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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **FOR THE COUNTY OF RIVERSIDE**

11 OLIVER SALAS MONDRAGON, as an
12 individual and on behalf of all others similarly
situated,

13 Plaintiff,

14 vs.

15 UFP RIVERSIDE, LLC, a California limited
16 liability company; and DOES 1 through 100,

17 Defendants.
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Case No. CVRI2104543

[Assigned for all purposes to the Hon. Harold Hopp, Dept. 1]

**DECLARATION OF PAUL K. HAINES
IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Date: October 18, 2023

Time: 8:30 a.m.

Dept.: 1

Complaint Filed: October 5, 2021

Trial Date: None Set.

1 I, PAUL K. HAINES, declare as follows:

2 1. I am the principal of Haines Law Group, APC, and counsel for the named Plaintiffs
3 Oliver Salas Mondragon and Jesus Alberto Magana (“Plaintiffs”) and the proposed Settlement Class
4 in the above-captioned matter. I am a member in good standing of the bar of the State of California
5 and am admitted to practice in this Court. I have personal knowledge of the facts stated in this
6 declaration and could testify competently to them if called upon to do so.

7 2. I am a 2006 graduate of Pepperdine University School of Law, where I graduated
8 *cum laude*. During law school, I worked as a law clerk for the appellate firm of Horvitz & Levy,
9 located in Encino, California. I also spent a semester in law school working as an extern for the
10 Honorable Edward Rafeedie, District Judge for the United States District Court for the Central
11 District of California.

12 3. Since graduating from law school, my practice has focused almost exclusively on
13 employment litigation. In September 2007, I began working as an associate attorney at the
14 international law firm of Littler Mendelson, P.C. at its Los Angeles office, which according to its
15 website is the “largest U.S.-based law firm exclusively devoted to representing management in every
16 aspect of labor and employment law.” While at Littler Mendelson, I was primarily staffed on wage
17 and hour class actions in both state and federal courts, and I also worked on a number of single and
18 multi-plaintiff wage and hour matters as well.

19 4. During my employment at Littler Mendelson, I played a significant role in the class
20 actions that I was staffed on, as I was often the only associate staffed on such cases. In particular, I
21 received a wide array of wage and hour class action experience performing the following types of
22 tasks: drafting demurrers, motions to strike, and motions to dismiss; removing actions from state
23 court to federal court; drafting and responding to written discovery; drafting and opposing discovery
24 related motions; arguing discovery related motions; drafting motions to consolidate related matters;
25 interviewing putative class members and obtaining declarations in connection with class
26 certification; drafting oppositions to motions for class certification; drafting motions for
27 decertification following class certification; conducting exposure analyses to assess the strengths
28 and weaknesses of asserted claims, the likelihood of prevailing at class certification, and potential

1 damages resulting from such claims; drafting mediation briefs; serving as the primary contact to in-
2 house counsel; deposing named plaintiffs and putative class members; deposing retained expert
3 witnesses; and defending the depositions of corporate witnesses. In short, I played an integral role
4 in all aspects of litigation from the inception of a matter through and beyond class certification. I
5 also supervised the work of several junior attorneys who were staffed on the same wage and hour
6 class actions.

7 5. In June 2011, I voluntarily resigned from Littler Mendelson in order to accept an
8 associate attorney position with the international law firm of Morgan, Lewis & Bockius LLP at its
9 Los Angeles office, where I began working in July 2011. During my employment at Morgan, Lewis
10 & Bockius LLP, I worked exclusively on the defense of wage and hour class and collective actions.
11 For the vast majority of these cases, I was the only associate staffed on the matters, and I performed
12 the same job duties as described in the immediately preceding paragraph. In addition to working on
13 wage and hour class actions, at Morgan, Lewis & Bockius I also worked on a number of “hybrid”
14 actions asserting nationwide wage and hour claims under the Fair Labor Standards Act, as well as
15 California-specific claims under Rule 23 of the Rules of Civil Procedure.

16 6. In July 2012, I transitioned into litigating wage and hour class actions from the
17 Plaintiff’s side, first as a Partner with the law firm of Boren, Osher & Luftman, LLP, and since
18 February 2016 as a Shareholder of Haines Law Group, APC. Currently, over ninety percent (90%)
19 of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and my
20 law firm is currently responsible for prosecuting over fifty (50) wage and hour class actions filed in
21 both State and Federal courts throughout California. I have been appointed as Class Counsel in over
22 one hundred (100) wage and hour class action settlements in state and federal courts within
23 California. Some examples of the matters in which I have been appointed as Class Counsel, all of
24 which have been granted final approval, include the following: *Shaw v. Conant Auto Retail, San*
25 *Diego*, Case No. 37-2014-00044052-CU-OE-CTL, California Superior Court, County of San Diego,
26 Hon. Judge Joan M. Lewis, presiding; *Tirado v. Ricon Corp.*, Case No. BC537042, California
27 Superior Court, County of Los Angeles, Hon. John S. Wiley, presiding; *Horta v. Searles Valley*
28 *Minerals, Inc.*, Case No. CIVDS 1507615, California Superior Court, County of San Bernardino,

1 Hon. Donald Alvarez presiding; *Rodriguez v. Spartan, Inc.*, Case No. BCV-15-100007-DRL,
2 California Superior Court, County of Kern, Hon. David R. Lampe presiding; *Kostyuk, et al. v.*
3 *Golden State Overnight Delivery Service, Inc.*, Case No. RG14727191, California Superior Court,
4 Alameda County, Hon. Winifred Y. Smith presiding; *Leverage, et al v. Traeger Pellet Grills, LLC,*
5 *et al*, Case No. 16-cv-00784-KAW, United States District Court for the Northern district of
6 California, Hon. Kandis A. Westmore presiding; *Nunez v. CompuCom Systems, Inc.*, Case No.
7 BC618385, California Superior Court, County of Los Angeles, Hon. John Shepard Wiley, Jr.,
8 presiding; *Morales v. Caremeridian, LLC, et al.*, Case No. BC593191, California Superior Court,
9 County of Los Angeles, Hon. William F. Highberger presiding; *Rodrigues v. CP Kelco U.S., Inc.*,
10 Case No. 37-2017-00004339-CU-OE-CTL, California Superior Court, County of San Diego, Hon.
11 Joel R. Wohlfeil, presiding; *Beach-Barrow, et al v. The Hertz Corp.*, Case No. RG17848833,
12 California Superior Court, County of Alameda, Hon. Ioana Petrou presiding; *Gooding v. Vita-Mix*
13 *Corp., et al*, Case No. 2:16-cv-03898-ODW (JEMx), United States District Court for the Central
14 District of California, Hon. Otis D. Wright II presiding; and *Afa, et al v. Alliance Ground Int'l, LLC*,
15 Case No. BC661449, California Superior Court, County of Los Angeles, Hon. William F.
16 Highberger presiding. While I have prosecuted and settled over one hundred (100) wage and hour
17 class actions, collective actions, and representative PAGA actions, I have not taken any class actions
18 to trial, although I have successfully taken several cases through a contested motion for class
19 certification as detailed in the subsequent paragraph. I have taken one individual wage and hour case
20 through trial and judgment.

21 7. I have also moved to certify and have received an order certifying a class action
22 and/or conditionally certifying a collective action in the following cases:

- 23 • *Medeiros v. Vortex Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-CXC,
24 California Superior Court, County of Orange, Honorable Judge Gail A. Andler, presiding
25 (certifying a class of employees who were misclassified as independent contractors);
- 26 • *Javine v. San Luis Ambulance Service, Inc.*, Case No. CV13-07480 BRO (SSx), United
27 States District Court, Central District of California, Honorable Judge Beverly Reid
28 O'Connell, presiding (conditionally certifying an unpaid FLSA overtime wage class);

- 1 • *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States
2 District Court, Central District of California, Honorable Judge John F. Walter, presiding
3 (certifying rest period class and conditionally certifying FLSA unpaid overtime class);
- 4 • *Bower v. Cycle Gear, Inc.*, Case No. CV14-2712 HSG, United States District Court, Northern
5 District of California, Honorable Judge Haywood S. Gilliam, Jr., presiding (conditionally
6 certifying an unpaid FLSA overtime wage class);
- 7 • *Vega v. Weatherford U.S., Limited Partnership*, Case No. CV14-1790-JLT, United States
8 District Court, Eastern District of California, Honorable Jennifer L. Thurston, presiding
9 (conditionally certifying an unpaid FLSA overtime wage class);
- 10 • *Galvan v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC,
11 California Superior Court, County of Orange, Honorable Judge William Claster, presiding
12 (certifying unpaid overtime wage class and waiting time penalty class);
- 13 • *Camacho v. Residential Fire Systems, Inc.*, Case No. 30-2015-775372-CU-OE-CXC,
14 California Superior Court, County of Orange, Honorable Glenda Sanders, presiding
15 (certifying piece rate pay plan classes, expense reimbursement class, wage statement class,
16 and waiting time penalties class);
- 17 • *Ontiveros v. Safelite Fulfillment, Inc., et al*, Case No. CV 15-7118-DMG (RAOx), United
18 States District Court, Central District of California, Honorable Dolly M. Gee presiding
19 (certifying six classes of employees for rest period violations, wage statement violations,
20 meal period violations, and overtime and double-time violations);
- 21 • *Vazquez, et al v. Kraft Heinz Foods Company*, Case No. 16-cv-2749-WQH-BLM, United
22 States District Court, Southern District of California, Honorable William Q. Hayes presiding
23 (certifying six classes of employees for unpaid wages, meal period violations, wage
24 statement violations, and waiting time penalties);
- 25 • *Caudle, et al. v. Sprint/United Management Company, et al.* Case No. C 17-06874-WHA,
26 United States District Court, Northern District of California, Honorable William H. Alsup
27 presiding (certifying three classes of employees for unlawful wage deduction violations,
28 wage statement violations, and waiting time violations);

- 1 • *Staublein v. Wells Fargo Bank, N.A.*, Case No. CIVDS1712267, California Superior Court,
2 County of San Bernardino, Honorable David Cohn presiding (certifying a wage statement
3 class);
- 4 • *Perez v Sunbelt Rentals, Inc.*, Case No. Case No. 37-2018-00026405-CU-OE-CTL,
5 California Superior Court, County of San Diego, Honorable Eddie C. Sturgeon, presiding
6 (certifying wage statement class);
- 7 • *Bowlin-Burdick et al v. Life Care Centers of America*, Case No. BC657139, Los Angeles
8 County Superior Court, Hon. Maren E. Nelson (certifying four classes for meal period
9 violations, rest period violations, wage statement violations, and waiting time penalties); and
- 10 • *McDonald, et al. v. Sierra Pacific Industries*, Case No. 191133, Shasta County Superior
11 Court, Hon. Tamara L. Wood (certifying eight classes for meal period violations, rest period
12 violations, unpaid wages, unreimbursed business expenses, wage statement violations, and
13 waiting time penalties).

14 8. In 2015, 2016, and 2017, Thomson Reuters recognized me as a top young attorney in
15 Southern California in the annual Rising Stars Edition of Super Lawyer. This is an honor awarded
16 to no more than two-and-a-half percent of attorneys under the age of forty in Southern California
17 each year. In 2018, 2019, 2020, and 2021, Thomson Reuters recognized me as a “Super Lawyer” in
18 the annual Super Lawyer magazine, an honor awarded to no more than five percent of all attorneys
19 in Southern California each year.

20 9. As counsel for Plaintiffs and the proposed Settlement Class, I have been intimately
21 involved in all aspects of this litigation, and I believe that the proposed Settlement is an excellent
22 result for the Class Members. Attached hereto as **Exhibit A** is a true and correct copy of the fully-
23 executed Stipulation of Settlement (“Settlement Agreement”). The proposed Class Notice, Request
24 for Exclusion Form, and Objection Form (together, the “Notice Packet”) are attached to the
25 Settlement Agreement as **Exhibits 1, 2, and 3**, respectively.

26 10. I am not aware of any other class, representative, or other collective actions in any
27 other court that assert similar claims to those asserted in this action on behalf of a class or group of
28 individuals who would also be members of the proposed Settlement Class. I asked the attorneys at

1 my office as well as counsel for Defendant UFP Riverside, LLC (“UFP”) if they are aware of any
2 similar actions, and the attorneys whom I have asked are not aware of any such actions. As part of
3 my research on this issue, I searched the Courthouse News Service database as well as the Private
4 Attorneys General Act (PAGA) Case Search.

5 11. UFP is a supplier of lumber for the manufactured housing industry and a leading
6 producer of preservative-treated lumber and fencing. Plaintiffs and Class Members worked for UFP
7 in California as non-exempt employees during the period of November 21, 2017 to October 10, 2022
8 (the “Class Period”).

9 12. On October 5, 2021, Plaintiff Mondragon filed the instant wage and hour class action
10 in Riverside Superior Court alleging the following causes of action: (1) failure to pay all overtime
11 wages; (2) meal period violations; (3) rest period violations; (4) waiting time penalties; (5) wage
12 statement violations; (6) unlawful deductions from earned wages; (7) failure to reimburse all
13 necessary business expenditures; and (8) unfair competition. On December 13, 2021, Plaintiff
14 Mondragon filed a First Amended Complaint adding a ninth cause of action for civil penalties
15 pursuant to the Private Attorneys General Act of 2004 (“PAGA”), California Labor Code § 2698, *et*
16 *seq.* Attached hereto as **Exhibit B** is a true and correct copy of Plaintiff Mondragon’s October 6,
17 2021 letter to the LWDA. The action was subsequently removed under the Class Action Fairness
18 Act (“CAFA”) to the Central District of California, United States District Court.

19 13. While the action was pending in District Court, the Parties agreed to attend a private
20 mediation, and in connection with mediation, UFP provided Plaintiffs with timekeeping and payroll
21 records for all Class Members. UFP also provided Plaintiffs with a class list that included putative
22 class members’ hire dates, termination dates (if applicable), and rates of pay, as well as UFP’s
23 relevant written wage and hour policies. Plaintiffs hired a labor economist with a Ph.D. in economics
24 to conduct a comprehensive analysis of the data produced by UFP to create a damages model for
25 mediation. This discovery allowed the Parties to assess the merits and value of Plaintiffs’ claims, the
26 chances of certification of Plaintiffs’ claims, and UFP’s potential defenses.

27 14. On July 11, 2022, the Parties attended private mediation with Steven G. Mehta, Esq.,
28 a well-respected wage and hour class action mediator. During mediation, the Parties vigorously

1 debated their opposing legal positions, the likelihood of certification of Plaintiffs' claims, and the
2 legal basis for the claims and UFP's defenses. At the conclusion of mediation, Mr. Mehta issued a
3 mediator's proposal for a class-wide settlement, which was accepted by both sides. During the
4 months that followed, the Parties finalized the terms of the Settlement and executed the long-form
5 Settlement Agreement now before the Court.

6 15. On September 22, 2022, the Parties stipulated to the action being remanded for
7 purposes of seeking settlement approval, given that the sole basis for removal was that there was
8 over five million dollars in controversy under the Class Action Fairness Act ("CAFA"), and the
9 agreed-upon settlement amount being less than the jurisdictional minimum required for subject
10 matter jurisdiction under the CAFA. The District Court granted the Parties' stipulation on October
11 13, 2022 and remanded the instant action to this Court. Further, as part of the Settlement, the Parties
12 agreed for Plaintiffs to file a Second Amended Class and Representative Action Complaint ("SAC")
13 in this Action to add Plaintiff Jesus Alberto Magana as a named plaintiff and proposed class
14 representative. On or about June 30, 2023, Plaintiffs filed the operative SAC.

15 16. Plaintiffs allege that they and other Class Members worked in excess of eight (8)
16 hours per workday and/or forty (40) hours per workweek but were not compensated at one and one-
17 half times their regular rate of pay for such hours, as a result of UFP's failure to include non-
18 discretionary referral and incentive bonuses when calculating its employees' regular rates of pay for
19 the purposes of overtime. Based on Plaintiffs' expert's analysis of payroll and timekeeping data
20 produced by UFP, Plaintiffs estimate that UFP's failure to include all remunerations in the regular
21 rate of pay has resulted in a total overtime underpayment of approximately \$46,731. However, in
22 response, UFP contends that at all relevant times the bonuses it paid to its non-exempt employees
23 were discretionary. UFP further argues that the discretionary bonuses were not tied to employees'
24 hours worked and therefore do not need to be included in the regular rate on this basis as well. UFP
25 further argues that Class Members received different types of bonuses and other remuneration
26 throughout the Class Period, creating substantive differences among Class Members with respect to
27 the incentives received, making class certification unlikely. Plaintiffs discounted the estimated
28 maximum exposure by 25% for risk of non-certification, and by an additional 30% to account for

1 risk of losing on the merits or failure to recover the maximal amount sought, to arrive at an estimated
2 exposure of approximately \$24,534.

3 17. Plaintiffs allege that UFP failed to provide legally compliant first meal periods and
4 second meal periods when Class Members worked in excess of 10.0 hours. Specifically, Plaintiffs
5 allege that they and other non-exempt employees were unable to take timely first meal periods of at
6 least 30 minutes before the end of their fifth hour of work and second meal periods when they worked
7 a shift in excess of 10.0 hours. Based on Plaintiffs' expert's review and analysis of UFP's
8 timekeeping records, there are approximately 69,680 shifts that reflect a potential meal period
9 violation. Plaintiffs' expert's review of UFP's payroll records further revealed that UFP paid
10 approximately \$350,348 in meal period premiums during the Class Period. Thus, based on an
11 average hourly rate of \$18.39, Plaintiffs estimate UFP's total maximum exposure for meal period
12 violations at approximately \$931,067 (69,680 non-compliant meal periods * \$18.39 meal period
13 premium - \$350,348 paid premiums). UFP counters that it has maintained compliant written meal
14 period policies throughout the Class Period and has always provided employees with the *opportunity*
15 to take legally compliant meal periods, and that it is not required to "*ensure*" meal periods are taken.
16 UFP further argues that its compliant policies are reflected not only in the high percentage of shifts
17 which reflect a compliant first meal period (approximately 85%), but also the fact that it has paid
18 approximately \$350,348 in meal period premiums during the Class Period. UFP argues that for the
19 majority of the Class Period it automatically paid its employees a meal period premium when their
20 time records reflected a non-compliant meal period. Additionally, with respect to second meal
21 periods, UFP maintains that employees voluntarily waived their second meal period when they
22 worked shifts in excess of 10.0 hours (but less than 12.0 hours), as they are entitled to do under
23 Labor Code § 512. Finally, UFP argues that these claims are not suited for class treatment, as
24 individual inquiries would be needed to assess which employees took non-compliant meal periods
25 or missed meal periods, how many meal periods were non-compliant or missed, the reasons why a
26 particular employee did not take a compliant meal period on a particular shift, and for second meal
27 periods, whether there was a valid waiver. Based on these defenses, Plaintiffs discounted the
28 maximum amount by 50% for risk of non-certification, and an additional 55% for risk of losing on

1 the merits or failing to recover the full amount sought, to arrive at an estimated exposure of \$209,490.

2 18. Plaintiffs allege that UFP failed to authorize and permit all legally required rest
3 periods as Plaintiffs and other employees were often required to work through their rest periods in
4 order to accommodate time sensitive shipments. Specifically, Plaintiffs allege that UFP frequently
5 only provided them and other employees with one rest period during the entirety of their eight-hour
6 shift. Based on Plaintiffs' expert's analysis of the timekeeping records, Plaintiffs estimated there
7 were approximately 217,228 total shifts over 6.0 hours during the Class Period, entitling employees
8 to two 10-minute rest periods. Plaintiffs further estimated that Plaintiffs and other Class Members
9 were only provided with one rest period on approximately 50% of shifts. Plaintiffs therefore
10 calculated UFP's potential maximum exposure for claim to be \$1,997,411 (\$18.39 rest period
11 premium * 217,228 shifts * 50% violation rate). UFP counters that it has always maintained
12 compliant written rest period policies throughout the Class Period and that any failure to take rest
13 periods was as a result of employee choice, rather than any policy or practice on the part of UFP.
14 UFP further argues that Plaintiffs' rest period claim is not amenable to class treatment, since
15 individual inquiries would be required to determine which employees failed to take rest periods, how
16 many rest periods they failed to take, and the reasons why each employee failed to take rest period(s)
17 on a particular shift. These manageability concerns are especially present with respect to rest period
18 claims, UFP argues, given that rest periods are not recorded. In light of these defenses, Plaintiffs
19 discounted UFP's maximum exposure by 70% to account for the risk of non-certification, and an
20 additional 75% to account for UFP's defenses on the merits, to arrive at an estimated exposure of
21 approximately \$149,806.

22 19. Plaintiffs allege that UFP unlawfully deducted approximately \$7.50 each pay period
23 from Plaintiffs' and other non-exempt employees' wages for costs associated with uniforms. Based
24 on Plaintiffs' expert's review of the data provided by UFP, Plaintiffs estimate UFP's maximum
25 exposure on this claim at approximately \$29,947. However, UFP argues that its practice of
26 deducting wages from employees' wages was lawful in light of the fact that employees were not
27 required to wear or purchase the uniforms and employees consented to the deductions. UFP further
28 argues that this claim is not suitable for class treatment, as it would require individualized

1 determinations as to whether the uniforms were mandatory and whether each employee consented
2 to the uniform deductions. In light of these defenses, Plaintiffs discounted UFP's maximum exposure
3 by 25% to account for the risk of non-certification, and an additional 40% to account for UFP's
4 defenses on the merits, to arrive at an estimated exposure of approximately \$13,476.

5 20. As a result of the unpaid wages, unlawful deductions, and unpaid meal and rest period
6 premiums, Plaintiffs allege that UFP failed to comply with their final pay obligations set forth in
7 Labor Code §§ 201-203. Based on UFP's records, there are approximately 158 Class Members who
8 have separated from their employment with UFP within the three-year statute of limitations period
9 applicable to Labor Code § 203. *Id.* Using an average waiting penalty of \$4,414 ($\$18.39 \times 8 \text{ hours}$
10 $\times 30 \text{ days}$), Plaintiffs estimate UFP's maximum exposure for waiting time penalties at approximately
11 \$697,412 (158 waiting time penalty class members $\times$ \$4,414 avg. waiting time penalty). UFP
12 maintains that it possesses strong, good faith defenses to Plaintiffs' underlying claims, thus
13 precluding recovery of waiting time penalties, which are only available for the "willful" failure to
14 pay wages. UFP further argues that not every Class Member experienced an underpayment of wages.
15 UFP therefore argues that Plaintiffs' damages analysis for waiting time penalties is grossly
16 overstated. Moreover, because the waiting time claim is derivative of Plaintiffs' underlying wage
17 claims, Plaintiffs would need to overcome UFP's defenses, both as to class certification and on the
18 merits, as to his underlying claims. To account for UFP's defenses, Plaintiffs discounted the
19 maximum exposure by 55% for the risk of non-certification, and an additional 60% for risk of losing
20 on the merits, and/or not receiving the maximum penalties sought, to arrive at an estimated exposure
21 of approximately \$125,534.

22 21. As a further result of the unpaid wages, unlawful deductions, and unpaid meal and
23 rest period premiums, Plaintiffs allege that UFP failed to pay all wages owed upon separation of
24 employment. Plaintiffs' expert's analysis reflected that there were approximately 12,567 pay periods
25 and 258 unique employees within the one-year liability window under Labor Code § 226. In
26 calculating the potential exposure for this claim, utilizing the "initial" and "subsequent" violation
27 rates resulted in a number greater than the \$4,000 cap per employee. Therefore, Plaintiffs calculated
28 UFP's maximum wage statement exposure under Labor Code § 226(e) by using the \$4,000 cap for

1 each employee, for a total maximum exposure of \$1,032,000 (258 employees * \$4,000 max.
2 penalty). UFP contends that any alleged wage statement violations could not be shown to be
3 “knowing and intentional,” particularly given its good-faith defenses; that Plaintiffs cannot show
4 they or other employees “suffer[ed] injury” due to alleged wage statement violations, as required by
5 Lab. Code § 226(e) for the imposition of penalties; and that the wage statements always accurately
6 reflected amounts *paid* to employees. Plaintiffs discounted the maximum exposure by 55% for risk
7 of non-certification, and by an additional 65% for risk of being unsuccessful on the merits, for an
8 estimated realistic exposure of approximately \$162,540.

9 22. Plaintiffs seek civil penalties under the PAGA based on these alleged Labor Code
10 violations. Assuming that Plaintiffs could prove at least one underlying Labor Code violation in each
11 pay period within the PAGA Period, Plaintiffs estimated a maximum total PAGA exposure of
12 approximately \$1,256,700, based on approximately 12,567 pay periods during the PAGA Period at
13 the \$100 “initial” violation rate under Labor Code § 2699(f). UFP contends that since Plaintiffs’
14 PAGA claim is derivative of their underlying wage claims, Plaintiffs’ PAGA claim would fail with
15 those claims. UFP further argues that Plaintiffs would not be able to show a violation *every* pay
16 period, and thus their damages estimate is inflated. UFP further maintains that given its good-faith
17 defenses, the Court would substantially reduce any PAGA penalties awarded. Given these defenses,
18 Plaintiffs discounted the maximum figure by 70% for the risk of losing on the merits and/or not
19 recovering a PAGA penalty for every pay period, and an additional 85% to account for the possibility
20 of this Court reducing penalties to arrive at an estimated exposure of approximately \$56,551.

21 23. Therefore, if Plaintiffs were entirely successful at trial on all claims described above,
22 Plaintiffs estimate the maximum total exposure for all claims to be approximately \$5,991,268.
23 However, taking into account UFP’s various defenses, both as to certification and merits issues,
24 difficulties of proof, and other risks as described above, Plaintiffs predicted that the potential likely
25 recovery for the Settlement Class at trial would be approximately \$741,931. The proposed
26 Settlement of \$620,000 represents approximately 83.6% of the reasonably forecasted recovery for
27 the Class Members, while avoiding the further expense and serious risk of proceeding towards class
28 certification and trial.

1 24. According to UFP’s records, there are approximately 415 total Class Members. Thus,
2 the average Settlement Award is projected to be approximately \$762.25. The lowest potential
3 Settlement Award is estimated to be approximately \$5.58. The highest potential Settlement Award
4 is estimated to be approximately \$1,422.66. There are also approximately 258 Class Members who
5 worked during the time period of October 5, 2020 to October 10, 2022 (“PAGA Period”) and will
6 receive a portion of the PAGA Amount. The average PAGA Payment is estimated to be \$38.76. The
7 estimated high PAGA Payment is estimated to be \$43.00 and the estimated low PAGA Payment is
8 estimated to be \$0.80.

9 25. Although the Parties engaged in extensive informal discovery in advance of
10 mediation, the Parties still had significant discovery to complete in formal litigation had the matter
11 not settled. This would have required expenditure of substantial time and resources by both Parties
12 that would have very likely spanned several years. Even if Plaintiffs were to certify the classes, the
13 Parties would incur considerably more attorneys’ fees and costs through a possible decertification
14 motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying expense.

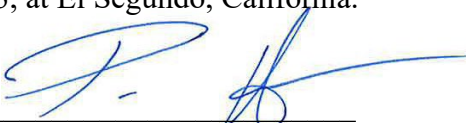
15 26. Class Counsel will also apply for an attorneys’ fees award of one-third of the TSA,
16 which is currently estimated to be \$206,666.66, and up to \$30,000.00 in verified costs
17 reimbursement. Plaintiffs submit the requested fee is fair compensation for undertaking complex,
18 risky, expensive, and time-consuming litigation on a purely contingent fee basis. Class Counsel has
19 incurred substantial attorneys’ fees conducting pre-filing investigation, analyzing Plaintiffs’ claims,
20 conducting legal research, engaging in informal discovery, reviewing UFP’s documents and policies,
21 interviewing Class Members regarding their work experiences with UFP, analyzing Class Members’
22 relevant records, working with a retained expert to create a comprehensive damages model,
23 preparing for and attending a mediation, negotiating and preparing the long-form Settlement
24 Agreement, preparing this Motion, and otherwise litigating the case. Class Counsel expects to
25 expend additional attorney time in attending the hearing on this Motion, overseeing the Notice
26 process and fielding questions from Class Members, preparing the final approval papers, and
27 attending the Final Approval hearing.

28 27. Plaintiffs will separately apply for an enhancement payment at the time of seeking

1 final approval of the proposed Settlement in the amount of \$10,000.00 for Plaintiff Mondragon and
2 \$5,000.00 for Plaintiff Magana, for a total of \$15,000, for their services to the Class Members.
3 Plaintiffs expended considerable time on behalf of the Class Members, including providing
4 substantial factual information and documents to Class Counsel, attending multiple meetings with
5 Class Counsel to discuss the claims and theories at issue in the litigation, and otherwise actively
6 participating in the prosecution of their claims. Plaintiffs also undertook significant risk by agreeing
7 to serve as named plaintiffs in this case and agreed to a general release of all claims subject to a
8 waiver of California Civil Code § 1542.

9 28. Plaintiffs propose that the Settlement be administered by Phoenix Settlement
10 Administrators, an experienced class action settlement administrator. Plaintiffs obtained bids for
11 administration from Phoenix Settlement Administrators (\$11,975.00) and CPT Group, Inc.
12 (\$10,500.00). The Parties agreed to use Phoenix Settlement Administrators based on its consistent
13 track record and high-quality settlement administration work performed for hundreds of class action
14 settlements similar to this one. Jodey Lawrence of Phoenix Settlement Administrators will file a
15 declaration attesting to the administrator's experience, fee to be charged, and how such fee was
16 calculated concurrently with Plaintiffs' Motion.

17 I declare under penalty of perjury under the laws of the State of California that the foregoing
18 is true and correct. Executed on September 26, 2023, at El Segundo, California.

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Paul K. Haines

EXHIBIT A

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiffs Oliver Salas Mondragon and Jesus Alberto Magana (hereinafter “Plaintiffs”), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant UFP Riverside, LLC (hereinafter “Defendant”), on the other hand. Plaintiffs and Defendant are referred to herein collectively as the “Parties.” Plaintiffs and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Alexandra R. McIntosh of Haines Law Group, APC, (“Class Counsel”). Defendant is represented by Linda Claxton of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

On October 5, 2021, Plaintiff Oliver Salas Mondragon filed a wage and hour class action complaint in Riverside County Superior Court in the matter entitled *Oliver Salas Mondragon, as an individual and on behalf of all others similarly situated, Plaintiff, vs. UFP Riverside, LLC, a California limited liability company; and DOES 1 through 100, Defendants*, Riverside Superior Court Case No. CVRI2104543 (the “Action”). On December 23, 2021, Defendant removed the Action to the United States District Court, Central District of California, Case No. 5:21-cv-02141-MEMF-(KKx). On July 11, 2022, the Parties attended a private mediation with Steven G. Mehta, Esq., and have reached a class-wide settlement which resolves the Action, subject to court approval. As part of the Settlement, the Parties stipulate to the filing of a Second Amended Class and Representative Action Complaint (“SAC”) to add Jesus Alberto Magana as a named plaintiff and class representative.

Given the uncertainty of litigation, Plaintiffs and Defendant wish to settle both individually and on behalf of the Settlement Class. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm’s-length negotiations, taking into account all relevant factors. Accordingly, Plaintiffs and Defendant agree as follows:

1. **Settlement Class or Class Member(s).** For the purposes of this Settlement Agreement only, Plaintiffs and Defendant stipulate to the conditional certification of the following Settlement Class:

All persons who have worked for Defendant UFP Riverside LLC as non-exempt employees in the State of California at any time during the period of November 21, 2017 to October 10, 2022 (“Class Period”).

The Parties stipulate to conditional class certification of the Settlement Class for the Class Period for purposes of settlement only. The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under is proper under Section 382 of the Code of Civil Procedure or under Federal Rule of Civil Procedure 23. If for any reason this Settlement Agreement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, in any way prevents or prohibits Defendant from obtaining a complete resolution of the claims as described herein, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in this matter or in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Class Members and Plaintiffs.** In exchange for the consideration set for in this Settlement Agreement, and upon the complete funding of the Total Settlement Amount, Plaintiffs and every member of the Settlement Class (except those who opt out) will be deemed to have, and by operation of the Final Approval Order and Judgment, will have expressly and fully release and discharge Defendant and all of Defendant's past and present officers, directors and employees (collectively, the "Released Parties"), as follows:

- A. Class Members release any and all claims alleged in the Second Amended Class and Representative Action Complaint ("SAC"), or those claims that could have been alleged based on the facts alleged in the SAC, including: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit all rest periods, or premium pay for non-compliant rest periods; (e) failure to reimburse for necessary business expenditures; (f) failure to timely pay all wages due or final wages due; (g) failure to issue accurate, compliant, and itemized wage statements; and (h) all claims for unfair business practices that were premised on the facts, claims, causes of action or legal theories of relief pled in the operative SAC (collectively, the "Released Claims"). The period of the Release shall extend to the limits of the Class Period.
- B. Plaintiffs and the State of California release all claims for statutory penalties against the Released Parties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff Mondragon's October 6, 2021 pre-filing PAGA letter to the Labor & Workforce Development Agency ("LWDA").
- C. In light of Plaintiffs' Class Representative Enhancement Payments, Plaintiffs have also released, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. Plaintiffs understand that this release includes unknown claims and that they are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party.

However, to the extent that Plaintiffs have claims that cannot be released as a matter of law (i.e., workers' compensation claims), then those claims will not be released.

3. **Conditions Precedent.** This Settlement will become final and effective only upon the occurrence of all of the following events:

- a. The Court enters an order granting preliminary approval of the Settlement;
- b. The Court enters an order granting final approval of the Settlement and a Final Judgment;

- c. If an objection has been filed, the date on which time has expired to file an appeal of the Court's grant of Final Approval; or in an objection was filed and a Notice of Appeal of the Court's grant of Final Approval of settlement was timely filed, then the date the appeal is finally resolved, with the final approval unaffected; and
 - d. Defendant does not invoke its right to revoke the Settlement as described in paragraph 12 ("Defendant's Option to Revoke Settlement") herein.
4. **Total Settlement Amount.** As consideration, Defendant has agreed to pay a non-reversionary Total Settlement Amount (or "TSA") of Six Hundred Twenty Thousand Dollars and Zero Cents (\$620,000.00) in full and complete settlement of the Action, as follows:
- A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement.
 - B. If no objections are filed, the TSA shall be deposited with the Settlement Administrator within thirty (30) calendar days after the Court enters an order granting final approval of the Settlement. Solely in the event that there are any objections to the Settlement (the filing of an objection being a prerequisite to the filing of an appeal), the TSA shall be deposited with the Settlement Administrator within the later of: (i) thirty (30) days after the last date on which any appeal might be filed, with no appeal having been filed, or (ii) thirty (30) days after the resolution of any appeal(s), presuming that the appeal upholds the Settlement.
 - C. This is a non-reversionary settlement. The Total Settlement Amount includes:
 - (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Twelve Thousand Dollars and Zero Cents (\$12,000.00). If the actual costs exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00), the additional costs shall be deducted from the Total Settlement Amount. If the actual costs are less than Twelve Thousand Dollars and Zero Cents (\$12,000.00), the difference will revert to the participating Class Members;
 - (3) Up to Ten Thousand Dollars and Zero Cents (\$10,000.00), for Plaintiff Mondragon's Class Representative Enhancement Payment, and Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff Magana's Class Representative Enhancement Payment (for a collective total of \$15,000.00) in recognition of their contributions to the Action and service to the Settlement Class. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payments, Plaintiffs shall not have the right to revoke this settlement, and it will remain binding. Any amount reduced and/or not approved by the Court will revert to the participating Class Members;

- (4) Class Counsel's attorneys' fees in an amount not to exceed one-third (1/3) of the Total Settlement Amount. The Settlement is not contingent on Plaintiffs and Plaintiffs' Counsel recovering that or any particular amount as an attorneys' fees award. Even in the event that the Court reduces or does not approve the requested attorneys' fees award, Plaintiffs and Plaintiffs' Counsel shall not have the right to revoke this Agreement or this Settlement, and it will remain binding. Any amount reduced and/or not approved by the Court will revert to the participating Class Members;
 - (5) Class Counsel's attorneys' costs not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000), as supported by declaration. The Settlement is not contingent on Plaintiffs and Plaintiffs' Counsel recovering that or any particular amount as an attorneys' costs award. Even in the event that the Court reduces or does not approve the requested attorneys' costs award, Plaintiffs and Plaintiffs' Counsel shall not have the right to revoke this Agreement or this Settlement, and it will remain binding; and
 - (6) Forty Thousand Dollars and Zero Cents (\$40,000.00) of the Total Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty Thousand Dollars and Zero Cents (\$30,000.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Ten Thousand Dollars and Zero Cents (\$10,000.00), will be payable to the Class Members who were employed during the period of October 6, 2020 and October 10, 2022 ("PAGA Period") as the "PAGA Amount."
- D. Defendant's share of employer-side payroll taxes shall be paid by Defendant separately, and in addition to, the Total Settlement Amount.
- E. **Escalator Clause.** The Parties agree that as of 7/31/2022, there were approximately 56,700 work weeks. If, as of the end date of the Class Period, the number of work weeks is greater than 65,000, Defendant shall, at its sole discretion, have the option of either (a) increasing the Net Settlement Amount proportionally for each work week over 65,000; or (b) changing the end date of the Class Period to September 10, 2022.
5. **Payments to the Settlement Class.** Class Members are not required to submit a claim form to receive a payment ("Settlement Award") from the Settlement. Settlement Awards will be determined and paid as follows:
- A. The Settlement Administrator shall first deduct from the Total Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiffs' Class Representative Enhancement Payments, the amount set aside as PAGA civil penalties, and the Settlement Administrator's fees and expenses for administration. The remaining amount shall be known as the "Net Settlement Amount."

- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Class Member's Settlement Award based on the following formula:
- i. The Net Settlement Amount shall be divided by the number of estimated aggregate qualified weeks worked by all participating Class Members during the Class Period to produce a "Weekly Settlement Value." A "qualified week" shall be a week worked by a Class Member in California in a non-exempt role.
 - ii. Each Class Member shall be eligible to receive a settlement payment in the amount of the total number of estimated qualified weeks the Class Member worked for Defendant in California during the Class Period in a non-exempt role multiplied by the Weekly Settlement Value, less applicable withholdings, provided that the Class Member has not submitted a request for exclusion.
 - iii. PAGA Amount. In addition to payments from the Net Settlement Amount, each Class Member who was employed by Defendant at any time during the PAGA Period (including those Class Members who submit a valid and timely Request for Exclusion from the class action settlement) shall receive a portion of the Ten Thousand Dollars and Zero Cents (\$10,000.00) designated as the "PAGA Amount" and shall be paid based on the proportionate number of qualified weeks that he or she worked during the PAGA Period.
- C. Within five (5) business days after the Court enters the final approval order, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid by Defendant pursuant to the terms of the Settlement, including the amount of the employer contribution for payroll taxes to be paid by Defendant in addition to the Total Settlement Amount. Within ten (10) calendar days following Defendant's deposit of the Total Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail Settlement Awards, less applicable taxes and withholdings, to participating Class Members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel.
- D. For purposes of calculating applicable taxes and withholdings, each Settlement Award shall be allocated as follows: 33.3% as wages and 66.7% as penalties and interest. Any payment from the PAGA Amount shall be designated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Class Members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Class Member above, none of the payments called for by this Settlement Agreement, including the wage

portion, are to be treated as earnings, wages, pay, or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

- E. Each Class Member who receives a Settlement Award must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Class Members whose checks are not cashed within 180 days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Class Member to whom the check was issued, until such time that they claim their property.
- F. Neither Plaintiffs nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.
- G. The Parties make no representations as to the tax treatment or legal effect of the payments called for hereunder, and each Class Member who receives a Settlement Award are not relying on any statement or representation by the Parties in this regard. The Class Members who are receiving a Settlement Award understand and agree that they will be responsible for the payment of any taxes and penalties assessed on their Settlement Award and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of their Settlement Award.

6. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees in an amount not to exceed one-third (33-1/3 %) of the Total Settlement Amount, which is currently estimated to be Two Hundred Six Thousand Six Hundred Sixty-Six Dollars and Sixty -Six Cents (\$206,666.66). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), from the Total Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award awarded by the Court.

7. **Class Representative Enhancement Payments.** Defendant will not object to a request for a Class Representative Enhancement Payment to Plaintiff Mondragon of up to Ten Thousand Dollars and Zero Cents (\$10,000.00), and to Plaintiff Magana of up to Five Thousand Dollars and Zero Cents (\$5,000.00) for their time and risk in prosecuting this case and service to the Settlement Class. These awards will be in addition to Plaintiffs' Settlement Awards as Class Members and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested enhancement payments, Plaintiffs shall not have the right to revoke this Settlement, and it will remain binding.

8. **Settlement Administrator.** Defendant will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiff seeking permission to pay up to Twelve Thousand Dollars and Zero Cents (\$12,000.00) for the Settlement Administrators' services from the Total Settlement Amount. The Settlement Administrator shall be responsible for sending notices, calculating Settlement Awards, preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Total Settlement Amount by Class Counsel only after Settlement Awards have been mailed to all participating Class Members.

9. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines, Sean M. Blakely, and Alexandra R. McIntosh of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiffs as Class Representatives for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as the Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice, Request for Exclusion Form, and Objection Form), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

10. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within thirty (30) calendar days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, the dates of employment, and the number of workweeks worked by each Class Member while employed during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall: (i) run the names of all Class Members through the National Change of Address ("NCOA") database to determine any updated addresses for Class Members; (ii) update the address of any Class Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Class Member; and (iv) mail a Notice Packet to each

Class Member in both English and Spanish at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

- C. Requests for Exclusion. Any Class Member who wishes to opt out of the settlement must complete and mail or deliver a Request for Exclusion Form to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Notice Packet shall state that a Class Member who wishes to exclude themselves from the Settlement must submit a Request for Exclusion Form by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, and telephone number of the Class Member; (2) contain a statement that the Class Member wishes to be excluded from the Settlement; (3) be signed by the Class Member; and (4) be postmarked by the Response Deadline and mailed or delivered to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except that a Request for Exclusion not containing a Class Member’s telephone number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Class Member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal, or comment thereon. However, Class Members who were employed by Defendant at any time during the PAGA Period and submit a valid and timely Request for Exclusion from the class action settlement shall still be entitled to their portion of the PAGA Amount described above.
- D. Objections. Class Members who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by submitting a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant’s counsel, as well as file all such objections with the Court). Defendant’s counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant’s counsel and Class Counsel shall have ten (10) days to file a response to the objections. To be valid, any objection should: (1) contain the objecting Class Member’s full name and current address, as well as contact information for any attorney representing the objecting Class Member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline.
- E. Notice of Settlement Award / Disputes. Each Notice Packet mailed to a Class Member shall include a statement informing Class Members that Defendant

contends that Class Members have been paid all monies that were due to them, maintains that it has at all times complied with California's wage-and-hour laws, and vigorously denies any wrongdoing alleged by Plaintiffs, and that this settlement is **not** an admission by Defendant of any liability. Each Notice Packet mailed to a Class Member shall disclose the amount of the Class Member's estimated Settlement Award as well as all of the information that was used from Defendant's records in order to calculate the Settlement Award. Class Members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice Packet, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Award shall be binding upon the Class Member and the Parties.

- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Class Member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member. It will be conclusively presumed that, if an envelope so mailed has not been returned within thirty (30) calendar days of the mailing, the Class Member received the Notice Packet. Class Members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, an Objection, or a dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Class Member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's counsel to provide notice of the proposed settlement.

11. **Defendant's Option to Revoke Settlement.** If the number of Class Members who submitted timely and valid written Requests for Exclusion is over ten percent (10%) of all Class Members, Defendant shall have, in its sole discretion, the option to terminate this Settlement. If Defendant exercises the option to terminate this Settlement, it shall: (i) provide written notice to Class Counsel prior to the Final Approval Hearing and no later than seven (7) calendar days after receiving notice from the Settlement Administrator of the number of Class Members who have

submitted timely and valid Requests for Exclusion; (ii) pay all Settlement Administration Costs incurred up to the date or as a result of the termination; and (iii) the Parties shall proceed in all respects as if this Agreement had not been executed. The Parties and their counsel agree not to take any action or make any statements to encourage any Class Members to opt out of and/or object to the Settlement.

12. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiffs shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiffs' and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payments, LWDA payment, and settlement administration costs; and
- C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the Settlement Administrator's website.

13. **Non-Admission of Liability.** Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, and nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

14. **Representation with Respect to Claims.** Plaintiffs and Plaintiffs' Counsel are not currently aware of any: (a) unalleged claims in addition to, or different from, those which are finally and forever settled and released against the Released Parties by this Settlement; and (b) unalleged facts or legal theories upon which any claims or causes of action could be brought against Defendant, except such facts and theories specifically alleged in the Complaint, First Amended Complaint, and/or Second Amended Complaint in this Action. Plaintiffs further represent that, other than the instant Action, they have no current intention of asserting any other claims against Defendant in any judicial or administrative forum. Plaintiffs further represent that they do not currently know of any persons who have expressed any interest in pursuing litigation or seeking any recovery against Defendant. The Parties acknowledge, understand, and agree that the representations described in this paragraph are essential to the Agreement and that this Agreement would not have been entered into were it not for this representation.

15. **Non-disclosure and Non-publication.** Plaintiffs and Class Counsel agree not to disclose or publicize the Settlement, including the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except to potential Class Members and as shall be contractually required to effectuate

the terms of the Settlement herein, or unless ordered by the Court. For the avoidance of doubt, this section means Plaintiffs and Class Counsel agree not to issue press releases; communicate with, or respond to, any media or publication entities; or publish information in manner or form, whether printed or electronic, on any medium; except as shall be contractually required to effectuate the terms of the Settlement. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the Parties in this action, the venue/case number of this action, and a general description of the Action, to a court in a declaration by Class Counsel.

16. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

17. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant: Linda Claxton, Ogletree, Deakins, Nash, Smoak & Stewart, P.C.,
400 South Hope Street, Suite 1200, Los Angeles, California 90071;
linda.claxton@ogletree.com

if to Plaintiffs: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive,
Suite 180, El Segundo, California 90245;
phaines@haineslawgroup.com.

18. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

19. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

20. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Lawsuit and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. The Court may award reasonable attorneys' fees and costs to the prevailing party in any motion or action taken based on an alleged violation of any material term of this Settlement Agreement.

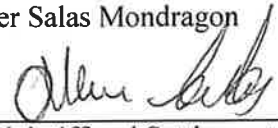
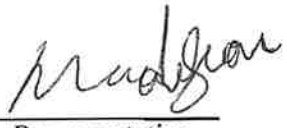
DATED:

UFP Riverside, LLC

By: _____

DATED:

Oliver Salas Mondragon

By:  
Plaintiff and Settlement Class Representative

DATED:

Jesus Alberto Magana

By: _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED:

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By: _____
Linda Claxton
Attorneys for Defendant

DATED:

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiffs

DATED:

UFP Riverside, LLC

By: _____

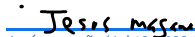
DATED:

Oliver Salas Mondragon

By: _____
Plaintiff and Settlement Class Representative

DATED: Jul 12, 2023

Jesus Alberto Magana

By: 
Jesús magaña (Jul 12, 2023 15:31 PDT)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED:

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By: _____
Linda Claxton
Attorneys for Defendant

DATED:

HAINES LAW GROUP, APC

By: 
Paul K. Haines
Sean M. Blakely

Attorneys for Plaintiffs

DATED: UFP Riverside, LLC

By:  Jim Kaminski - OVP
DocuSigned by: 0308BD77500469...

DATED: Oliver Salas Mondragon

By: _____
Plaintiff and Settlement Class Representative

DATED: Jesus Alberto Magana

By: _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: July 5, 2023 OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By:  _____
Linda Claxton
Attorneys for Defendant

DATED: HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiffs

EXHIBIT 1

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT

Oliver Salas Mondragon v. UFP Riverside LLC

Riverside County Superior Court

Case No.: CVRI2104543

To: All persons who have worked for Defendant UFP Riverside LLC as hourly employees in the State of California at any time during the period of November 21, 2017 to October 10, 2022.

**PLEASE READ CAREFULLY
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH**

Why should you read this Notice?

The Court has granted preliminary approval of a proposed settlement (the "Settlement") in the matter of *Oliver Salas Mondragon v. UFP Riverside LLC*, Riverside County Superior Court Case No. CVRI2104543 (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this Notice carefully.

You may be entitled to money from this Settlement. Defendant UFP Riverside LLC's (hereinafter "Defendant") records show that you were employed by Defendant as an hourly employee in the State of California at any time during the period of November 21, 2017 to October 10, 2022 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound to the terms of the Settlement and any final judgment.

What is this case about?

Plaintiffs Oliver Salas Mondragon and Jesus Alberto Magana ("Plaintiffs") brought this Action against Defendant, seeking to assert claims on behalf of a class of all persons who have worked for Defendant as hourly employees in the State of California during the Class Period. Plaintiffs are known as the "Class Representatives," and their attorneys, who also represent the interests of all Class Members, are known as "Class Counsel."

In the Action, Plaintiffs allege that Defendant: (1) failed to pay all overtime wages; (2) failed to provide all meal periods; (3) failed to authorize and permit all rest periods; (4) failed to timely pay all wages due or final wages due; (5) failed to furnish accurate, compliant, and itemized wage statements; (6) made unlawful deductions from earned wages; (7) failed to reimburse necessary business expenses; (8) engaged in unfair, unlawful business practices; and (9) are liable for civil penalties under the Private Attorneys' General Act ("PAGA").

A PAGA action is a form of representative action that allows employee plaintiffs to act on behalf of the government as agents of the state's labor law enforcement agencies. By acting as a private attorney general, an "aggrieved employee" who has been affected by at least one Labor Code violation committed by their employer can use a PAGA action as a means to collect civil penalties for those violations. 75% of any collected penalties go to the state's Labor and Workforce Development Agency ("LWDA"), and the remaining 25% of penalties are distributed evenly among all aggrieved employees.

Defendant denies that it has done anything wrong. Defendant also denies that it owes Class Members any wages, restitution, penalties, damages, or other amounts. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiffs' claims. The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate and reasonable. Any final determination of

whether the proposed Settlement is fair, adequate, and reasonable will be made at the Final Approval Hearing. However, to avoid additional expense, inconvenience, and interference with its business operations, Defendant has concluded that it is in its best interests to settle the Action on the terms summarized in this Notice. After Defendant provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's length negotiations between the parties.

The Class Representatives and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the inherent risk of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

If you are still employed by Defendant, your decision about whether to participate in the Settlement will not affect your employment. California law and Defendant's policy strictly prohibit unlawful retaliation. Defendant will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Class Member because of their decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiffs/Settlement Class: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Alexandra R. McIntosh amcintosh@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	Attorneys for Defendant: OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C. Linda Claxton Linda.claxton@ogletree.com 400 South Hope Street, Suite 1200 Los Angeles, California 90071 Telephone: (213) 239-9800 Facsimile: (213) 239-9045
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all persons who have worked for Defendant as hourly employees in the State of California at any time during the Class Period. Class Members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendant as described below.

Defendant has agreed to pay \$620,000.00 (the "Total Settlement Amount") to fully resolve all claims in the Action, including payments to Class Members, Class Counsel's attorneys' fees and expenses, Settlement administration costs, payment to the LWDA, and the Class Representative Enhancement Payments.

The following deductions from the Total Settlement Amount will be requested by the parties:

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of 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 Total Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for up to one-third of the Total Settlement Amount, which is currently estimated at \$206,666.66, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$30,000.00 in verified costs incurred in connection with the Action.

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$12,000.00 from the Total Settlement Amount to pay the settlement administration costs.

Class Representative Enhancement Payments. Class Counsel will ask the Court to award the Class Representatives an enhancement payment in the amount of \$10,000.00 to Plaintiff Mondragon and \$5,000.00 to Plaintiff Magana, for a total of \$15,000.00, to compensate them for their service and extra work provided on behalf of Class Members.

PAGA Payment to State of California. The parties have agreed to allocate \$40,000.00 towards the Settlement of the PAGA claims in the Action. \$30,000.00 will be paid to LWDA, representing its 75% share of the civil penalties. The remaining \$10,000.00 will be allocated to Aggrieved Employees as the “PAGA Amount” as described below.

Calculation of Individual Class Members’ Settlement Awards. After deducting the Court-approved amounts above, the balance of the Total Settlement Amount will form the Net Settlement Amount, which will be distributed to all Class Members who do not submit a valid and timely Request for Exclusion form (described below). The Net Settlement Amount is estimated at approximately \$316,333.34.

First, the Net Settlement Amount shall be divided by the number of estimated aggregate qualified weeks worked by all Class Members during the Class Period to produce a “Weekly Settlement Value.” A “qualified week” shall be a week worked by a Class Member in California in an hourly role. Each Class Member shall be eligible to receive a settlement payment in the amount of the total number of estimated qualified weeks the Class Member worked for Defendant in California during the Class Period in an hourly role multiplied by the Weekly Settlement Value, less applicable withholdings, provided that the Class Member has not submitted a request for exclusion.

Finally, \$10,000.00 of the Total Settlement Amount has been designated as the “PAGA Amount.” Each Class Member who was employed by Defendant during the period of October 6, 2020 and October 10, 2022 (the “PAGA Period”), including those Class Members who exclude themselves from the class action settlement, shall receive a portion of the PAGA Amount proportionate to the number of workweeks that they worked during that PAGA Period. Each Class Member who was employed by Defendant during the PAGA Period is estimated to receive approximately \$38.76 as their share of penalties under the PAGA.

Payments to Class Members. If the Court grants final approval of the Settlement, individual Settlement Awards will be mailed to all Class Members who did not submit a valid and timely Request for Exclusion from the Settlement.

Allocation and Taxes. For tax purposes, each Settlement Award shall be allocated as follows: any payment made from the PAGA Amount shall be treated as 100% penalties. Any payment made from the Net Settlement Amount shall be allocated as 33.3% as wages, and 66.7% as penalties and interest. The Settlement Administrator will be responsible for issuing participating Class Members IRS Forms W-2 for the amounts allocated as “wages” and IRS Form 1099 for the amounts allocated as penalties and interest. Class Members are responsible for the proper income tax treatment of the individual settlement payments. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, in exchange for the consideration set for in the Settlement Agreement, Plaintiff and every member of the Settlement Class (except those who opt out) will be deemed to have, and by operation of the Final Approval Order and Judgment, will have expressly and fully release and discharge Defendant and all of Defendant’s past and present officers, directors, and employees (collectively, the “Released Parties”), as follows: Class Members release any and all claims alleged in the Second Amended Class and Representative Action Complaint (“SAC”), or those claims that could have been alleged based on the facts alleged in the SAC, including: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to provide all meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit all rest periods, or premium pay for non-compliant rest periods; (e) failure to reimburse for necessary business expenditures; (f) failure to timely pay all wages due or final wages due; (g) failure to issue accurate, compliant, and itemized wage statements; (h) all claims

for unfair business practices that were premised on the facts, claims, causes of action or legal theories of relief pled in the operative SAC (collectively, the “Released Claims”). The period of the Release shall extend to the limits of the Class Period.

Plaintiffs and the State of California release all claims for statutory penalties against the Released Parties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff Mondragon’s October 6, 2021 pre-filing PAGA letter to the LWDA.

Conditions of Settlement. The 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 a Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked for Defendant during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Settlement Award. Your award is based on the proportionate number of workweeks you worked for Defendant during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period. The information contained in Defendant’s records regarding each of these factors, along with your estimated Settlement Award, is listed below. If you disagree with the information listed below, you may submit a dispute, along with any supporting documentation, to <<INSERT ADMINISTRATOR CONTACT INFO>>. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards.

According to Defendant’s records:

- (a) you worked [REDACTED] workweeks between November 21, 2017 and October 10, 2022 as an hourly employee for Defendant in California; and
- (b) you worked [REDACTED] workweeks between October 6, 2020 and October 10, 2022 as an hourly employee for Defendant in California.

Based on the above, your Settlement Award is estimated at \$[REDACTED]. The average Settlement Award is estimated at \$762.25. The lowest Settlement Award to a Class Member is estimated at \$5.58. The highest Settlement Award to a Class Member is estimated at \$1,422.66.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the class action settlement, you may exclude yourself by sending to the Settlement Administrator an executed Request for Exclusion Form no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, and your signature. A Request for Exclusion Form is included with this Notice.

Send the Request for Exclusion Form directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion shall, upon receipt by the Settlement Administrator, no longer be a Class Member, and shall be barred from participating in any portion of the Class Action Settlement. However, you may not opt out of the PAGA Settlement, and you will still be entitled to a portion of the PAGA Amount as described above. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the

Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. 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 Settlement, or any portion of it (with the exception of the PAGA Settlement, which you may not object to), you may mail a written objection to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Any written Objections should be postmarked on or before <<RESPONSE DEADLINE>>. An Objection Form is included with this Notice.

You may also appear at the Final Approval Hearing in person or through counsel to orally object to the Settlement. The Final Approval Hearing is scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department 1 of the Riverside County Superior Court, Riverside Historic Courthouse, located at 4050 Main Street, Riverside, California 92501. You have the right to appear either in person or through your own attorney at this hearing. All objections or other correspondence must state the name and number of the case, which is *Oliver Salas Mondragon v. UFP Riverside LLC*, Riverside County Superior Court Case No. CVRI2104543.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department 1 of the Riverside County Superior Court, Riverside Historic Courthouse, located at 4050 Main Street, Riverside, California 92501. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, settlement administration costs, and the Class Representative Enhancement Payments. The Final Approval Hearing may be postponed without further notice to Class Members. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Riverside County Superior Court, located at 4050 Main Street, Riverside, California 92501, during regular court hours. You may also view the case file online at www.riverside.courts.ca.gov by going to the "Search Court Records" tab, selecting "Civil, Small Claims and Unlawful Detainer Case Information," and entering the case number information. This case is assigned to Department 1 of the Riverside County Superior Court, Riverside Historic Courthouse, located at 4050 Main Street, Riverside, California 92501. The Settlement Agreement is attached as Exhibit A to the Declaration of Paul K. Haines In Support of Plaintiffs' Motion For Preliminary Approval of Class Action Settlement, filed on September 26, 2023. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANT, OR THEIR ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

EXHIBIT 2

REQUEST FOR EXCLUSION FORM

Oliver Salas Mondragon v. UFP Riverside LLC
RIVERSIDE COUNTY SUPERIOR COURT
Case No.: CVRI2104543

IF YOU DO NOT WISH TO BE PART OF THE CLASS ACTION SETTLEMENT, YOU MUST COMPLETE, SIGN AND MAIL OR DELIVER THIS FORM, POSTMARKED ON OR BEFORE **RESPONSE DEADLINE, ADDRESSED AS FOLLOWS:**

Oliver Salas Mondragon v. UFP Riverside LLC
PHOENIX SETTLEMENT ADMINISTRATORS
P.O. BOX 7208
ORANGE, CALIFORNIA 92863
PHONE: (800) 523-5773
FAX: (949) 209-2530

DO NOT SUBMIT THIS FORM IF YOU WISH TO BE PART OF THE CLASS ACTION SETTLEMENT.

By signing, filling out, and returning this form, I confirm that I ***do not*** want to be included in the Settlement of the lawsuit entitled *Oliver Salas Mondragon v. UFP Riverside LLC*, Riverside County Superior Court Case No. CVRI2104543.

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *OLIVER SALAS MONDRAGON V. UFP RIVERSIDE LLC* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT. HOWEVER, I MAY STILL BE ENTITLED TO RECEIVE A PORTION OF THE SETTLEMENT OF THE CLAIMS BROUGHT PURSUANT TO THE LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004 ("PAGA") AS DESCRIBED IN THE ACCOMPANYING NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT.

Name

Telephone Number

Address

Date

Signature

EXHIBIT 3

OBJECTION FORM

Oliver Salas Mondragon v. UFP Riverside LLC
RIVERSIDE COUNTY SUPERIOR COURT
Case No.: CVRI2104543

All objections must be mailed or delivered directly to the Settlement Administrator, Phoenix Settlement Administrators, at P.O. Box 7208, Orange, California 92863 on or before **RESPONSE DEADLINE**. All objections must be postmarked or delivered on or before **RESPONSE DEADLINE**.

Objecting Class Member Information:

Name

Telephone Number

Address

Date

Signature

Describe the nature and basis of each objection and please attach additional pages if necessary:

EXHIBIT B

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

October 6, 2021

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Oliver Salas Mondragon v. UFP Riverside, LLC*

To Whom It May Concern:

Please be advised that this law firm represents Oliver Salas Mondragon (“Mr. Salas Mondragon”) in claims arising from his employment with UFP Riverside, LLC, and Does 1 through 100 (collectively “UFP Riverside”). Mr. Salas Mondragon is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to UFP Riverside’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than 180 days were suspended for 178 days, from April 6, 2020, through October 1, 2020. Accordingly, the relevant time period for the violations described herein is one year plus 178 days prior to the date of this letter. Thus, the “aggrieved employees” whom Mr. Salas Mondragon seeks to represent include all aggrieved employees who worked for UFP Riverside in California at any time from the one year plus 178 days prior to the date of this letter through the present.

Mr. Salas Mondragon was employed by UFP Riverside as a non-exempt “Forklift Driver” (or similar job title) from approximately 2015 until approximately March 3, 2021.

During Mr. Salas Mondragon’s and other aggrieved employees’ employment with UFP Riverside, Mr. Salas Mondragon and other aggrieved employees often worked over 8 hours per workday and/or more than 40 hours per workweek but did not receive overtime compensation equal to one and one-half times their regular rate of pay for working overtime hours. Specifically, UFP Riverside paid Mr. Salas Mondragon and other aggrieved employees various bonuses and other non-discretionary incentive pay, including but not limited to payments denoted as “Refer Bonus,” “Incent Bns,” “Annl Bonus” and/or other forms of pay that are not excludable from an employee’s “regular rate” of pay (hereinafter the aforementioned forms of pay are collectively referred to as “Incentive Pay”). However, UFP Riverside failed to properly calculate Mr. Salas

Mondragon's and other aggrieved employees' regular rates of pay as a result of their receipt of Incentive Pay, thereby miscalculating and underpaying the overtime wages owed to them.

UFP Riverside failed to provide Mr. Salas Mondragon and other aggrieved employees with timely, 30-minute meal periods before the end of the fifth hour of work. Specifically, due to work demands Mr. Salas Mondragon was unable to take timely meal periods of at least 30 minutes before the end of the fifth hour of work. Mr. Salas Mondragon was typically scheduled to work from 5:00 a.m. through 1:30 p.m., and although Mr. Salas Mondragon's meal period was scheduled at 8:45 a.m. – 9:15 a.m., Mr. Salas Mondragon was prevented from taking his meal period at this time due to work demands imposed by UFP Riverside's supervisors. Mr. Salas Mondragon was often not provided with a first meal period until 11:30 a.m. or later. UFP Riverside also failed to provide Mr. Salas Mondragon or other aggrieved employees with second meal periods on shifts over 10.0 hours. Moreover, upon information and belief, on occasions when Mr. Salas Mondragon and other aggrieved employees were not provided a legally compliant meal period, UFP Riverside failed to always compensate them with the required meal period premiums for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. On those occasions when UFP Riverside did pay Mr. Salas Mondragon and other aggrieved employees a meal period premium, UFP Riverside paid Mr. Salas Mondragon and other aggrieved employees an hour at their *base* rate of pay rather than Mr. Salas Mondragon's and other aggrieved employees' "regular rate" as required under Labor Code § 226.7, in those pay periods when Mr. Salas Mondragon and other aggrieved employees earned Incentive Pay.

UFP Riverside failed to authorize and permit Mr. Salas Mondragon and other aggrieved employees from taking legally-compliant rest periods for shifts in excess of 3.5 hours as UFP Riverside had implemented a policy/practice which failed to authorize and permit employees to take an off-duty rest period of at least 10 minutes for every four hours worked, or major fraction thereof. Upon information and belief, throughout Mr. Salas Mondragon's employment with UFP Riverside, Mr. Salas Mondragon was only authorized and permitted to take one (1) rest period prior to his meal period, and Mr. Salas Mondragon was not authorized and permitted a second rest period during work shifts of at least eight (8) hours in duration. Furthermore, despite occasionally working shifts in excess of ten (10) hours, UFP Riverside failed to authorize and permit Mr. Salas Mondragon to take a third rest period on shifts in excess of ten (10) hours due to UFP Riverside's rest period policies/practices, which fail to authorize and permit non-exempt employees to take a third rest period on occasions when they worked over ten (10) hours in a workday. On those occasions when Mr. Salas Mondragon and other aggrieved employees were not authorized or permitted to take off-duty rest periods, Mr. Salas Mondragon and other aggrieved employees were entitled to rest period premium payments. However, UFP Riverside failed to pay these rest period premiums. Further, upon information and belief, during at least a portion of the relevant time period, UFP Riverside failed to maintain a payroll code or mechanism for the payment of rest period premiums.

During the course of Mr. Salas Mondragon's employment with UFP Riverside, as a matter of policy and/or practice, UFP Riverside made, and on information and belief continues to make, unlawful deductions from Mr. Salas Mondragon's and other aggrieved employees' wages for the cost of their uniforms. Although the cost and maintenance of required uniforms is an expense that must be borne by the employer, UFP Riverside have required Mr. Salas Mondragon and other aggrieved employees to wear uniforms and have unlawfully deducted approximately \$7.50 each pay period from Mr. Salas Mondragon's and other aggrieved employees' wages for the costs associated with their uniforms. These deductions are noted as "Uniform" (or similar notation) on employee wage statements.

As a result of UFP Riverside's failure to pay all earned wages and overtime wages owed, as well as all meal and rest period premium wages owed, UFP Riverside failed to timely pay Mr. Salas Mondragon and other aggrieved employees all wages owed at the time of their respective separations from employment. As a further result of UFP Riverside's failure to pay all earned wages and overtime wages owed and all meal and rest period premium wages owed, UFP Riverside maintained inaccurate payroll records and failed to issue accurate, compliant, itemized wage statements.

As described above, UFP Riverside committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 7 ("Wage Order 7"):

Overtime Wage Violations

UFP Riverside was required to pay Mr. Salas Mondragon and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 7, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This Section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." As alleged above, UFP Riverside caused Mr. Salas Mondragon and other aggrieved employees to work overtime hours, but as alleged herein, did not compensate Mr. Salas Mondragon and other aggrieved employees at one- and one-half times their "regular rate" for such hours.

As a result of these policies/practices, Mr. Salas Mondragon and other aggrieved employees were not compensated for all overtime and double-time wages.

Meal Period Violations

As alleged above, UFP Riverside failed to provide Mr. Salas Mondragon and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§

226.7 and 512; Wage Order 7, § 11. As a result, Mr. Salas Mondragon and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, UFP Riverside also failed to authorize and permit Mr. Salas Mondragon and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 7, § 12. As a result, Mr. Salas Mondragon and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”).

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. UFP Riverside failed to timely pay Mr. Salas Mondragon and other aggrieved employees all of their final wages at the time of separation, which included all earned wages and overtime and double-time wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, UFP Riverside’s failure to pay all final wages due to Mr. Salas Mondragon and other aggrieved employees was willful and, consequently, entitles Mr. Salas Mondragon and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day UFP Riverside failed to pay their final wages after their separation, up to a maximum of thirty days.

Wage Statement Violations

UFP Riverside was required to furnish Mr. Salas Mondragon and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 7, § 7. As a result of UFP Riverside’s failure to pay all earned wages and all overtime and double-time wages, and failure to pay all required meal and rest period premium wages, UFP Riverside maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Salas Mondragon and other aggrieved employees in violation of Labor Code § 226. UFP Riverside’s failure to comply with its wage statement obligations was

knowing and intentional, and Mr. Salas Mondragon and other aggrieved employees have suffered injury as a result.

Unlawful Deductions from Earned Wages

As alleged above, UFP Riverside also made unlawful deductions from Mr. Salas Mondragon's and other aggrieved employees' earned wages for the cost of uniforms in violation of Labor Code §§ 221-223. As alleged above, these deductions are unlawful as they are meant to reimburse UFP Riverside for a business expenses that should have been borne by UFP Riverside. *See* Labor Code §§ 221-223.

Failure to Reimburse Employees for Necessary Business Expenditures

UFP Riverside failed to reimburse Mr. Salas Mondragon and other aggrieved employees for necessary work expenses, including the cost and maintenance of required uniforms. UFP Riverside's policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 7, § 9, and Labor Code §§ 2802 and 2804 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.") Mr. Salas Mondragon and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

As an "aggrieved employee," Mr. Salas Mondragon will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Salas Mondragon's own investigation, and on information and belief, UFP Riverside committed and continues to commit the following Labor Code violations:

- a. UFP Riverside violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Salas Mondragon and other aggrieved employees all overtime compensation earned;
- b. UFP Riverside violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay all required meal period premiums to Mr. Salas Mondragon and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- c. UFP Riverside violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Mr. Salas Mondragon and other aggrieved employees all required rest periods and failing to pay rest period premiums to Mr. Salas Mondragon and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;

- d. UFP Riverside violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Mr. Salas Mondragon and other aggrieved employees at their separation of employment;
- e. UFP Riverside violated Labor Code § 226 by failing to furnish Mr. Salas Mondragon and other aggrieved employees with accurate and compliant itemized wage statements;
- f. UFP Riverside violated Labor Code §§ 221-223, 558 and 1198 by unlawfully deducting earned wages from Mr. Salas Mondragon and other aggrieved employees;
- g. UFP Riverside violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Salas Mondragon and other aggrieved employees for all necessary expenditures incurred;
- h. UFP Riverside violated Labor Code § 204 by failing to pay Mr. Salas Mondragon and other aggrieved employees all wages earned at least twice during each calendar month; and
- i. UFP Riverside violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Salas Mondragon and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and UFP Riverside if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: UFP Riverside, LLC (via certified mail)

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 10/07/2021

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8352 5580 46

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 10/06/2021

ORIGINAL INTENDED RECIPIENT:

UFP RIVERSIDE LLC

C/O: C T CORPORATION SYSTEM

STE 700

330 N BRAND BLVD

GLENDALE CA 91203-2336



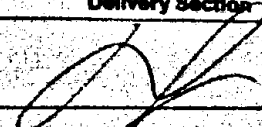
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Date Produced: 10/18/2021

ConnectSuite Inc.:

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Signature	
Printed Name	James L. Haines

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