

Brian J. Mankin, Esq. [SBN 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [SBN 295611]
peter@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiff Jose Maldonado and all others similarly situated

SEYFARTH SHAW LLP
Eric M. Steinert (SBN 168386)
esteinert@seyfarth.com
560 Mission Street, 31st Floor
San Francisco, California 94105
Tel: (415) 397-2823 | Fax: (415) 397-8549

Leo Q. Li (SBN 293539)
lli@seyfarth.com
Frances J. Choi (SBN 322604)
fjchoi@seyfarth.com
2029 Century Park East, Suite 3500
Los Angeles, California 90067-3021
Tel: (310) 277-7200 | Fax: (310) 201-5219

Attorneys for Defendant Add-On Computer Peripherals, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

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
CXI 04, for all purposes]*

CLASS ACTION:

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

Complaint Filed: June 14, 2021

DECLARATION OF JARROD SALINAS

I, Jarrod Salinas, declare as follows:

1. I am a Case Manager at Phoenix Settlement Administrators (“Phoenix”), the Court-appointed Class Action Settlement Administrator for *Jose Maldonado v. Add-On Computer Peripherals, LLC*. (the “Action”). I have personal knowledge of the facts stated herein and, if called upon to testify, I could and would testify competently to such facts.

2. Phoenix was selected by the Parties to provide notice of the Settlement and perform class administration duties in this Action. Pursuant to the Class and PAGA Action Settlement Agreement and Release of Claims (“Settlement Agreement” or “Settlement”) for this matter, Phoenix was responsible for: (i) preparing, translating, printing, and mailing the *Notice of Settlement of Class and Representative Action* (“Notice”); (ii) responding to inquiries from Class Members; (iii) calculating the number of pay periods each Class Member worked during the period from June 14, 2017 to June 15, 2022 (“Class Period”) and the number of pay periods that each Aggrieved Employee worked during the time period from June 14, 2020 to June 15, 2022 (“PAGA Period”); (iv) determining the validity of letters indicating a request to be excluded from the Class Settlement (“Requests for Exclusion”), written objections to the Class Settlement (“Objections”), and/or dispute regarding the number of Pay Periods submitted by Class Members; (v) calculating the Net Settlement Amount and the Individual Settlement Shares to Class Members; (vi) calculating and issuing the Individual Settlement Payments and distributing them to Settlement Class Members and Individual PAGA Payments to Aggrieved Employees; (vii) issuing the payment to Class Counsel for attorneys’ fees and costs, the Enhancement Payment to Plaintiff, and the employer/employee payroll taxes to the appropriate taxing authorities; and (viii) such other tasks as set forth in the Settlement Agreement or as the Parties mutually agree or as the Court orders.

3. On October 7, 2022, Phoenix received a data file from Defense Counsel that contained names, last known mailing addresses, Social Security numbers, and pay periods for each Class Member (“Class List”) during the Class Period. The final mailing list contained one hundred sixty-two (162) individuals identified as Class Members.

1 4. On October 13, 2022, Phoenix conducted a National Change of Address (“NCOA”)
2 search in an attempt to update the class list of addresses as accurately as possible. A search of this
3 database provides updated addresses for any individual who has moved in the previous four (4)
4 years and notified the U.S. Postal Service of their change of address.

5 5. On October 17, 2022, Phoenix mailed the Notice via U.S. first class mail to all one
6 hundred sixty-two (162) Class Members on the Class List. A true and correct copy of the mailed
7 Notice is attached hereto as **Exhibit A**.

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

14 7. As of the date of this declaration, two (2) Notices remains undeliverable since an
15 updated address could not be obtained via skip trace.

16 8. As of the date of this declaration, Phoenix has received zero (0) Requests for
17 Exclusion from Class Members. The deadline to request exclusion from the Class Settlement was
18 December 16, 2022.

19 9. As of the date of this declaration, Phoenix has received zero (0) Notices of Objection
20 from Class Members. The deadline for objecting to the Class Settlement was December 16, 2022.

21 10. As of the date of this declaration, Phoenix has received zero (0) Pay Period disputes
22 from Class Members. The deadline for submitting a dispute was December 16, 2022.

23 11. There are one hundred sixty-two (162) Class Members who did not submit timely
24 and valid Requests for Exclusion and are therefore deemed Settlement Class Members, representing
25 100% of the Class. Settlement Class Members have worked a collective total of eight thousand five
26 hundred sixteen (8,516) pay periods during the Class Period. Each Pay Period is valued at
27 approximately \$30.79.
28

12. The Net Settlement Amount of \$262,167.66 available to pay Settlement Class Members was determined by subtracting the requested Class Counsel attorneys' fees (\$158,333.33), and Class Counsel costs (\$9,499.01), requested Enhancement Payment to Plaintiff Jose Maldonado (\$7,500.00), the PAGA Amount (\$30,000.00), and the requested Settlement Administration Costs (\$7,500.00) from the Gross Settlement Amount (\$475,000.00).

13. Based upon the calculations stipulated in the Settlement, the highest Individual Settlement Share to be paid is approximately \$4,032.87, the lowest Individual Settlement Share to be paid is approximately \$30.79, while the average Individual Settlement Share to be paid is approximately \$1,618.32. Settlement Class Members will be issued payment of their Individual Settlement Shares subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share (the net payment is their "Individual Settlement Payment"). The approximate Individual Settlement Share to be paid to Jose Maldonado is \$2,986.17.

14. Additionally, \$30,000.00 of the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act ("PAGA Amount"), of which 75%, or \$22,500.00, shall be paid to the Labor and Workforce Development Agency ("LWDA"), and 25%, or \$7,500.00, of which shall be paid to all current and former hourly non-exempt individuals who are or were employed by Defendant during the PAGA Period. There are one hundred seven (107) Aggrieved Employees who worked a total of three thousand five hundred forty-six (3,546) pay periods during the PAGA Period. The highest Individual PAGA Payment to be paid is approximately \$109.98, and the average Individual PAGA Payment to be paid is approximately \$70.09. The approximate PAGA Payment to be paid to Jose Maldonado is \$38.07.

15. Pursuant to the Settlement, Defendant has agreed to fund the employer-side taxes due separately and apart from the Gross Settlement Amount.

16. Phoenix's costs associated with the administration of this matter are \$7,500.00. This includes all costs incurred to date, as well as estimated costs involved in completing the settlement distribution. A true and correct copy of the invoice from Phoenix is attached hereto as **Exhibit B**.

//

1 I declare under penalty of perjury of the laws of the State of California that the foregoing is
2 true and correct.

3 Executed this 14th day of February 2023, at Orange, California.
4

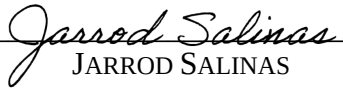
5 
6 JARROD SALINAS
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

Si necesita una copia en Español de la notificación del acuerdo, póngase en contacto con el administrador del acuerdo llamando al (800) 523-5773 y refiérase al caso Maldonado v. Add-On.

Nếu bạn cần bản sao tiếng Việt của thông báo hòa giải, vui lòng liên hệ với chủ quản hòa giải theo số (800) 523-5773 và tham khảo vụ kiện Maldonado v. Add-On.

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 **March 17, 2023**, 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 **\$INSERT AMOUNT** 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 December 16, 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 December 16, 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 5198 Arlington Avenue, PMB 513 Riverside, CA 92504 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 September 22, 2022, 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>
Phoenix Settlement Administrators P.O. Box 7208 Orange, CA 92863 Telephone: (800) 523-5773 Website: www.phoenixclassaction.com/maldonado-v-add-on-computer/

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 [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 December 16, 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. 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 **December 16, 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, Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, **postmarked no later than December 16, 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, **P.O. Box 7208, Orange, CA 92863, by no later than December 16, 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 **March 17, 2023, at 9:00 a.m. in Department CX104** of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., 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 **December 16, 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 **March 17, 2023**, at **9:00 a.m. in Department** CX104 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701.

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

Those persons who may want to appear at the hearing may choose to appear remotely or in person. To appear remotely via Zoom, please follow the instructions below:

1. At 8:45 a.m. on the date of the scheduled hearing, please type in this URL to be directed to the correct Courtroom (Department CX104): **<https://acikiosk.azurewebsites.us/?dept=CX104>**
2. Click the “Check-In” button for the Case Name titled: Maldonado vs. Add-On Computer Peripherals LLC
3. Follow the instructions and then introduce yourself when asked and/or when the Case Name is called

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, 751 W. Santa Ana Blvd., 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 **December 16, 2022**. The deadline for mailing an objection to the Settlement Administrator is **December 16, 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**

EXHIBIT B



April 21, 2022

CASE ASSUMPTIONS

Class Members	170
Opt Out Rate	1%
Opt Outs Received	2
Total Class Claimants	168
Subtotal Admin Only	\$9,977.88

Not-to-Exceed Total \$7,500.00
For 170 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

Spanish & Vietnamese Translation & Mailing Included

Case: Maldonado v. Add-On, Opt-Out Administration

Phoenix Contact: Michael E. Moore
 Contact Number: 949.331.0131
 Email: mike@phoenixclassaction.com

Requesting Attorney: Brian J. Mankin
 Firm: Lauby, Mankin & Lauby, LLP
 Contact Number: (951) 320-1444
 Email: brian@lmlfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly. Estimate is based on **170** Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)				
Administrative Tasks:	Rate	Hours/Units	Line Item	Estimate
Programming Manager	\$100.00	2		\$200.00
Programming Database & Setup	\$100.00	2		\$200.00
Toll Free Setup*	\$150.00	1		\$150.00
Call Center & Long Distance	\$2.00	39		\$78.00
NCOA (USPS)	\$50.00	1		\$50.00
		Total		\$678.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage /Language Translation / Website				
Project Action	Rate	Hours/Units	Line Item	Estimate
Notice Packet Formatting	\$100.00	2		\$200.00
Spanish & Vietnamese Translation	\$1,650.00	1		\$1,650.00
Data Merge & Duplication Scrub	\$0.10	170		\$17.00
Notice Packet & Opt-Out Form	\$1.65	170		\$280.50
Estimated Postage (up to 2 oz.)*	\$0.75	170		\$127.50
Static Website	\$100.00	1		Included
Check Cashing Reminder Postcard	\$0.60	35		\$21.17
Postage Included				
		Total		\$2,296.17

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Associate	\$55.00	4		\$220.00
Skip Tracing Undeliverables	\$0.85	43		\$36.13
Remail Notice Packets	\$0.75	40		\$29.63
Estimated Postage	\$0.75	40		\$29.63
Programming Undeliverables	\$50.00	1		\$50.00
Total				\$365.38

Database Programming / Processing Opt-Outs, Deficiencies or Disputes				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Claims Database	\$150.00	2		\$300.00
Non Opt-Out Processing	\$200.00	1		\$200.00
Case Associate	\$55.00	4		\$220.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	8		\$80.00
Case Manager	\$85.00	3		\$255.00
Total				\$1,055.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Calculations	\$135.00	2		\$270.00
Disbursement Review	\$135.00	1		\$135.00
Programming Manager	\$95.00	1		\$95.00
QSF Bank Account & EIN	\$135.00	2		\$270.00
Check Run Setup & Printing	\$135.00	4		\$540.00
Mail Class Checks *	\$1.10	168		\$184.80
Estimated Postage	\$0.53	168		\$89.04
Total				\$1,583.84

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



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Supervisor	\$115.00	4		\$460.00
Remail Checks & Tax Forms (Postage Included)	\$1.50	53		\$79.50
Case Associate	\$55.00	4		\$220.00
Reconcile Uncashed Checks	\$85.00	8		\$680.00
Conclusion Reports	\$115.00	4		\$460.00
Case Manager Conclusion	\$85.00	4		\$340.00
Final Reporting & Declarations	\$115.00	4		\$460.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,000.00	1		\$1,000.00
Check to Cy-Pres	\$150.00	1		Included
Uncashed Checks to the State of California Controllers Office Estimated 9 Total Class Members	\$300.00	1		\$300.00
Total				\$3,999.50

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

Estimate Total: \$9,977.88



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

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

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

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

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

Tax Reporting Requirements

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

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