

STIPULATION OF SETTLEMENT AND RELEASE

This Settlement Agreement (“Settlement Agreement”) is made by and between plaintiff Samuel Nudelman (“Plaintiff”) and defendant Heartland Steel Products West LLC (“Defendant”) in connection with the case entitled *Samuel Nudelman, on behalf of all similarly situated and the general public v. Heartland Steel Products West LLC, a California Limited Liability Company; and DOES 1 through 100*, Case No. STK-CV-UOE-2022-0003348 (the “*Nudelman Class Action Lawsuit*”), pending in the Superior Court of the State of California, San Joaquin County. The Agreement refers to Plaintiff and Defendant collectively as “Parties” or individually as “Party.”

Plaintiff is represented by Robert L. Starr, Manny Starr, and Theodore Tang of Frontier Law Center and Janelle Carney of Janelle Carney – Attorney at Law, APC (“Class Counsel”). Defendant is represented by John H. Adams and Nicholas W. McKinney of Littler Mendelson P.C. (“Defense Counsel”).

Procedural History

On or about May 4, 2022, Plaintiff filed his Complaint alleging putative class claims for unpaid wages and overtime compensation, Labor Code section 226 wage statement violations and associated penalties, unfair competition pursuant to Business and Professions Code sections 17200, *et seq.*, failure to reimburse necessary business expenses, improper rounding, failure to provide meal and rest breaks, waiting time penalties, and civil penalties pursuant to the Private Attorneys General Act (“PAGA”). This Complaint followed an February 11, 2022, letter to the Labor and Workforce Development Agency (“LWDA”) to exhaust his remedies pursuant to the Private Attorneys General Act, Labor Code section 2698 *et seq.* alleging that Defendant violated Labor Code sections 201, 202, 226, 226.3, 226.7, 510, 558, 1194, 1194.1, 1197, and 2699 due to purported failure to pay minimum wages and overtime compensation for off-the-clock work and illegal rounding, failure to provide compliant meal and rest breaks, and failure to reimburse business expenses. The LWDA letter also alleged various derivative Labor Code violations, including failure to provide accurate itemized wage statements and wait time penalties.

On May 25, 2022, the Parties to the *Nudelman Class Action Lawsuit* met with mediator Mark S. Rudy, Esq., to attempt to resolve the *Nudelman Class Action Lawsuit*, including the individual claims brought by Samuel Nudelman. The Parties agreed, subject to approval by the Court, to the Settlement of the *Nudelman Class Action Lawsuit*. The Parties further agreed to enter into this Settlement Agreement to memorialize their settlement of the *Nudelman Class Action Lawsuit*.

Accordingly, in consideration of the promises and warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth below, Plaintiff, individually and as a representative of the *Nudelman Class Action Lawsuit*, and Defendant agree that the *Nudelman Class Action Lawsuit* is finally and fully compromised and settled on the following terms and conditions:

Definitions

1. **Approval Hearing** means the Court's hearing on the Motion for Approval of the Settlement.
2. **Court** means the Superior Court of California, County of San Joaquin.
3. **Effective Date of the Settlement** means the date on which the Court's order approving the settlement and its entry of judgment become Final (the "Effective Date"). "Final" shall mean the latest of: (i) if there is an appeal of the Court's judgment, the date the order and judgment approving the settlement are affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court; (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the order and judgment approving the settlement are affirmed pursuant to such petition; or (iii) if no objection or motion for intervention is filed prior to Final Approval, then the date the court approves the settlement and enters judgment.
4. **Final Approval** means the Court's entry of a Final Order approving the Settlement.
5. **Gross Settlement Amount** means One Million Thirty Two Thousand Five Hundred and Zero Cents (\$1,032,500.00), which includes all attorneys' fees and costs/expenses petitioned by Class Counsel; any enhancement award; costs of administration of the Settlement; and payment for settlement of Plaintiff's individual claims including the individual PAGA claims asserted in his letter to the LWDA. In no event shall Defendant be liable for the payment of any amounts exceeding the Gross Settlement Amount with the exception of the employer's share of payroll taxes due and payable as a result of this Settlement, which shall be paid separately from the Gross Settlement Amount.
6. **Judgment** means the judgment entered by the Court based upon Final Approval.
7. **Nudelman Class Action Lawsuit** means the lawsuit alleging wage and hour violations against Defendant captioned *Samuel Nudelman, individually and on behalf of all similarly situated individuals v and the general public v. Heartland Steel Products West LLC, a California Limited Liability Company; and DOES 1 through 100, , San Joaquin County Superior Court, Case No. Case No. STK-CV-UOE-2022-0003348*.
8. **Nudelman Class Action Settlement Agreement** means and refers to the instant settlement agreement intended to settle the claims in the *Nudelman Class Action Lawsuit*.
9. **Nudelman Settlement Class** means all non-exempt hourly employees who worked for Defendant in California at least one (1) day at any time from May 4, 2018 through August 23, 2023, .
10. **Nudelman Settlement Class Period** means the time period from May 4, 2018, through August 23, 2023.

11. **Motion for Final Approval** means Plaintiff's submission of a written motion, including any evidence as may be required for the Court to conduct an inquiry into the fairness of the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and to enter a Final Order in this Action.

12. **Motion for Preliminary Settlement Approval** means Plaintiff's submission of a written motion, including any evidence as may be required for the Court to grant preliminary approval of the Settlement as required by Rule 3.769 of the California Rules of Court.

13. **MOU** means and refers to the Memorandum of Understanding previously entered into between the Parties.

14. **Net Settlement Amount** means the Gross Settlement Amount less the amounts awarded by the Court for attorneys' fees, costs, enhancement award to Named Plaintiff, and claims administrator costs.

15. **Notice Period** means the forty-five (45) days from the mailing of the class settlement notice for members of the *Nudelman* Settlement Class to submit their objection or opt out to the settlement to the Settlement Administrator.

16. **Plaintiff** means Samuel Nudelman, the named plaintiff in the Action.

17. **Qualified Settlement Class Member** means any Settlement Class Member who does not opt out of the Settlement.

18. **Qualifying Workweeks** means the number of weeks Settlement Class Members worked for Defendant in California as non-exempt hourly employees during the *Nudelman* Settlement Class Period.

19. **Release End Date** means the period that will end either on the date the *Nudelman* Class Action Lawsuit Settlement receives Preliminary Approval or August 23, 2023, whichever is sooner.

20. **Released Claims** means the claims being released as described in Section B below.

21. **Released Parties** means Defendant; its present, former, or future parent and/or corporations; each of the foregoing's present, former, or future owners, officers, directors, members, shareholders, partners, employees, insurers, successors, predecessors, and managing agents; and any and all agents, legal representatives, or/or attorneys of all of the foregoing entities or individuals.

22. **Representative Enhancement** means the amount approved by the Court, not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), for Plaintiff's efforts to represent the alleged aggrieved employees and in exchange for his general release of all claims in favor of the Released Parties.

23. **Settlement** means the disposition of the *Nudelman* Class Action Lawsuit effected

by this Settlement Agreement and the Judgment.

24. **Settlement Administrator** means RUST Consulting.

25. **Settlement Class Member** means any individual who is a member of the *Nudelman* Settlement Class.

Terms

A. Settlement Class Members

For purposes of this Settlement Agreement only, the Parties stipulate that any individual who is a member of the *Nudelman* Settlement Class is a Settlement Class Member.

The putative class members are as follows: approximately 239 Hourly Employees who worked approximately 20,650 workweeks in aggregate during the *Nudelman* Settlement Class Period.

B. Release

Upon Final Approval, and subject to Defendant's payment of all sums required herein, the claims released by the Qualified Settlement Class Members will include the Claims set forth in the *Nudelman* Class Action Lawsuit for periods of time during employment with Defendant in California as non-exempt hourly employees during the *Nudelman* Settlement Class Period, including, but not limited to:

1. Failure to pay all minimum and overtime wages due; failure to provide meal and rest breaks and/or associated premiums; failure to reimburse necessary business expenses; knowing and intentional failure to comply with itemized employee wage statement provisions; violation of Business and Professions Code §§ 17200-17208, *et seq.*; and those state or federal claims (FLSA) predicated on the same or similar facts and/or allegations in the *Nudelman* Class Action Lawsuit, including claims for interest, and penalties (including but not limited to waiting time penalties), as well as any claims under the California Labor Code, specifically for violations of Labor Code sections 201-202, 201.3, 201.5, 201.6, 201.9, 226(a), 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(9), 226(e), 226(h), 226.3, 510, 558, 1194, and 1194.2;
2. Any claims for injunctive relief, declaratory relief, restitution that have been alleged or that could have been alleged under the facts, allegations and/or claims pleaded in the Complaint filed as part of the *Nudelman* Class Action Lawsuit.

Released Parties include Defendant and any of its past, present and future direct or indirect parents, subsidiaries, predecessors, successors, as well as each of their past, present and future

officers, directors, employees, partners, members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with Defendant.

In addition, as to the claims of Named Plaintiff, the Released Claims further include, for the duration of the *Nudelman* Settlement Class Period through the Effective Date, without limitation, any and all claims whatsoever regarding Named Plaintiff's respective employment, including, but not limited to his individual PAGA claims pursuant to the correspondence sent to the LWDA on February 11, 2022, any claims for wages, bonuses, severance pay, vacation pay, penalties, employment benefits, , violation of any personnel policy, any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, or damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied, any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of negligence, any theory of retaliation, any legal restriction on any Defendant's right to terminate the employment relationship, or any federal, state, or other governmental statute, executive order, regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided by law. Named Plaintiff shall be deemed to have, and by operation of the Judgment shall have, expressly waived and relinquished to the fullest extent permitted by law the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law that purports to limit the scope of a general release. Named Plaintiff, for himself, has read Section 1542 of the Civil Code of the State of California, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH 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.

Plaintiff understands that Section 1542 gives the right not to release existing claims of which he is not now aware, unless Plaintiff voluntarily chooses to waive this right. Having been so apprised, Plaintiff nevertheless voluntarily waives the rights described in Section 1542, and elects to assume all risks for claims that now exist in his favor, known or unknown. The release of the claims of Plaintiff as set forth in this Paragraph is a condition precedent to the Settlement Agreement.

Named Plaintiff shall release all of his individual claims, including his individual PAGA claims, with prejudice. The Released Claims expressly exclude any PAGA claims for aggrieved employees other than the Named Plaintiff, and such claims will be dismissed without prejudice upon Final Approval of the Settlement.

3. Each PAGA Representative Action Member, irrespective of whether he or she opts out of the settlement, shall be deemed to release the Released Parties from any and all claims, known or unknown, for civil penalties under California Labor Code section 2698 et seq. (PAGA) that: were asserted in any and/or all

of the complaints in the Action and/or any of Plaintiff's letters to the LWDA (including any subsequently amended complaints or letters) or that could have been asserted based on the facts alleged therein. This release includes, but is not limited to, claims for PAGA civil penalties premised on: Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 510, 512, 558, 1174, 1174.5, 1194, 1197, and 1198; failure to pay overtime; failure to pay for all hours worked/compensation due for services; calculation of the regular rate of pay, including failure to include all remuneration into the regular rate for overtime, meal period premiums; failure to provide meal periods; failure to pay meal period premiums, including the calculation of the meal period premium pay; failure to provide accurate itemized wage statements; and failure to timely pay wages at termination; The release shall run through August 23, 2023.

C. Gross Settlement Amount

As consideration for the Released Claims, Defendant agrees to fund and the Settlement Administrator shall distribute these funds as follows:

1. Defendant agrees to pay the Gross Settlement Amount to resolve the *Nudelman* Class Action Lawsuit. This Gross Settlement Amount includes payment for settlement of Plaintiff's individual claims, including the individual PAGA claims asserted in his letter to the LWDA. With the exception of Defendant's share of employment taxes, which shall be paid separately by Defendant, the Gross Settlement Amount will include all payments to be made to each Settlement Class Member, attorneys' fees, costs approved by the Court, fees to be paid to a settlement administrator, and the enhancement award to Named Plaintiff. In no event shall Defendant be liable for the payment of any amounts exceeding the Gross Settlement Amount with the exception of the employer's share of payroll taxes due and payable as a result of this Settlement, which shall be paid separately from the Gross Settlement Amount;
2. The Gross Settlement Amount, less proposed attorneys' fees, costs, enhancement award to Named Plaintiff, and claims administrator costs, shall constitute the "Net Settlement Amount." The Net Settlement Amount will be distributed to all Qualified Settlement Class Members. There will be no claims process and no reversion to Defendant.
3. Within twenty (20) calendar days of the Effective Date, Defendant shall transfer to the Settlement Administrator an amount equal to the Gross Settlement Amount plus the employer's share of payroll taxes.
4. Once Defendant has deposited the Gross Settlement Amount and associated payroll taxes with the Settlement Administrator and provided to it all class data required hereunder, it will be deemed to have satisfied all terms and

conditions under this Settlement Agreement, shall be entitled to all protections afforded to Defendant under this Settlement Agreement, and shall have no further obligations under the terms of the Settlement Agreement regardless of what occurs with respect to those sums. Additionally, no Released Party shall have any further obligation or liability to the Plaintiff or Qualified Settlement Class Members under this Settlement Agreement.

D. Attorneys' Fees and Expenses, Enhancement Award and Distribution of the Settlement Amount

1. Attorneys' Fees and Costs

Class Counsel may petition the Court for attorneys' fees not to exceed Three Hundred Forty-Four Thousand One Hundred Sixty-Seven Dollars and Sixty Seven Cents (\$344,167.67) and actual costs and expenses incurred in the Action not to exceed Twenty Thousand Dollars (\$20,000), subject to approval by the Court. Attorneys' fees shall be inclusive of all fees in this matter. Defendant agrees not to object to Class Counsel's fees and reasonable costs/expenses as stated herein and as approved by the Court, each of which shall be paid from the Gross Settlement Amount. Any reduction by the Court of Class Counsel's claimed attorneys' fees and/or reasonable costs/expenses shall not be sufficient grounds to void the Settlement. The payments to Class Counsel shall be reported on an IRS Form 1099.

2. Representative Enhancement

Defendant agrees not to object to an enhancement award to the Named Plaintiff from the Gross Settlement Amount. Subject to the Court's approval, the amount of the enhancement award will not exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00). The enhancement award shall not be deemed wages and will be reported on an IRS Form 1099 misc., if applicable. Any enhancement award awarded by the Court will be paid from the Gross Settlement Amount. The reduction by the Court of the proposed enhancement award shall not be grounds to void the Settlement Agreement.

3. Settlement Distribution

Qualified Class Members shall be those Settlement Class Members who will receive a share of the Net Settlement Amount. The Settlement Payment to each of the Qualified Class Members shall be determined based on the number of Qualifying Workweeks during which that Qualified Class Member was employed and worked in California during the *Nudelman* Settlement Class Period. The Net Settlement Amount shall be divided by the total number of Qualifying Workweeks for all Qualified Class Members while employed in California during the *Nudelman* Settlement Class Period. The result of this division shall yield a Settlement Payment Rate ("SPR"). The gross amount of each Qualified Class Member's Settlement Payment shall be calculated by multiplying the number of Qualifying Workweeks the Qualified Class Member was employed and worked in California during the *Nudelman* Class Period by the SPR. Governmentally required

employee tax withholdings shall be deducted from that portion of each Settlement Payment allocated as wages.

In calculating Settlement Payments for each Qualified Class Member, Defendant's records and reasonable calculation regarding Qualifying Workweeks of Class Members shall be deemed presumptively valid, subject to challenge by the Qualified Class Member with supporting documentation or otherwise. Defendant shall research any challenged discrepancy and proffer evidence to rebut it, if appropriate. The Parties shall attempt to resolve amongst themselves any challenges to Qualifying Workweek calculations, and the Court shall make a final determination if the Parties cannot agree to a resolution.

Individual settlement payments to Qualified Class Members shall be allocated 20% as wages, to be reported on an IRS Form W-2, and 80% as penalties and interest (split evenly), to be reported on an IRS Form 1099. Qualified Settlement Class Members shall be responsible for the proper payment of the employee's taxes on all Settlement Payments and any tax withholding and deductions shall be deducted from any settlement payments hereunder as required by law and paid from the Net Settlement Amount.

\$50,000.00 of the GSA will be allocated to PAGA penalties under Labor Code § 2699, of which \$37,500.00 (75%) will be sent to the LWDA and the remaining \$12,500.000 (25%) will be allocated to PAGA Representative Aggrieved Employees.

E. Settlement Administrator

The Settlement Administrator expenses subject to Court Approval shall not exceed \$12,000.00 to administer the Settlement. The payment to the Settlement Administrator shall be reported on an IRS Form 1099.

F. Motions for Preliminary and Final Approval of the Settlement

Upon execution of this Settlement Agreement, Plaintiff shall apply to the Court for the entry of an Order granting Preliminary Approval, including the following:

1. Preliminarily approving Class Counsel's request for attorneys' fees and costs;
2. Preliminarily approving Class Counsel's request for an enhancement to Plaintiff;
3. Preliminarily approving RUST Consulting as Settlement Administrator and expenses for settlement administration not to exceed \$12,000.00;
4. Authorizing that Notice be sent to the Settlement Class; and

5. Scheduling a date and time for the Motion for Final Approval.

Following entry of the Order granting Preliminary Approval and after notice has been given to the Settlement Class, giving its members the opportunity to participate in, opt out from, or object to the Settlement, the Court shall conduct a Final Approval Hearing, at which the Plaintiff will apply to the Court for entry of an Order of Judgment:

6. Approving Class Counsel's request for attorneys' fees and costs;
7. Approving Class Counsel's request for an enhancement to Plaintiff;
8. Approving RUST Consulting as Settlement Administrator and expenses for settlement administration not to exceed \$12,000.00; and
9. Approving this Settlement Agreement and its terms, including but not limited to:
 - (a) Entering judgment fully and finally releasing and discharging the Released Parties as to PAGA Members and the LWDA and forever barring and enjoining the assertion of the Released Claims as to all such PAGA Members and the LWDA, as detailed herein, consistent with this Agreement, including the Release set forth in Section B above.

G. Settlement Administration Procedures

1. No later than twenty-one (21) calendar days after preliminary approval by the Court of this Settlement, Defendant shall provide the Settlement Administrator with a database containing the following information: (1) the full name, last known address and full social security number of all Settlement Class Members; and (2) the information necessary to determine the estimated settlement allocation to each Settlement Class Member, including without limitation, the total number of Qualifying Workweeks.
2. The Settlement Administrator shall mail class settlement notice, substantially in the form attached hereto as **Exhibit A**, to all Settlement Class Members. Prior to mailing the class settlement notice, the Settlement Administrator will run a National Change of Address ("NCOA") search. If a class settlement notice is returned because of an undeliverable address without a forwarding address, the Settlement Administrator shall conduct a skip trace to locate a correct address. Once the Settlement Administrator locates a new address, it will mail the class settlement notice to the new address and the member of the Settlement Class shall have an additional 15 calendar days from the date of re-mailing to object, opt-out or dispute workweeks.

3. Settlement Class Members will have forty-five (45) days from the mailing of the class settlement notice (the "Notice Period") to submit a request for exclusion, a workweek dispute, or an objection to the settlement to the Settlement Administrator.

- a. Any Qualified Class Member may object to the settlement in writing. Written objections must be mailed to the Settlement Administrator and postmarked no later than the last day of the Notice Period. The Settlement Administrator shall email a copy of any objections received forthwith to Defense Counsel and Class Counsel shall lodge a copy of the objection with the Court at the time they file their Motion for Final Approval.
- b. Any Class Member may exclude him or herself from (i.e., opt-out of) the Settlement Class by submitting a written request for exclusion to the Settlement Administrator, postmarked no later than the last day of the Notice Period. To be valid, exclusion requests must state the Class Member's name and address, the last four digits of their social security number, state that they wish to opt out of the settlement and be signed and dated by the Class Member. In the event of a deficient opt-out request, the Settlement Administrator shall promptly give notice by mail to the class member so that they may correct any deficiencies.
- c. Any Settlement Class Member may dispute the number of workweeks stated on his or her settlement class notice by submitting a written dispute to the Settlement Administrator, postmarked no later than the last day of the Notice Period. Disputes should include the basis for the dispute, including documentation to substantiate the dispute. The Parties agree that if any Settlement Class Member disputes the basis for determining their share of the Net Settlement Amount, Defendant's records shall presumptively control. The Parties further agree that any dispute that cannot be resolved by Settlement Class Counsel and Defendant's counsel may be brought before the Court prior to the court's final approval of the *Nudelman* Class Action Lawsuit settlement.

4. The Settlement Administrator shall mail individual settlement payment checks to Qualified Settlement Class Members no later than ten (10) calendar days after Defendant funds the Settlement. No later than that date, it shall transmit the award of attorneys' fees and costs to Class Counsel, the enhancement award to the Plaintiff, and pay itself all fees actually incurred, in the amounts approved by the Court.

5. A Qualified Settlement Class Member must cash his or her individual settlement payment check within 180 calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Qualified Settlement Class Member at his or her correct address. The Settlement Administrator will then transmit said funds to the State of California State Controller's Office Unclaimed Property Fund, in the Qualified

Settlement Class Member's name to be held as unclaimed property for the Qualified Settlement Class Member. In such event, the Qualified Settlement Class Member will nevertheless remain bound by the Settlement Agreement and the releases contained herein.

6. Escalator Clause: Defendant understands and believes there were no more than 20,650.00 workweeks through May 25, 2023. If it is determined that the actual number of workweeks through May 25, 2023 exceeds 20,650 by more than ten percent (10%) (i.e., exceeds 20,650 by more than 2,065), then, Defendant shall have the option of either: (a) closing the release period on the date the Class Members reach the ten percent (10%) threshold, or (b) increasing the GSA by the percentage difference beyond the ten percent (10%) between the certified amount of 20,650 and the actual number of workweeks.

H. Voiding Agreement / Terminating Settlement

1. Plaintiff or Defendant may terminate the Settlement Agreement if after submitting the settlement for approval to the Court, any Court declines to enter the preliminary approval order, the final approval order, or judgment in substantially the forms submitted by the Parties, or if an appeal opposing the judgment is not ultimately dismissed or denied. The terminating Party shall give to the other Party (through his/their/its counsel) written notice of the decision to terminate no later than fourteen (14) calendar days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

- (a) The previously agreed-to MOU and this Settlement Agreement shall be terminated and shall have no force or effect, and no Party shall be bound by any of its terms.
- (b) In the event the Settlement Agreement is terminated, Defendant shall have no obligation to make any payments to any party, Settlement Class Member, or attorney. If there are any fees incurred by the Settlement Administrator and the settlement is terminated by Defendant, Defendant shall solely be responsible for any costs and fees incurred by the Settlement Administrator.
- (c) The preliminary approval order, final approval order and judgment shall be vacated.
- (d) The Stipulation of Settlement and all negotiations, statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions prior to the Settlement.
- (e) Except as otherwise discoverable, neither this Settlement Agreement, the previously agreed-to MOU nor any ancillary documents, actions, statements or filings in furtherance of settlement (including all matters associated with the mediation) shall be admissible or offered into

evidence in the *Nudelman* Class Action Lawsuit or any other action for any purpose whatsoever.

2. If 10% or more Settlement Class Members timely opt out of the class settlement, Defendant shall have the sole and absolute discretion to rescind/void the Settlement Agreement within fifteen (15) calendar days after receiving from the Settlement Administrator the final list of opt-outs. Defendant agrees to meet and confer in good faith with Class Counsel before rescinding or voiding the Settlement Agreement. In the event that Defendant elects to rescind/void the Settlement Agreement, Defendant shall provide written notice of such rescission to Class Counsel. Such rescission shall have the same effect as a termination of the Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null and void and have no further force or effect. In the event Defendant rescinds the Settlement, Defendant shall be solely responsible for any fees and costs incurred by the Settlement Administrator. PAGA employees have no right to opt out of the PAGA portion of the settlement.

I. Confidentiality

Plaintiff, Class Counsel, and Defense Counsel will not make any public disclosure of the Settlement until the filing of the Motion for Preliminary Settlement Approval. Plaintiff and Class Counsel represent that they have not made any disclosures that are contrary to the terms of the previously agreed-to MOU and the Settlement Agreement. Class Counsel will take all steps necessary to ensure that Plaintiff is aware of, and will encourage him to adhere to, the restriction against any public disclosure of the Settlement until after the Motion for Preliminary Approval is filed with the Court. Thereafter, Plaintiff and Class Counsel agree not to publicize the terms of this Settlement with the media, including but not limited to, any newspaper, journal, magazine, website and/or online reporter of settlements or on any website.

J. Non-Admission of Liability

Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract, violated or breached any duty; or engaged in any misrepresentation or deception. The Parties agree that the Court has not conducted an evaluation as to certification of the class claims. Defendant denies all liability for the claims alleged in the *Nudelman* Class Action Lawsuit and that any Settlement Class Member is owed any damages or penalties, or is entitled to any relief arising from the alleged claims. The Parties have 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. The Parties consent to the continuing jurisdiction of the Court for the purposes of enforcement of the Settlement, pursuant to California Code of Civil Procedure section 664.6.

K. Warranties and Representations

Each of the Parties to this Settlement Agreement and or their agent covenants and warrants that (a) they have full power and authority to enter into and consummate all transactions contemplated by this Settlement Agreement and have duly authorized the execution, delivery and performance of this Settlement Agreement; (b) the person executing this Settlement Agreement has the full right, power and authority to enter into this Settlement Agreement on behalf of the party for whom he/she has executed this Settlement Agreement, and the full right, power and authority to execute any and all necessary instruments in connection herewith, and to fully bind such party to the terms and obligations of this Settlement Agreement; and (c) they acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Gross Settlement Amount and that Defendant may distribute funds to the Qualified Settlement Class Members, Class Counsel, and the Plaintiff as provided by this Settlement Agreement.

L. 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 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.

M. Res Judicata

Plaintiff agrees that the Released Parties can assert this Settlement Agreement and the Order of Approval and Judgment as a defense to any future claims for any Released Claims alleged to have occurred during the *Nudelman* Settlement Class Period. The Parties intend this settlement and the resulting judgment to have claim preclusive effect, issue preclusive effect, estoppel effect and to otherwise bar an action to the fullest extent permissible under applicable law.

N. Enforcement Action

In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties is/are entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

O. Notices to Counsel

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: John H. Adams
jhadams@littler.com
Nicholas W. McKinney
nmckinney@littler.com
Littler Mendelson P.C.
500 Capitol Mall, Suite 2000
Sacramento, CA 95814

if to Plaintiff: Janelle Carney
Janelle@JanelleCarneyLaw.com
Janelle Carney-Attorney At Law, APC
14758 Pipeline Ave., Suite E
Chino Hills, CA 91709

Theodore Tang
Theodore@frontierlawcenter.com
Frontier Law Center
23901 Calabasas Road, #2074
Calabasas, CA 91302

P. Binding Agreement

This Agreement shall be binding and shall inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal representatives.

Q. Ongoing Cooperation

The Parties shall support the Settlement, execute all documents and take such steps as are reasonably necessary to effectuate the Settlement and the terms of this Settlement Agreement.

R. Governing Law

This Settlement Agreement shall be interpreted, construed, enforced, and administered in accordance with the laws of the State of California.

S. Severability

The Parties to this Settlement Agreement agree, covenant, and represent that each and every provision of this Settlement Agreement shall be deemed to be contractual, and that they shall not be treated as mere recitals at any time or for any purpose. Therefore, the Parties further agree, covenant, and represent that each and every provision of this Settlement Agreement shall be considered severable, except for the release provisions of Section B of this Agreement. If a court of competent jurisdiction finds the release provisions of Section B of this Settlement Agreement to be unenforceable or invalid as against a Qualified Settlement Class Member, then this Settlement Agreement shall become voidable by Defendant, at Defendant's election, but still subject to Defendant's obligation in Section Q to cooperate in good faith to make such changes

and to seek approval of an amended Settlement Agreement. If a court of competent jurisdiction finds any provision, other than the release provisions of Section B, or part thereof to be invalid or unenforceable for any reason, that provision, or part thereof, shall be severed from the Settlement Agreement, and all of the remaining provisions of this Settlement Agreement shall remain in full force and effect.

T. 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.

U. Counterparts

This Settlement Agreement may be executed by one or more 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.

V. Captions

The captions and headings in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Settlement Agreement.

W. Mutual Preparation of Agreement

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

IT IS SO AGREED.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Agreement as of the date(s) set forth below.

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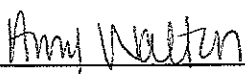
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Dated: September 7, 2023

HEARTLAND STEEL PRODUCTS WEST, LLC

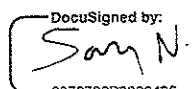
By: 
Name: PETER BETWENGER
Title: CFO

Dated: September 7, 2023

By: 
Name: Amy Walton
Title: Director of Human Resources

Dated: 8/14/2023, 2023

SAMUEL NUDELMAN

By: 
Plaintiff and Class Representative

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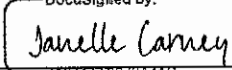
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APPROVED AS TO FORM:

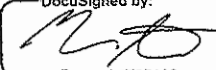
JANELLE CARNEY – ATTORNEY AT LAW

Dated: 8/16/2023, 2023

DocuSigned by:

7A3414A0973A41C...
Janelle Carney
Counsel for Plaintiff Samuel Nudelman

FRONTIER LAW CENTER

Dated: 8/17/2023, 2023

DocuSigned by:

82F9DC8A8E854A6...
Manny Starr
Counsel for Plaintiff Samuel Nudelman

LITTLER MENDELSON P.C.

Dated: 9/08, 2023



John H. Adams
Nicholas W. McKinney
Counsel for Defendant
Heartland Steel Products West, LLC

Exhibit A

Robert L Starr, Esq. (Bar No. 183052)
robert@frontierlawcenter.com
Manny Starr, Esq. (Bar No. 319778)
manny@frontierlawcenter.com
Theodore Tang, Esq. (Bar No. 313294)
Theodore@frontierlawcenter.com
FRONTIER LAW CENTER
23901 Calabasas Road, #2074
Calabasas, CA 91302
Telephone: (818) 914-3433/ Fax: (818) 914-3433

COUNTY OF SAN JOAQUIN

**NOTICE OF CLASS ACTION
SETTLEMENT AND HEARING DATE
FOR FINAL COURT APPROVAL**

NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

**NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL**

Nudelman v. Heartland Steel Products West, LLC

San Joaquin Superior Court Case No. STK-CV-UOE-2022-0003348

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendant, Heartland Steel Products West, LLC (hereinafter collectively referred to as "Defendants" or "HSP") for alleged wage and hour violations. The Action was filed by Samuel Nudelman, a former employee of Defendant.

Plaintiff seeks payment of unpaid wages and overtime compensation, waiting time penalties, and civil penalties pursuant to the Private Attorneys General Act ("PAGA"), for a class of non-exempt hourly employees who worked for Defendant in California at least one (1) day at any time from May 4, 2018 through August 23, 2023.

Based on Defendants' records, and the Parties' current assumptions, **your Settlement Payment is estimated to be \$ _____ (less withholding).** The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on Defendant's records showing that **you worked _____ Qualifying Workweeks** during the Settlement Class Period. If you believe that you worked more workweeks during the Settlement Class Period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Settlement Class Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for a Settlement Payment. As a Participating Class Member, though, you will give up your right to assert Settlement Class Period wage claims against Defendant.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive a Settlement Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant. ***You cannot opt-out of the PAGA portion of the proposed Settlement.***

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for a Settlement Payment. In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.
The Opt-out Deadline is (45 days)	You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement.

1 2 3	Settlement Written Objections Must be Submitted by _____ (45 days)	
4 5 6 7 8	You can Participate in the _____ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
9 10 11 12 13 14	You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your Settlement Payment (if any) depends on how many workweeks you worked during the Settlement Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendants' records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay all wages and overtime compensation, Labor Code section 226 wage statement violations and associated penalties, unfair competition pursuant to Business and Professions Code sections 17200, *et seq.*, failure to reimburse necessary business expenses, improper rounding, failure to provide meal and rest breaks, waiting time penalties, and civil penalties pursuant to the Private Attorneys General Act ("PAGA"). Plaintiff is represented by attorneys in the Action: Janelle Carney of Janelle Carney – Attorney at Law, APC, and Manny Starr and Theodore Tang of Frontier Law Center. ("Class Counsel.")

Defendant strongly denies violating any laws or failing to pay any wages and contend they complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the

1 merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort
2 to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than
3 continuing the expensive and time-consuming process of litigation. The negotiations were
4 successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing
5 to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement,
6 Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final
7 Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By
8 agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

9 Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because
10 they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount
11 considering the strength of the claims and the risks and uncertainties of continued litigation; and (2)
12 Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court
13 preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this
14 Notice, and scheduled a hearing to determine Final Approval.

15 **3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?**

16 1. Defendant Will Pay \$1,032,500.00, as the Gross Settlement Amount (Gross
17 Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the
18 Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the
19 Individual Class Payments, Class Representative Enhancement, Class Counsel’s attorney’s fees and
20 expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and
21 Workforce Development Agency (“LWDA”).

22 Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement
23 within 20 days after the Judgment entered by the Court become final. The Judgment will be final
24 on the date the Court enters Judgment, or a later date if Participating Class Members object to the
25 proposed Settlement or the Judgment is appealed.

26 2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing,
27 Plaintiff and/or Class Counsel will ask the Court to approve the following deductions
28 from the Gross Settlement, the amounts of which will be decided by the Court at the
Final Approval Hearing:

- 1 A. Up to \$344,167.67 to Class Counsel for attorneys' fees and up to \$20,000.00
2 for their litigation expenses. To date, Class Counsel have worked and
3 incurred expenses on the Action without payment.
- 4 B. Class Representative Enhancement of up to \$7,500.00 to the Class
5 Representative for filing the Action, working with Class Counsel and
6 representing the Class. A Class Representative Award will be the only
7 monies Plaintiff will receive other than Plaintiff's Settlement Payment.
- 8 C. Up to \$12,000.00 to the Administrator, Rust Consulting, for services
9 administering the Settlement.
- 10 D. Up to \$50,000.00 for PAGA Penalties, allocated 75% (\$37,500) to the
11 LWDA PAGA Payment and 25% (\$12,500) in Individual PAGA
12 Payments to the Aggrieved Employees based on their PAGA Period Pay
13 Periods. Participating Class Members have the right to object to any of
14 these deductions. The Court will consider all objections.

15 3. Net Settlement Distributed to Class Members. After making the above deductions in
16 amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement
17 (the "Net Settlement") by making Individual Class Payments to Participating
18 Class Members based on their Class Period Workweeks.

19 4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the
20 Court to approve an allocation of 20% of each Class Settlement Payment to taxable wages ("Wage
21 Portion") and 80% to [e.g., interest, etc.] ("Non-Wage Portion."). The Wage Portion is subject to
22 withholdings and will be reported on IRS W-2 Forms.

23 Defendant will separately pay employer payroll taxes it owes on the Wage Portion outside
24 the gross settlement fund. The Individual PAGA Payments are counted as penalties rather than
25 wages for tax purposes. The Administrator will report the Individual PAGA Payments and the
26 Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms. It will be your
27 responsibility to pay any tax owing on these amounts.

28 Although Plaintiff and Defendants have agreed to these allocations, neither side is giving
 you any advice on whether your Payments are taxable or how much you might owe in taxes.

1 You are responsible for paying all taxes (including penalties and interest on back taxes)
2 on any Payments received from the proposed Settlement. You should consult a tax
3 advisor if you have any questions about the tax consequences of the proposed Settlement.

4 5. Need to Promptly Cash Payment Checks. The front of every check issued for Class
5 Settlement Payments and Individual PAGA Payments will show the date when the check
6 expires (the void date). If you don't cash it by the void date, your check will be automatically
7 cancelled, and the monies will be deposited with the California Controller's Unclaimed Property
8 Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed
9 Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

10 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as
11 a Participating Class Member, participating fully in the Class Settlement, unless you notify
12 the Administrator in writing, not later than _____, that you wish to opt-out. The easiest
13 way to notify the Administrator is to send a written and signed Request for Exclusion by the
14 _____ Response Deadline. The Request for Exclusion should be a letter from a Class
15 Member or his/her representative setting forth a Class Member's name, present address, telephone
16 number, and a simple statement electing to be excluded from the Settlement. Excluded Class
17 Members (i.e., Non-Participating Class Members) will not receive Class Settlement Payments, but
18 will preserve their rights to personally pursue wage and hour claims against Defendants.

19 You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude
20 themselves from the Class Settlement (Non-Participating Class Members) remain eligible
21 for Individual PAGA Payments and are required to give up their right to assert PAGA
22 claims against Defendants based on the PAGA Period facts alleged in the Action.

23 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is
24 possible the Court will decline to grant Final Approval of the Settlement or decline to enter a
25 Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff
26 and Defendants has agreed that, in either case, the Settlement will be void: Defendant will not pay
27 any money and Class Members will not release any claims against Defendant.

28 8. Administrator. The Court has appointed a neutral company, Rust Consulting, Inc.
(the "Administrator") to send this Notice, calculate and make payments, and process Class

1 Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges
2 over Workweeks, mail and remail settlement checks and tax forms, and perform other tasks
3 necessary to administer the Settlement. The Administrator's contact information is contained in
4 Section 9 of this Notice.

5 9. Participating Class Members' Release. After the Judgment is final and Defendant
6 has fully funded the Gross Settlement and separately paid all employer payroll taxes,
7 Participating Class Members will be legally barred from asserting any of the claims
8 released under the Settlement. This means that unless you opted out by validly excluding
9 yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any
10 other lawsuit against Heartland Steel Products West, LLC, or related entities for wages based on
11 the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action
12 and resolved by this Settlement.

13 The Participating Class Members will be bound by the following release:

14 Upon Final Approval, and subject to Defendant's payment of all sums required
15 herein, the claims released by the Qualified Settlement Class Members will include
16 the Claims set forth in the Nudelman Class Action Lawsuit for periods of time
17 during employment with Defendant in California as non-exempt hourly employees
18 during the Nudelman Settlement Class Period, including, but not limited to:

19 Failure to pay all minimum and overtime wages due; failure to provide meal and rest
20 breaks and/or associated premiums; failure to reimburse necessary business
21 expenses; knowing and intentional failure to comply with itemized employee wage
22 statement provisions; violation of Business and Professions Code §§ 17200-17208,
23 et seq.; and those state or federal claims (FLSA) predicated on the same or similar
24 facts and/or allegations in the Nudelman Class Action Lawsuit, including claims for
25 interest, and penalties (including but not limited to waiting time penalties), as well
26 as any claims under the California Labor Code, specifically for violations of Labor
27 Code sections 201-202, 201.3, 201.5, 201.6, 201.9, 226(a), 226(a)(1), 226(a)(2),
28 226(a)(5), 226(a)(9), 226(e), 226(h), 226.3, 510, 558, 1194, and 1194.2;

Any claims for injunctive relief, declaratory relief, restitution that have been alleged
or that could have been alleged under the facts, allegations and/or claims pleaded in
the Complaint filed as part of the Nudelman Class Action Lawsuit.

Released Parties include Defendant and any of its past, present and future direct or
indirect parents, subsidiaries, predecessors, successors and affiliates, as well as each
of their past, present and future officers, directors, employees, partners, members,
shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity
which could be jointly liable with Defendant.

1 **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

2 A. Qualified Class Members shall be those Settlement Class Members who will receive
3 a share of the Net Settlement Amount. The Settlement Payment to each of the Qualified Class
4 Members shall be determined based on the number of Qualifying Workweeks during which that
5 Qualified Class Member was employed and worked in California during the *Nudelman* Settlement
6 Class Period. The Net Settlement Amount shall be divided by the total number of Qualifying
7 Workweeks for all Qualified Class Members while employed in California during the *Nudelman*
8 Settlement Class Period. The result of this division shall yield a Settlement Payment Rate ("SPR").
9 The gross amount of each Qualified Class Member's Settlement Payment shall be calculated by
10 multiplying the number of Qualifying Workweeks the Qualified Class Member was employed and
11 worked in California during the *Nudelman* Class Period by the SPR. Governmentally required
12 employee tax withholdings shall be deducted from that portion of each Settlement Payment
13 allocated as wages.

14 B. Workweek/Pay Period Challenges. The number of Class Workweeks you worked
15 during the Class Period and the number of PAGA Pay Periods you worked during the PAGA
16 Period, as recorded in Defendant's records, are stated in the first page of this Notice. You
17 have until _____ to challenge the number of Workweeks and/or Pay Periods
18 credited to you. You can submit your challenge by signing and sending a letter to the
19 Administrator via mail. (See Section 9 of this Notice for the Administrator's contact information.)

20 You need to support your challenge by sending copies of pay stubs or other records. The
21 Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on
22 Defendants' records as accurate unless you send copies of records containing contrary information.
23 You should send copies rather than originals because the documents will not be returned to you.
24 The Administrator will resolve Workweek and/or Pay Period challenges based on your submission
25 and on input from Class Counsel (who will advocate on behalf of Participating Class Members)
26 and Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise
27 challenge its final decision.

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1 **5. HOW WILL I GET PAID?**

2 1. Participating Class Members. The Administrator will send, by U.S. mail, a single
3 check to every Participating Class Member (i.e., every Class Member who doesn't opt-out)
4 including those who also qualify as Aggrieved Employees. The single check will combine the
5 Individual Class Payment and the Individual PAGA Payment. Please make sure the administrator
6 has your correct address.

7 2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a
8 single Individual PAGA Payment check to every Aggrieved Employee who opts out of the
9 Class Settlement (i.e., every Non-Participating Class Member). Your check will be sent to the same
10 address as this Notice. If you change your address, be sure to notify the Administrator as soon as
11 possible. Section 9 of this Notice has the Administrator's contact information.

12 **6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

13 Submit a written and signed letter with your name, present address, telephone number, and
14 a simple statement that you do not want to participate in the Settlement. The Administrator
15 will exclude you based on any writing communicating your request be excluded. Be sure to
16 personally sign your request, identify the Action as *Nudelman Class Action Settlement*, and include
17 your identifying information (full name, address, telephone number, approximate dates of
18 employment, and social security number for verification purposes). You must make the request
19 yourself. If someone else makes the request for you, it will not be valid. **The Administrator must**
20 **be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the
21 Notice has the Administrator's contact information.

22 **7. HOW DO I OBJECT TO THE SETTLEMENT?**

23 Only Participating Class Members have the right to object to the Settlement. Before
24 deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court
25 to approve. At least _____ days before the _____ Final Approval Hearing, Class
26 Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes,
27 among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for
28 Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is
requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is

1 requesting as a Class Representative Service Award. Upon reasonable request, Class
 2 Counsel (whose contact information is in Section 9 of this Notice) will send you copies of
 3 these documents at no cost to you. You can also view them the Court's website FullCourt
 4 Enterprise - Login (sjcourts.org).

5 A Participating Class Member who disagrees with any aspect of the Agreement, the Motion
 6 for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to
 7 object, for example, that the proposed Settlement is unfair, or that the amounts requested
 8 by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written**
 9 **objections to the Administrator is _____**. Be sure to tell the Administrator what
 10 you object to, why you object, and any facts that support your objection. Make sure you
 11 identify the Action as *Nudelman Class Action Settlement* and include your name, current address,
 12 telephone number, and approximate dates of employment for Defendant and sign the objection.

13 Section 9 of this Notice has the Administrator's contact information.

14 Alternatively, a Participating Class Member can object (or personally retain a lawyer to
 15 object at your own cost) by attending the Final Approval Hearing. You (or your attorney)
 16 should be ready to tell the Court what you object to, why you object, and any facts that
 17 support your objection. See Section 8 of this Notice (immediately below) for specifics
 regarding the Final Approval Hearing.

18 **8. CAN I ATTEND THE FINAL APPROVAL HEARING?**

19 You can, but don't have to, attend the Final Approval Hearing on _____ at
 20 _____ in Department 10C of the San Joaquin County Superior Court, located at 180 E. Weber
 21 Ave., Stockton, CA 95202. At the hearing, the judge will decide whether to grant Final Approval of
 22 the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and
 23 the Administrator. The Court will invite comment from objectors, Class Counsel and Defense
 24 Counsel before making a decision. You can attend (or hire a lawyer to attend) either
 25 personally, or virtually. Check the Court's website for the most current information.

26 It's possible the Court will reschedule the Final Approval Hearing. You should check the
 27 court's website (FullCourt Enterprise - Login (sjcourts.org)) and enter the case number beforehand
 28 or contact Class Counsel to verify the date and time of the Final Approval Hearing.

1 **9. HOW CAN I GET MORE INFORMATION?**

2 The Agreement sets forth everything Defendant and Plaintiff have promised to do under the
3 proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement
4 documents is to email class counsel at one of the email addresses below.

5 You can also telephone or send an email to Class Counsel or the Administrator using the
6 contact information listed below, or consult the Superior Court website by going to
7 (FullCourt Enterprise - Login (sjcourts.org)) and entering the Case Number for the Action, Case
8 No. STK-CV-UOE-2022-0003348. You can also make an appointment to personally review court
9 documents in the Clerk's Office at the San Joaquin County Superior Court courthouse by calling
10 (209) 992-5555.

11 **DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION**
12 **ABOUT THE SETTLEMENT.**

13 **Class Counsel:**

14 Janelle Carney, Esq.
15 JANELLE CARNEY – ATTORNEY AT LAW, APC
16 14758 Pipeline Ave., Suite E
17 Chino Hills, CA 91709
18 Tel. (909) 521-9609
19 Email: Janelle@JanelleCarneyLaw.com

20 Manny Starr, Esq.
21 Adam Rose, Esq.
22 FRONTIER LAW CENTER
23 23901 Calabasas Road, #2074
24 Calabasas, CA 91302
25 Telephone: (818) 914-3433
26 Email: Manny@frontierlawcenter.com; Adam@frontierlawcenter.com;

27 Settlement Administrator:
28 Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

1 **10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

2 If you lose or misplace your settlement check before cashing it, the Administrator will
3 replace it as long as you request a replacement before the void date on the face of the original

1 check. If your check is already void, you should consult the Unclaimed Property Fund
2 https://www.sco.ca.gov/upd_inss.html, for instructions on how to retrieve the funds

3 **11. WHAT IF I CHANGE MY ADDRESS?**

4 To receive your check, you should immediately notify the Administrator if you move or
5 otherwise change your mailing address.