTIFYING INFORMATION]

You have been identified as a Class Member and Aggrieved Employee in the above Lawsuit. Under the terms of the proposed settlement, you are estimated to receive approximately \$[REDACTED] as your share of the Settlement should the Court grant the settlement in full. Please note that this is only an estimate. Your actual share may be more or less than this estimate. Your estimate is based on the number of eligible pay periods you worked at Add-On in California between June 14, 2017, and June 15, 2022 (the "Class Period"). Your options and eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you want to receive your full settlement payment, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if the Settlement receives Final Approval by the Court. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the released class and PAGA claims described in Section IV under the provisions titled "Release of Class Claims" and "Release of PAGA Claims."
EXCLUDE YOURSELF	If you do not wish to participate in the settlement of the Class Claims, you may "opt-out" of the settlement of the Class Claims. If you choose to opt-out, you must submit a Request for Exclusion by [REDACTED], 2022 (see Section V(B) for more details on how to opt-out). If you opt-out of the settlement of the Class Claims, you will no longer be a Class Member, and you will (1) neither receive any settlement payment for the Class Claims nor release any Class Claims as set forth in Section IV, and (2) be barred from filing an objection to the settlement. You still will receive a payment as part of the civil penalties paid pursuant to the California Private Attorneys General Act of 2004 ("PAGA") and will release your claims for such civil penalties.
OBJECT	If you decide to object to the settlement with respect to the Class Claims because you find it unfair or unreasonable, you must submit an objection by [REDACTED], 2022 (see Section V(C) for more details on how to object).
DISPUTE YOUR NUMBER OF PAY PERIODS CREDITED	If you believe that the number of pay periods that you are credited with working during the Class Period is incorrect, you may submit a written dispute to the Settlement Administrator (see Section IV for more details on how to dispute your credited pay periods). Defendant's records will be presumed correct, but you may provide evidence to the Settlement Administrator showing that your Pay Period calculation is inaccurate.

I. Why should I read this Notice?

The Court has granted preliminary approval of a proposed settlement (the “Settlement”) in *Maldonado v. Add-On Computer Peripherals, LLC*, Orange County Superior Court Case No. 30-2021-01206062-CU-OE-CXC (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

Add-On’s records show that you were employed in California as a non-exempt employee (meaning you were paid hourly or otherwise eligible for overtime pay) at some point between June 14, 2017, and June 15, 2022 (“Class Period”). The Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you were employed by Add-On as a non-exempt employee in California at any time during the Class Period, you are automatically included in the Settlement and do not need to take any further action to receive a payment.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the proposed Settlement, and to discuss your rights and options in connection with the Lawsuit and the Settlement.

II. What is this lawsuit about?

On June 14, 2021, Plaintiff and Class Representative Jose Maldonado (“Plaintiff” or “Class Representative”), through his attorneys (“Class Counsel”), filed a class action complaint against Add-On for alleged wage and hour violations on behalf of all current and former non-exempt employees who were employed by Add-On in California at any time since June 14, 2017. On about August 20, 2021, Plaintiff filed a First Amended Complaint in the Lawsuit that alleges that Add-On violated various Labor Code sections by failing to pay wages for all hours worked, failing to provide all required meal and rest breaks, failing to pay vested vacation wages, failing to timely pay final wages, and failing to provide accurate and complete wage statements during the Claim Period. The Lawsuit also sought equitable relief under the Unfair Competition Law. All of these claims are called the “Class Claims.” The Lawsuit also sought, on behalf of the California Labor Workforce Development Agency (“LWDA”), civil penalties pursuant to PAGA as a representative action. The civil penalty claims are called “PAGA Claims” and the relevant period for PAGA claims is June 14, 2020, to June 15, 2022 (“PAGA Period”).

Add-On has denied, and continues to deny, the factual and legal allegations in the Lawsuit and believes that it has valid defenses to Plaintiff’s claims. By agreeing to settle, Add-On is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action and/or a representative action. Add-On has agreed to settle the case as part of a compromise with Plaintiff and the Class Members.

The Court has not ruled on the merits of Plaintiff’s claims. And, by approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, Add-On and Plaintiff have concluded that it is in their respective best interests and the interests of the Settlement Class to settle the Lawsuit on the terms summarized in this Notice. After providing extensive information to Class Counsel, the Settlement was reached following an arm’s length mediation with a respected and experienced mediator. In these negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the Proposed Settlement was a good option to resolve the disputed claims.

The Class Representative and Class Counsel support this Settlement. Among the reasons for their support are the defenses to liability potentially available to Add-On, the risk of denial of class certification or representative status, the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Add-On, this Settlement will not affect your employment. California law strictly prohibits unlawful retaliation. Further, Add-On will not take any adverse action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member’s participation or decision not to participate in this Settlement. If a Class Member does not participate as to the Class Claims, his/her share of the settlement of the Class Claims will be paid to those who do participate.

III. Who are the attorneys representing The Parties?

<u>Attorneys for Plaintiff and Class Members:</u>	<u>Attorneys for Defendant:</u>
Brian Mankin, Esq. <i>brian@LMLfirm.com</i> Peter Carlson, Esq. <i>peter@LMLfirm.com</i> Lauby Mankin Lauby LLP 4590 Allstate Drive Riverside, CA 92501 Tel: (951) 320-1444	Eric M. Steinert, Esq. Seyfarth Shaw LLP <i>esteinert@seyfarth.com</i> 560 Mission Street, 31st Floor San Francisco, California 94105 Telephone: (415) 397-2823 Facsimile: (415) 397-8549 Leo Q. Li, Esq. Seyfarth Shaw LLP <i>lli@seyfarth.com</i> 2029 Century Park East, Suite 3500 Los Angeles, California 90067-3021 Telephone: (310) 277-7200 Facsimile: (310) 201-5219

IV. What are the terms of the Settlement?

On [PA DATE], the Court certified a class, for settlement purposes only, of all non-exempt employees employed by Add-On in California at any time from June 14, 2017, through June 15, 2022 (the “Settlement Class”) and approved a representative class comprised of all non-exempt employees employed by Add-On in California at any time from June 14, 2020, through June 15, 2022 (“Aggrieved Employees”). Individuals who do not opt out of the Settlement Class, pursuant to the procedures set forth in this Notice, will become “Participating Class Members” and will be mailed Settlement checks, and in exchange will be bound by the Settlement and release of certain wage and penalty claims against Add-On.

Without admitting any wrongdoing, Add-On has agreed to pay \$475,000 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit. The Parties agreed to the following payments from the Gross Settlement Amount:

Settlement Administration Costs. The Court has approved Phoenix Class Action Administration to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, a maximum of \$7,500 will be paid from the Gross Settlement Amount to pay the Settlement Administration Costs.

<u>Settlement Administrator:</u>
Name Address Telephone

Penalties to the California Labor Workforce and Development Agency. The Labor Code Private Attorneys General Act (“PAGA”) authorizes employees to file lawsuits to attempt to recover civil penalties on behalf of other Aggrieved Employees and the State of California for alleged Labor Code violations. Under the Settlement, \$30,000 of the Gross Settlement Amount will be allocated to Plaintiff’s PAGA Claims. Of this amount, \$22,500 will be paid to the California Labor Workforce and Development Agency (“LWDA”) in satisfaction of the claims for civil penalties under PAGA, and the remaining \$7,500 will be divided between all Aggrieved Employees based on the number of pay periods worked during the PAGA Period, regardless of their receipt of payments for settlement of the Class Claims. You do not have the right to opt-out or exclude yourself from receiving the civil penalties paid to pursuant to PAGA. Aggrieved Employees includes “all current and former non-exempt employees of Add-On who worked in California at any time during the PAGA Period.” You will receive your allocated portion of this payment and will be bound by the release of all such PAGA Claims without regard to your selected option discussed in Section V, below.

Service Payment to Class Representative. Class Counsel will ask the Court to award the Class Representative a Service Payment in the amount of \$7,500 to compensate him for service and extra work provided on behalf of the Class Members and in exchange for a general release of claims. The Class Representative also will receive his individual share of the Settlement as a Class Member.

Attorneys' Fees and Costs. Class Counsel have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or costs. Class Counsel will ask for fees of one-third (\$158,333.33) of the common fund Gross Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through finalization of the Settlement. Class Counsel also will ask for reimbursement of up to \$20,000 for the costs Class Counsel incurred in connection with the Lawsuit.

Calculation of Individual Settlement Payments to Class Members. After deducting the amounts above from the Gross Settlement Amount, the balance will form the Net Settlement Amount for distribution to Participating Class Members (who are Class Members who do not opt-out). The Net Settlement Amount will total approximately \$ [REDACTED]. Individual Settlement Payments to Class Members will be calculated and apportioned from the Net Settlement Amount based on the number of Pay Periods a Settlement Class Member is credited with working during the Class Period. A Class Member is credited with one Pay Period Worked each time the Class Member works at least one shift during the Class Period in a non-exempt position in California. Specific calculations of Individual Settlement Payments will be made as follows: the Settlement Administrator will divide the total Pay Periods Worked by all Settlement Class Members into the Net Settlement Amount to determine a per "Pay Period Value." The Pay Period Value will be multiplied by the number of Pay Periods Worked by each Settlement Class Member during the Class Period to determine the "Individual Settlement Payment," prior to legal deductions/withholdings, for each Settlement Class Member. If any Settlement Class Member opts-out of the Settlement, his/her Individual Settlement Payment will be distributed to all Participating Class Members (i.e., those who do not opt-out).

For each Settlement Class Member, the Pay Periods Worked at Add-On during the Class Period will be calculated from Add-On's records. Add-On's records indicate that you worked for [REDACTED] **TOTAL PAY PERIODS** Pay Periods in California during the Class Period of June 14, 2017, through June 15, 2022. If you disagree with this number, you may submit evidence to the Settlement Administrator on or before [REDACTED], 2022, with documentation to establish the number of eligible Pay Periods you claim to have actually worked for Add-On in California between June 14, 2017, and June 15, 2022. **DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.** The Settlement Administrator will render a final decision.

Payments to Class Members. After the Court grants Final Approval of the Settlement and after Judgment is entered, settlement checks will be mailed to all Participating Class Members who did not timely request to be excluded. For those Aggrieved Employees who requested to be excluded from the settlement of the Class Claims, their settlement checks will be for their share of PAGA civil penalties only for release of the PAGA Claims, and they will not include any payment for settlement of the Class Claims. Participating Class Members and Aggrieved Employees will have 180 days from the issuance of the last check to cash all of the checks. In the event that any Participating Class Member or Aggrieved Employee fails to timely cash a settlement check, a stop payment will be placed on the check and the funds will be paid to the California State Controller's Office in the name of the Participating Class Member or Aggrieved Employee, so that the Participating Class Member or Aggrieved Employee can attempt to collect the funds at a later date.

Allocation and Taxes. Ten percent (10%) of the Individual Settlement Payment distributed to each Participating Class Member will be considered and reported as wages (Form W-2 reporting). The remaining ninety percent (90%) will be considered and reported as interest and penalties (Form 1099 reporting). The Settlement Administrator shall take all usual and customary deductions from the Individual Settlement Payments that are distributed as wages, including, but not limited to, state and federal tax withholding, disability premiums, and unemployment insurance premiums. There will be no deduction taken from the interest and penalty distribution; however, the payments will be reported on IRS Form 1099 as income. Payments for PAGA Claims shall be paid one hundred percent (100%) as civil penalties for which no taxes shall be withheld and for which payment will be reported on IRS Form 1099. Participating Class Members and Aggrieved Employees are responsible for the proper income tax treatment of the Individual Settlement Payments and their payments for PAGA Claims. The Settlement Administrator, Add-On and its counsel, and Class Counsel cannot provide tax advice and make no representations as to the tax treatment or legal effect of the Individual Settlement Payments or payments for PAGA Claims. Participating Class Members and Aggrieved Employees will be solely responsible for the payment of any taxes and penalties assessed on their

Individual Settlement Payments or payments for PAGA Claims and shall hold harmless Add-On from any claim or liability for taxes, penalties, or interest arising as a result of the Class Members' and Aggrieved Employees' failure to pay their share of any taxes. Accordingly, Participating Class Members and Aggrieved Employees should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release of Class Claims. Upon the final approval of the Settlement by the Court, Plaintiff and all Class Members who do not submit a valid opt-out/request for exclusion will fully release and discharge Defendant and its past and present officers, directors, shareholders, employees, managers, human resources representatives, agents, contractors, attorneys, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective parent corporations, subsidiaries or related entities, divisions, affiliates, attorneys, successors and assigns (the "Released Parties") from any and all claims, rights, demands, liabilities and causes of action that were or could have been pled under local, state, or federal law arising out of or based on the facts alleged in the operative complaint against the Released Parties for the duration of the Class Period, including but not limited to, all claims under California Labor Code §§ 201-204, 210, 226, 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 2802, any applicable California Industrial Welfare Commission Wage Order, California Code of Regulations, tit. 8, § 11070, the California Unfair Competition Law, California Business & Professions Code §§ 17200, *et seq.*, and any remedies for any of the claims described herein, including, damages, statutory penalties, restitution, declaratory relief, equitable or injunctive relief, interest, and attorneys' fees and costs. These released claims and damages are hereinafter referred to as "Released Class Claims." The time period governing these Released Class Claims shall be at any time from June 14, 2017, through June 15, 2022 ("Class Period").

Release of PAGA Claims. Also upon the Court's final approval of the Settlement, Plaintiff—in his individual capacity and on behalf of the State of California and the LWDA—and all Aggrieved Employees shall completely release and discharge the Released Parties of all PAGA claims that Plaintiff alleged or could have alleged against the Released Parties, on behalf of the Aggrieved Employees and the State of California, based on the facts and/or theories stated in the operative complaint and/or in Plaintiff's June 14, 2021, notice letter to the LWDA, including but not limited to, all PAGA claims premised upon California Labor Code §§ 201-204, 210, 226, 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 2802, any applicable California Industrial Welfare Commission Wage Order, PAGA, California Labor Code §§ 2699, *et seq.*, and any remedies for any of the PAGA claims described herein, including civil penalties, declaratory relief, equitable relief, interest, and attorneys' fees and costs. These released claims and damages are hereinafter referred to as "Released PAGA Claims." The time period governing the PAGA Released Claims shall be any time from June 14, 2020, to June 15, 2022 ("PAGA Period").

Waiver of Labor Code Section 206.5(e). Participating Class Members will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Lawsuit are disputed, and that the Individual Settlement Payments constitute payment of all sums allegedly due to them. Participating Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual Settlement Payments. That section 206.5 of the Labor Code provides in pertinent part as follows:

"No employer shall require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of such wages has been made."

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

V. What options do I have?

- A. **Do Nothing and Participate in the Settlement.** Under the Settlement, you will automatically receive an Individual Settlement Payment unless you exclude yourself from the settlement by following the opt-out procedure set forth below. If you disagree with the number of Pay Periods Worked, as described in this Notice, you may dispute the allocation of the Settlement without excluding yourself or objecting, as described above. It is the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or an Individual Settlement Payment.

If you are a current employee, your decision as to whether or not to participate in this Settlement will not be considered by Add-On, who will not take any adverse employment action against you based on your participation or decision not to participate in this Settlement.

- B. **Exclude Yourself from the Class Claims in the Settlement.** If you **do not** wish to take part in the release of the Class Claims in the Settlement, you may exclude yourself by sending to the Settlement Administrator a “Request for Exclusion from the Class Claims in the Class Action Settlement” letter/card postmarked no later than [REDACTED], 2022 with your full name, address, telephone number, last four digits of your social security number or your date of birth, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE ADD-ON COMPUTER PERIPHERALS LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator, [NAME OF SETTLEMENT ADMINISTRATOR], [ADDRESS], postmarked no later than [REDACTED], 2022. Any person who files a timely Request for Exclusion from the Class Action Settlement, upon receipt: (1) will not have any rights under this Settlement with respect to the Class Claims, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive any money for the Class Claims under this Settlement; and (3) will not be bound by this Settlement, or the Judgment, with respect to the Class Claims. You still will be bound by this Settlement with respect to the release of the PAGA Claims.

- C. **Object to Settlement.** You also have the right to object to the terms of the Settlement with respect to the Class Claims if you believe they are unfair or unreasonable. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Class Claims portion of the Settlement, you must submit a written objection stating your full name, your address, your telephone number, the last four digits of your social security number or your date of birth, your dates of employment at Add-On, the case name and number, the name and address of your attorney(s) if you are represented, your signature, and each specific reason in support of your objection. You must also include any documentation or evidence in support of the objection, if any. Objections must be in writing and mailed to the Settlement Administrator, [ADDRESS], by no later than [REDACTED], 2022. Objections that do not include all required information, or that are not submitted timely, may not be considered by the Court. **You need not object to the Settlement if you only dispute the number of Pay Periods Worked. To dispute the number of Pay Periods Worked, please refer to the directions provided under the provision entitled “Calculation of Individual Settlement Payments to Class Members” in Section IV of this Notice.**

If you choose to object to the Class Claims portion of the Settlement, you may also appear at the Final Approval Hearing scheduled for [REDACTED], 2022, at 9:30 a.m. in Department CX104 of the Orange County Superior Court, located at 700 Civic Center Drive West, Santa Ana, CA 92701. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before [REDACTED], 2022. All objections or other correspondence must state the name and number of the case. If you wish to appear at the Final Approval hearing, please contact Class Counsel or the Settlement Administrator in advance of the scheduled hearing to ensure that the hearing has not been continued by the Court.

If you object to the Settlement, you will remain a Class Member, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Participating Class Members who do not object. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

VI. What is the effect of the settlement?

Released Rights and Claims. The Settlement is intended to settle all claims against the Released Parties that were asserted or could have been asserted in the Lawsuit regarding the alleged violations of wage and hour laws. If you were employed by Add-On in California at any time during the Class Period and do not elect to exclude yourself from the Settlement Class, you will be deemed to have entered into this Release and to have released the class claims in this Lawsuit, described above in Section IV under the provision titled “Release of Class Claims.” All Aggrieved Employees will be deemed to have entered into a release of the PAGA Claims, described above in Section IV under the provision titled “Release of PAGA Claims.” If

the Settlement is not approved by the Court or does not become final for some other reason, the Lawsuit may continue and the releases will not take effect.

VII. What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement, the Class Counsel's request for attorneys' fees and reimbursement of documented litigation costs, and the Service Payment to the Class Representative on [REDACTED], 2022 at 9:30 a.m. in Department CX104 of the Orange County Superior Court, located at 700 Civic Center Drive West, Santa Ana, CA 92701.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

VIII. How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Class Action Settlement Agreement at the Office of the Clerk, Orange County Superior Court, 700 Civic Center Drive West, Santa Ana, CA 92701, during regular court hours. You may also contact the Settlement Administrator using the contact information listed above under Section IV for more information.

IX. Reminder as to time limits.

Class Members do not have to take any further action to participate in the Settlement. The deadline for submitting a Request for Exclusion from the Class Claims is [REDACTED], 2022. The deadline for mailing an objection to the Settlement Administrator is [REDACTED], 2022.

These deadlines will be strictly enforced. To be considered timely, any Requests for Exclusion and objections to the Settlement must be postmarked by the above-stated deadlines. Any Requests for Exclusion and objections to the Settlement that are not postmarked on or before these deadlines will be deemed untimely and disregarded.

**PLEASE DO NOT CALL OR WRITE THE COURT
FOR INFORMATION ABOUT THIS SETTLEMENT**