

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.

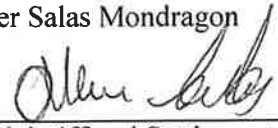
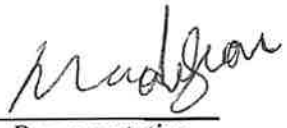
DATED:

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: _____

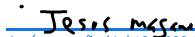
DATED:

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:
