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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

ERIC SHADINGER, individually, and on behalf
of aggrieved employees pursuant to the Private
Attorneys General Act ("PAGA");

Plaintiff,

v.

WESCO DISTRIBUTION, INC., a California
corporation; and DOES 1 through 10, inclusive;

Defendants.

CASE NO.: 34-2021-00298583-CU-OE-GDS

Assigned for All Purposes to:
Hon. Jill H. Talley
Dept. 25

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT AND RELEASE**

Complaint Filed: April 12, 2021

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This Joint Stipulation of Class Action Settlement and Release (“Agreement” or “Stipulation of
3 Settlement” or “Settlement”) is made and entered into by and between Plaintiff Eric Shadinger
4 (“Plaintiff,” or “Class Representative”), individually and on behalf of other aggrieved employees and/or
5 members of the general public similarly situated, on the one hand, and Defendant Wesco Distribution,
6 Inc. (“Defendant”), on the other hand (collectively with Plaintiff, the “Parties”).

7 Subject to approval of the Court pursuant to the California Rules of Court, this Stipulation of
8 Settlement shall be binding on Plaintiff, Class Counsel, the Class, aggrieved employees (including the
9 State of California as their representative), and Defendant, along with the other Released Parties, subject
10 to the terms and conditions hereof and the approval of the Court.

11 **RECITALS**

12 1. On April 12, 2021, Plaintiff filed a putative class action against Defendant in the
13 Superior Court for the State of California, County of Sacramento, entitled *Shadinger v. Wesco*
14 *Distribution, Inc.*, Case No. 34-2021-00298583, for (1) violation of California Labor Code §§ 510 and
15 1198 (failure to pay overtime wages); (2) violation of California Labor Code § 226.7 (failure to
16 authorize and permit rest breaks); (3) violation of California Labor Code §§ 226.7 and 512 (failure to
17 provide meal periods) (4) violation of California Labor Code §§ 1194 and 1197 (failure to pay
18 minimum wage); (5) violation of California Labor Code §§ 201, 202, and 203 (failure to timely pay
19 wages upon termination); (6) violation of California Labor Code § 226 (failure to provide complete
20 and accurate wage statements); (7) violation of California Labor Code §§ 2800 and 2802 (failure to
21 reimburse business expenses) and (8) violation of California Business and Professions Code § 17200.

22 2. On May 24, 2021, Defendant filed a Notice of Removal pursuant to 28 U.S.C § 1332
23 with the United States District Court for the Eastern District of California.

24 3. On March 28, 2022, the Parties participated in mediation before Jeffrey A. Ross (the
25 “Mediator”), a respected mediator of wage and hour class actions. After a full day of negotiations and
26 considering the Mediator’s proposal, the Parties agreed to settle and stipulated to the material terms of
27 this Stipulation of Settlement now before this Court. The Mediator’s supervision of the mediation and
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1 negotiations was critical in managing the expectations of the Parties and providing a useful and neutral
2 analysis of the issues and risks to both sides. As part of the settlement the Parties agreed to stipulate to
3 remand the case to Sacramento County Superior Court and add a PAGA cause of action.

4 4. On April 19, 2022, Eric Shadinger, a former hourly-paid, non-exempt aggrieved
5 employee of Defendant, provided written notice to the LWDA and Defendant of the specific provisions
6 of the Labor Code he contends were violated, and the theories supporting his contentions.

7 5. Subsequently the Parties have stipulated to amend the complaint to include a PAGA
8 cause of action and Plaintiff will file his First Amended Complaint concurrently with his Motion for
9 Preliminary Approval.

10 6. Defendant denies the allegations set forth in this action and has asserted numerous
11 affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires
12 to settle all actual or potential claims fully and finally by the Class and aggrieved employees.

13 7. Plaintiff's counsel in the Action, Justice Law Corporation ("Class Counsel"), diligently
14 investigated the proposed Class's claims against Defendant, including all applicable defenses and the
15 applicable law. The investigation included, *inter alia*, the exchange of information pursuant to informal
16 discovery methods, review of numerous corporate policies and practices, and the time and wage data of
17 numerous employees in the putative class.

18 8. The settlement discussions during and after mediation were conducted at arm's-length
19 and this Stipulation of Settlement is the result of an informed and detailed analysis of Defendant's total
20 potential liability exposure in relation to the costs and risks associated with continued litigation.

21 9. Based on the data produced pursuant to informal discovery, as well as Class Counsel's
22 own independent investigation and evaluation, and the Mediator's efforts, Class Counsel believes that
23 the settlement with Defendant for the consideration and on the terms set forth in this Stipulation of
24 Settlement is fair, reasonable, and adequate and is in the best interest of the Class and aggrieved
25 employees considering all known facts and circumstances.

26 10. This Stipulation of Settlement is made and entered into by and between Plaintiff
27 individually, and on behalf of all other members of the general public similarly situated, aggrieved
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employees, and Defendant, and is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly acknowledge that this Stipulation of Settlement is entered solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason this Stipulation of Settlement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

The following definitions are applicable to this Stipulation of Settlement. Definitions contained elsewhere in this Stipulation of Settlement will also be effective:

11. "Action" means the lawsuit in the matter entitled *Shadinger v. Wesco Distribution, Inc.*, Case No. 34-2021-00298583, filed on April 12, 2021, in the Sacramento County Superior Court.

12. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for Class Counsel's litigation and resolution of this Action, and all litigation costs and expenses incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs and expenses associated with mediation, documenting the Settlement, securing the Court's approval of the Settlement, obtaining entry of a Judgment terminating this Action, and expenses for any experts. Class Counsel will collectively request attorneys' fees not to exceed Thirty-Five Percent (35%) of the Maximum Settlement Amount, or up to Four Hundred Eighty-Six Thousand Five Hundred Dollars (\$486,500). Class Counsel will also request reimbursement of Class Counsel's litigation costs and expenses, not to exceed Twenty Thousand Dollars (\$20,000). For any Attorneys' Fees and Costs approved by the Court, the Claims Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel, the cost of which shall be paid out of the Attorneys' Fees and Costs awarded by the Court and not in addition to the amount awarded. Defendant has agreed not to oppose Class Counsel's request for fees and reimbursement of costs and expenses as set forth above. The amount awarded in attorneys' fees and costs is not a material provision of this Settlement Agreement. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel will be a part of the Net Settlement Amount, for distribution in conformity with this Agreement.

13. "Claimants" means all Class Members who do not submit timely and valid request for

1 exclusion from the Class Action Settlement.

2 14. "Claims Administrator" means any third-party class action settlement claims
3 administrator agreed to by the Parties and approved by the Court for purposes of administering this
4 Settlement. The Parties each represent that they do not have any financial interest in the Claims
5 Administrator or otherwise have a relationship with the Claims Administrator that could create a conflict
6 of interest.

7 15. "Claims Administration Costs" means the costs payable from the Maximum Settlement
8 Amount to the Claims Administrator for administering this Settlement, including, but not limited to, (a)
9 printing, distributing, and tracking documents for this Settlement; (b) calculating estimated amounts per
10 Class Member; (c) tax reporting; (d) distributing the appropriate settlement amounts; and (e) providing
11 necessary reports and declarations, and other duties and responsibilities set forth herein to process this
12 Settlement, and as requested by the Parties. The Claims Administration Costs are currently estimated
13 not to exceed Ten Thousand Dollars (\$10,000). The amount awarded in Claims Administration Costs
14 is not a material provision of this Settlement Agreement. Any portion of the Claims Administration
15 Costs that are not awarded to the Claims Administrator will be a part of the Net Settlement Amount.

16 16. "Class Counsel" means Justice Law Corporation, which will seek to be appointed counsel
17 for the Class.

18 17. "Class List(s)" mean a complete list(s) of all Class Members and PAGA Aggrieved
19 Employees within the Class that Defendant will diligently and in good faith compile from its records
20 and provide only to the Claims Administrator within twenty (20) business days of the Court's
21 Preliminary Approval of this Stipulation of Settlement. The Class List will be formatted in a readable
22 Microsoft Office Excel spreadsheet and will include each Class Member's: (a) full name; (b) most recent
23 mailing address and telephone number known to Defendant; (c) Social Security number; (d) number of
24 Qualifying Workweeks in the Class Period; and (e) number of qualifying workweeks in the PAGA
25 Period.

26 18. "Class Member(s)" or "Class" collectively refer to: all current and former non-exempt
27 employees who worked for Defendant within the State of California at any time during the period from
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1 April 12, 2017, to July 8, 2022.

2 19. "Class Period" means the period from April 12, 2017, to July 8, 2022.

3 20. "Class Representative" means Eric Shadinger, who will seek to be appointed as the
4 representative for the Class.

5 21. "Class Representative Enhancement Payment" means the amount to be paid to the Class
6 Representative in recognition of his efforts and work in prosecuting the Action on behalf of Class
7 Members. The Parties agree that the Class Representative may seek approval from the Court to be paid
8 up to Ten Thousand Dollars (\$10,000), from the Maximum Settlement Amount for his services on behalf
9 of the Class, including his assistance as the Plaintiff and Class Representative, subject to the Court
10 granting final approval of this Stipulation of Settlement and subject to the exhaustion of any and all
11 appeals. The amount awarded as the Class Representative Enhancement Payment is not a material
12 provision of this Settlement Agreement. Any portion of the Class Representative Enhancement Payment
13 not awarded to the Class Representative will be a part of the Net Settlement Amount, for distribution in
14 conformity with this Agreement.

15 22. "Court" means the Superior Court of the State of California for the County of Sacramento
16 or any other court taking jurisdiction of the Action.

17 23. "Defendant" means Wesco Distribution, Inc.

18 24. "Defendant's Counsel" means counsel for Defendant who are:

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22 Los Angeles, California 90067
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28 San Francisco, California 94105
Telephone: (415) 397-2823
Facsimile: (415) 397-8549

1 25. “Effective Date” means the date on which the Court’s Order Granting Final Approval of
2 the Settlement (“Final Judgment” or “Judgment”) becomes final. For purposes of this Stipulation of
3 Settlement, the Court’s Final Judgment “becomes final” upon the latter of: (a) the expiration date of the
4 time for the filing or noticing of any appeal from, or other challenge to, the Court’s Judgment (this time
5 period shall not be less than 60 calendar days after the Court’s Judgment is entered); (b) the date the
6 appellate order affirming the Judgment becomes final under the California Code of Civil Procedure; or
7 (c) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding
8 on review of any court of appeal decision relating to the Judgement.

9 26. “Individual Settlement Payment” means each Claimant’s share of the Net Settlement
10 Amount.

11 27. “Maximum Settlement Amount” means the maximum settlement amount of up to One
12 Million Three Hundred Ninety Thousand Dollars (\$1,390,000) to be paid by Defendant in full
13 satisfaction of all claims arising from the Action, which includes all Individual Settlement Payments to
14 Claimants, the Class Representative Enhancement Payment, Claims Administration Costs to the Claims
15 Administrator, Attorneys’ Fees and Costs to Class Counsel, and the PAGA Payment. In no event will
16 Defendant be liable for more than the Maximum Settlement Amount, except that employer-side payroll
17 taxes for the portion of the Individual Settlement Payments characterized as wages shall be paid separate
18 and apart from the Maximum Settlement Amount.

19 28. “Net Settlement Amount” means the portion of the Maximum Settlement Amount
20 remaining after deduction of the approved Class Representative Enhancement Payment, Claims
21 Administration Costs, the PAGA Payment (as defined in Paragraph 33), and Attorneys’ Fees and Costs.
22 The Net Settlement Amount will be distributed to Claimants in accordance with the terms of this
23 Stipulation. Plaintiff and Defendant agree that there will be no reversion to Defendant.

24 29. “Notice of Objection” or “Objection” means a Class Member’s valid and timely written
25 objection to this Stipulation of Settlement. For the Notice of Objection to be valid, it must include: (a)
26 the objector’s full name, signature, address, and telephone number, (b) a written statement of all grounds
27 for the objection accompanied by any legal support for such objection, (c) a clear reference to the title
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of this case and case number, and (d) copies of any papers, briefs, or other documents upon which the objection is based.

30. “Notice” means the Notice of Class Action Settlement, substantially in the forms attached as **Exhibit A**.

31. “PAGA Aggrieved Employee” means anyone employed by Defendant from April 18, 2021 to July 8, 2022.

32. “PAGA Payment” means the amount of One Hundred Thousand Dollars (\$100,000), which the Parties have agreed to allocate for penalties pursuant to the Private Attorneys’ General Act, California Labor Code § 2698, *et seq.* The Parties have agreed that the PAGA Payment will be paid out of the Maximum Settlement Amount. Pursuant to PAGA, the Labor and Workforce Development Agency (“LWDA”) shall be paid Seventy-Five Percent (75%) or Thirty-Seven Thousand Five Hundred Dollars (\$75,000) of the PAGA Payment (“LWDA Payment”), and Twenty-Five Percent (25%) or Twelve Thousand Five Hundred Dollars (\$25,000) of the PAGA Payment will be distributed, pro rata, based on weeks worked to all PAGA Aggrieved Employees. The amount awarded as the PAGA Payment is not a material provision of this Settlement Agreement.

33. “PAGA Period” means the period between April 18, 2021 and July 8, 2022.

34. “Parties” means Plaintiff and Defendant collectively.

35. “Plaintiff” means Eric Shadinger.

36. “Preliminary Approval” means the Court order granting preliminary approval of this Stipulation of Settlement.

37. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury Regulations § 1.46B-1, 26 C.F.R. § 1.468B-1 *et seq.* that is established by the Claims Administrator for the benefit of Claimants, Plaintiff, and Class Counsel.

38. “Released Claims” as it pertains to Class Members include any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, interest, damages, actions or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, under any legal theory under state law that were or could have been brought

1 based on the facts or claims alleged in any version of the complaints filed in the Action, or letters
2 submitted by Plaintiff to the Labor and Workforce Development Agency during the Released Claims
3 Period.

4 The Released Claims include, but are not limited to, any and all claims, debts, liabilities,
5 demands, obligations, guarantees, penalties, costs, expenses, attorney's fees, damages, action or causes
6 of action, contingent or accrued, which relate to the allegations and claims asserted or that could have
7 been asserted in the complaints filed in the Action, or letters submitted by Plaintiff to the Labor and
8 Workforce Development Agency, including without limitation claims for: (1) unpaid overtime (Cal.
9 Lab. Code §§ 510 and 1198); (2) failure to provide meal periods (Cal. Lab. Code §§ 226.7 and 512); (3)
10 failure to authorize and permit rest breaks (Cal. Lab. Code § 226.7); (4) unpaid minimum wages (Cal.
11 Lab. Code §§ 1194 and 1197); (5) failure to pay all wages and termination (Cal. Lab. Code §§ 201-203);
12 (6) failure to provide accurate wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business
13 expenses (Cal. Lab. Code §§ 2800 and 2802); (8) unfair competition (Cal. Bus. & Prof. Code § 17200,
14 *et seq.*) and (9) claims under the Private Attorneys General Act (Cal. Lab. Code § 2698, *et seq.*); claims
15 for any alleged failure to provide, or authorize and permit, meal and rest periods, short/late meal and
16 rest periods, failure to relieve of all duties during meal and rest periods, auto-deduction of meal periods,
17 failure to properly calculate or to pay meal or rest break premiums, failure to pay all wages due
18 (including minimum wage and overtime wages), failure to pay for all hours worked (including off-the-
19 clock work or pre or post shift work), time clock rounding, grace periods, shift tolerance, failure to
20 timely pay wages during employment, failure to timely pay all final wages at separation from
21 employment, failure to furnish accurate wage statements, record-keeping violations, failure to reimburse
22 business expenses, claims derivative and/or related to these claims, and liquidated damages; claims
23 under any and all applicable statutes, including without limitation any provision of the California Labor
24 Code, California Business & Professions Code §§ 17200 *et seq.*, Private Attorneys General Act (Cal.
25 Lab. Code § 2698, *et seq.*), and any provision of the applicable California Industrial Welfare
26 Commission Wage Orders based on the facts or claims alleged or that could have been alleged in any
27 version of the complaints filed in the Action, or letters submitted by Plaintiff to the Labor and Workforce

1 Development Agency.

2 39. “Released Claims Period” means the period from April 12, 2017, to July 8, 2022.

3 40. “Released Parties” means Wesco Distribution, Inc. and each of its past, present and future
4 subsidiaries, dbas, parents, divisions, related entities, corporate affiliates, joint venturers, as well as each
5 of their respective owners, co-employers, joint employers, agents, officers, directors, stockholders,
6 shareholders, members, principles, subsidiaries, affiliates, partners, predecessors and successors in
7 interest, insurers, reinsurers, employees, attorneys, assigns, heirs, spouses, associates, representatives,
8 administrators, fiduciaries, trustees, accountants, auditors, and company-sponsored employee benefit
9 plans of any nature, and those plans’ respective current or former trustees and administrators, agents,
10 employees, and fiduciaries, and any other persons acting by, through, under or in concert with any of
11 them.

12 41. “Request for Exclusion” means a letter timely submitted in writing by a Class Member
13 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) be signed
14 by the Class Member; (b) contain the name, signature address, telephone number, and the last four digits
15 of the Social Security Number of the Class Member requesting exclusion; (c) clearly state the name of
16 this case, the case number, and that the Class Member does not wish to be included in the Settlement;
17 (d) be returned by mail to the Claims Administrator at the specified address and/or facsimile number;
18 and (e) be postmarked on or before the Response Deadline. The date of the postmark on the return
19 mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been
20 timely submitted. A Class Member who does not request exclusion from the Settlement (“Settlement
21 Class Member”) will be bound by all terms of the Settlement if the Settlement is granted final approval
22 by the Court.

23 42. “Response Deadline” means the deadline by which Class Members must postmark to the
24 Claims Administrator valid Requests for Exclusion, or file and serve objections to the Settlement. The
25 Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice by the
26 Claims Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the
27 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The

Response Deadline for Requests for Exclusion will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice by the Claims Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. Under no circumstances will the Claims Administrator have the authority to extend the deadline for Class Members to submit a Request for Exclusion, or objection to the Settlement.

43. “Qualifying Workweeks” means the number of workweeks in which a Class Member or PAGA Aggrieved Employee was employed by Defendant during the Class Period or PAGA Period and received any pay for work. Any workweek in which the Settlement Class Member did not receive pay for work will not be an Eligible Workweek, even if the Class Member received other pay (such as sick or vacation, for example).

44. “Qualifying Workweek Value” means the value of each compensable Workweek, as determined by the formula set forth herein.

CLASS CERTIFICATION

45. Solely for purposes of settling the Action, and not for purposes of class certification should the matter not be settled or for any other reason, the Parties stipulate and agree that the requisites for establishing class certification under California Code of Civil Procedure Section 382 with respect to the Class have been met and are met. Should this Settlement not be approved or be terminated, this stipulation shall be null and void and shall not be admissible for any purpose whatsoever.

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court’s approval, as follows:

46. Funding of the Maximum Settlement Amount. Within three (3) business days after the Final Approval of the Settlement, the Claims Administrator will provide the Parties with an accounting of the amounts to be paid by Defendant pursuant to the terms of the Settlement. Defendant will deposit an amount equal to the sum of the Court approved Attorneys Fees and Costs, Class Representative Enhancement Payment, Claims Administration Costs, PAGA Payment, the total of the Individual

Settlement Payments and the employer-side payroll taxes computed by the Claims Administrator into a Qualified Settlement Fund account to be established by the Claims Administrator within seven (7) business days of the Effective Date in accordance with the instructions provided by the Claims Administrator.

47. Attorneys' Fees and Costs. Defendant agrees not to oppose any application or motion by Class Counsel for Attorneys' Fees and Costs of not more than Thirty-Five Percent (35%) of the Maximum Settlement Amount or up to Four Hundred Eighty-Six Thousand Five Hundred Dollars (\$486,500), plus the reimbursement of costs and expenses associated with Class Counsel's litigation and settlement of the Action, not to exceed Twenty Thousand Dollars (\$20,000), both of which will be paid from the Maximum Settlement Amount. Any Attorneys' Fees and Costs awarded by the Court shall not constitute payment to any Class Member(s). To the extent that the Court approves less than the amount of attorney's fees and/or costs that Class Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount. Except for the Attorneys' Fees and Costs set forth in this Agreement, the Parties agree to bear their own attorneys' fees and costs related to this Action. In consideration of their awarded Attorneys' Fees and Costs, Class Counsel waives all claims to any further attorneys' fees and expenses in connection with the Settlement.

48. Class Representative Enhancement Payment. In recognition of Plaintiff's effort and work in prosecuting the Action on behalf of Class Members, and in exchange for a full release of all known and unknown claims, Defendant agrees not to oppose or impede any application or motion for Class Representative Enhancement Payment of up to Ten Thousand Dollars (\$10,000) to Plaintiff. The Class Representative Enhancement Payment will be paid from the Maximum Settlement Amount and shall not constitute payment to any Claimant(s) (other than Plaintiff). To the extent that the Court approves less than the amount of the Class Representative Enhancement Payment that Class Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount. Because it is the intent of the Parties that the Class Representative Enhancement Payment represent payment to Plaintiff for his services to the Class Members, and not wages, the Claims Administrator will not withhold any taxes from the Class Representative Enhancement Payment. The

Claims Administrator will issue an IRS Form 1099 for the Class Representative Enhancement Payment to Plaintiff, and Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any and all taxes on the amounts received.

49. General Release by Class Representative. In addition to the release given by each Class Member in paragraph 39, the Class Representative also completely and generally releases any and all claims against each Released Party. This general release includes all Released Claims, as well as claims arising from the Class Representative's relationship with Defendant, including, but not limited to, claims for discrimination, harassment, or retaliation, claims pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. section 2000 *et seq.*, the California Fair Employment and Housing Act, California Government Code, California Civil Code, any claims for violation of public policy, claims under the California Labor Code, California Business & Professions Code, any provision of the applicable California Industrial Welfare Commission Wage Orders, and the Fair Labor Standards Act (29 U.S.C. § 201, *et seq.*), any city or county Living Wage Ordinances, the Unruh Civil Rights Act, the California Constitution, the United States Constitution, the Age Discrimination in Employment Act ("ADEA") and the Older Workers Benefit Protection Act, the Uniformed Services Employment and Reemployment Rights Act, the Family and Medical Leave Act, the California Family Rights Act, the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*, and the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*, and all of their implementing regulations and interpretive guidelines, to the extent not prohibited by law. This general release by the Class Representatives also includes a waiver of rights under California Civil Code Section 1542, which states:

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.

This release from the Class Representative shall run through final approval. This General Release is a condition of this Settlement.

50. Claims Administration Costs. The Claims Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Maximum Settlement

Amount, which is currently estimated not to exceed Ten Thousand Dollars (\$10,000). These costs, which will be paid from the Maximum Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing the Notice, sending reminder notices, calculating shares and payment, distributing the Maximum Settlement Amount in accordance with the Settlement and the Court's order, and providing necessary reports and declarations. Any portion of the Claims Administration Costs that are not awarded to the Claims Administrator will be reallocated to the Net Settlement Amount.

51. Acknowledgement of Potential Administration Cost Increases. The Parties acknowledge that Claims Administration Costs may increase above the current estimate of \$10,000 and that any such additional Claims Administration Costs will be taken out of the Maximum Settlement Amount upon receipt of Court approval. Any portion of the Court approved Claims Administration Costs which are not in fact required to fulfill the total Claims Administration Costs will be reallocated to the Net Settlement Amount.

52. PAGA Payment. Subject to Court approval, the Parties agree that the amount of One Hundred Thousand Dollars (\$100,000) from the Maximum Settlement Amount will be designated for satisfaction of the PAGA Aggrieved Employees' PAGA claims. Pursuant to PAGA, Seventy-Five Percent (75%), or \$75,000, of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or \$25,000 ("Net PAGA Amount"), will be distributed, pro rata, based on the number of Qualifying Workweeks worked by all PAGA Aggrieved Employees.

53. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual Settlement Payments to Claimants in accordance with the terms of this Agreement. No amount of Net Settlement Amount shall revert to Defendant.

54. Individual Settlement Payment Calculations. Each Claimant shall be entitled to an Individual Settlement Payment in accordance with the formula set forth below. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of Qualifying Workweeks a Class Member worked during the Class Period and Aggrieved PAGA Employee worked during the PAGA Period. Specific calculations of Individual Settlement Payments

will be made as follows:

54(a) The individual Class Settlement Share payment to a Class Member will be calculated by dividing the number of Eligible Workweeks attributed to the Settlement Class Member by all Eligible Workweeks attributed to Class Members, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: (individual's Eligible Workweeks ÷ total Class Eligible Workweeks) x Net Settlement Amount. Defendant's records regarding the number of Eligible Workweeks worked by each Class Member shall be used for purposes of calculating Individual Class Settlement Payments.

54(b) The individual PAGA Payment made to each PAGA Aggrieved Employee will be calculated by dividing the number of PAGA Eligible Workweeks attributed to the PAGA Aggrieved Employee by all Eligible Workweeks attributed to all PAGA Aggrieved Employees, multiplied by the Net PAGA Amount. Otherwise stated, the formula for a PAGA Aggrieved Employee is: (individual's PAGA Eligible Workweeks ÷ total PAGA Eligible Workweeks) x Net PAGA Amount. Defendant's records regarding the number of PAGA Eligible Workweeks worked by each PAGA Aggrieved Employee shall be used for purposes of calculating individual PAGA payments.

54(c) The Individual Settlement Payment will be reduced by any required deductions for each Claimant as set forth herein, including employee-side tax and withholdings with respect to the wage portion of each Individual Settlement Payment.

55. Individual Settlement Payments Do Not Trigger Additional Benefits. All Individual Settlement Payments to Class Members shall be deemed to be paid to such Class Members solely in the year in which such payments are actually received by the Class Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Class Member to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Class Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that the Individual Settlement Payments provided for in this Settlement are the sole payments to be made by Defendant to the Class Members,

1 and that the Class Members are not entitled to any new or additional compensation or benefits as a result
2 of having received the Individual Settlement Payments (notwithstanding any contrary language or
3 agreement in any benefit or compensation plan document that might have been in effect during the
4 period covered by this Settlement).

5 56. Release by Class Members. By operation of the entry of the Final Approval Order and
6 Judgment, each Class Member who did not timely opt out of the Settlement and each of their respective
7 executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or
8 guardians, will release each of the Released Parties of and from any and all Released Claims.

9 57. Claims Administration Process. The Parties agree to cooperate in good faith in the
10 administration of the Settlement and to make all reasonable efforts to control and minimize the costs
11 and expenses incurred in administration of the Settlement.

12 58. Delivery of the Class List. Within twenty (20) business days of Preliminary Approval,
13 Defendant will provide the Class List(s) to the Claims Administrator.

14 59. Notice by First-Class U.S. Mail. Within fifteen (15) calendar days of receipt of the Class
15 List(s), the Claims Administrator will perform a search based on the National Change of Address
16 Database (“NCOA”), or any other similar services available, and mail a Notice to all Class Members
17 via regular First-Class U.S. Mail, using the most current, known mailing addresses available.

18 60. Confirmation of Contact Information in the Class List. Prior to mailing, the Claims
19 Administrator will perform a NCOA check, such as provided by Experian or any other similar services
20 available, for information to update and correct for any known or identifiable address changes. Any
21 Notices returned to the Claims Administrator as non-deliverable on or before the Response Deadline
22 will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the
23 Claims Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address
24 is provided, the Claims Administrator will promptly attempt to determine the correct address using a
25 skip-trace and will then perform a single re-mailing within five (5) days after return of the Notice. Those
26 Class Members who receive a re-mailed Notice, whether by skip-trace or by request, will have between
27 the later of (a) an additional fifteen (15) days or (b) the Response Deadline to postmark a Request for
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1 Exclusion, or file and serve an objection to the Settlement.

2 61. Notices. All Class Members will be mailed a Notice. Each Notice will be in the form of
3 Exhibits A and will provide: (a) information regarding the nature of the Action; (b) a summary of the
4 Settlement's principal terms; (c) the Class definition; (d) the total number of Qualifying Workweeks
5 each respective Class Member worked for Defendant during the Class Period; (e) each Class Member's
6 estimated Individual Settlement Payment and the formula for calculating Individual Settlement
7 Payments; (f) the dates which comprise the Class Period; (g) instructions on how to submit disputes
8 regarding Qualifying Workweeks, Requests for Exclusion, or objections; (h) the requirements relating
9 to, and deadlines by which the Class Member must submit disputes regarding Qualifying Workweeks,
10 Requests for Exclusions, and objections to the Settlement; (i) the claims to be released, as set forth
11 herein; and (j) the date for the Final Approval Hearing.

12 62. Disputed Information on Notices. Class Members may dispute the information provided
13 in their Notices, but must do so in writing, via first class mail, and it must be postmarked by the Response
14 Deadline. To the extent Class Members dispute the number of Qualifying Workweeks to which they
15 have been credited or the amount of their Individual Settlement Payment, Class Members must produce
16 evidence to the Claims Administrator showing that such information is inaccurate. Absent evidence
17 rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a
18 Class Member produces evidence to the contrary, the Parties will evaluate the evidence submitted by
19 the Class Member and will make the final decision as to the number of eligible Qualifying Workweeks
20 that should be applied and/or the Individual Settlement Payment to which the Class Member may be
21 entitled. If the Parties are unable to resolve the dispute, the Claims Administrator will be the final
22 arbiter of the Qualifying Workweeks for each Class Member during the Class Period, based on the
23 information provided to it.

24 63. No Claim Procedures. All Class Members will be paid their Individual Settlement
25 Payments unless they submit a timely and valid written Request for Exclusion by the Response
26 Deadline.

27 64. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
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requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Claims Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have ten (10) calendar days from the date of the cure letter to postmark a revised Request for Exclusion. If a Class Member responds to a Cure Letter by filing a defective claim, then the Claims Administrator will have no further obligation to give notice of a need to cure. If the revised Request for Exclusion is not postmarked or received within that period, it will be deemed untimely.

65. Request for Exclusion Procedures. Any Class Member wishing to opt out from this Stipulation of Settlement must sign and postmark a written Request for Exclusion to the Claims Administrator within the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted to the Claims Administrator, who will certify jointly to Class Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted. PAGA Aggrieved Employees will not be able to exclude themselves from the PAGA portion of the settlement.

66. Settlement Terms Bind All Class Members Who Do Not Opt Out. Any Class Member who does not affirmatively opt out of this Stipulation of Settlement by submitting a timely and valid Request for Exclusion ("Settlement Class Member") will be bound by all of its terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval of the Settlement.

67. Objection Procedures. To object to this Stipulation of Settlement, a Class Member must file a valid Notice of Objection with the Court and serve copies of the Notice of Objection on the Parties before the Response Deadline. The Notice of Objection must be signed by the Class Member and contain all information required by this Stipulation of Settlement. The postmark date of the filing and service will be deemed the exclusive means for determining that the Notice of Objection is timely. Class Members who fail to object in the specific and technical manner specified above will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections and seeking

any adjudication or review, whether by appeal or otherwise, to this Stipulation of Settlement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to this Stipulation of Settlement or appeal from the Order and Judgment. However, Class Counsel, Defense Counsel, and Defendant may respond to inquiries from Class Members with truthful information. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement.

68. Certification Reports Regarding Individual Settlement Payment Calculations. The Claims Administrator will provide Defendant's counsel and Class Counsel a weekly report which certifies: the number of Class Members who have submitted valid Requests for Exclusion; and whether any Class Member has submitted a challenge to any information contained in their or Notice. Additionally, the Claims Administrator will provide to counsel for both Parties any updated reports regarding the administration of this Stipulation of Settlement as needed or requested.

69. Payment Schedule for All Court-Approved and Individual Settlement Payment Amounts. Within three (3) business days of the Court granting final approval, the Claims Administrator will calculate all payments due. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to the respective Claimant's last known mailing address within fourteen (14) calendar days after Defendant deposits the Maximum Settlement Amount into a QSF.

70. Payroll Taxes. Any and all applicable employer-side of the payroll taxes relating to the portion of the Individual Settlement Payments paid as wages shall be paid separate and apart from the Maximum Settlement Amount. The employee side of the payroll taxes shall be deducted from each relevant Individual Settlement Payment.

71. Uncashed Settlement Checks. Any checks issued by the Claims Administrator to Claimants will be negotiable for at least One Hundred Twenty (120) calendar days. Those funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than One Hundred Twenty (120) calendar days after issuance will escheat to the State of California's Controller, to be held in the name of each expired check payee, pursuant to applicable unclaimed property laws.

1 72. Certification of Completion. Five (5) calendar days after the Response Deadline, the
2 Claims Administrator will provide a written declaration under oath to certify such completion to the
3 Court and counsel for all Parties. The declaration will include any attempts to obtain valid mailing
4 addresses for and re-sending of any returned Notices, as well as the number of valid and timely
5 exclusions and objections that the Claims Administrator received.

6 73. Administration Costs if Settlement Fails or is Delayed. If the Settlement is voided or
7 rescinded, for any reason other than set forth in Paragraph 90, any costs incurred by the Claims
8 Administrator will be paid equally by the Parties (half by Defendant and half by Class Counsel), unless
9 otherwise specified in this Agreement.

10 74. Treatment of Individual Settlement Payments. For purposes of this Stipulation of
11 Settlement, all Individual Settlement Payments will be allocated as follows: Twenty Percent (20%) of
12 each Individual Settlement Payment will be allocated as wages, and the remaining Eighty Percent (80%)
13 will be allocated as penalties and interest. The amounts paid as wages shall be subject to all tax
14 withholdings customarily made from an employee's wages and all other authorized and required
15 withholdings and shall be reported by W-2 forms. The amounts paid as penalties and interest shall not
16 be subject to any withholdings and shall be reported by IRS 1099 forms.

17 75. Administration of Taxes by the Claims Administrator. The Claims Administrator will be
18 responsible for issuing to Plaintiff, Claimants, and Class Counsel any W-2, 1099, or other tax forms as
19 may be required by law for all amounts paid pursuant to this Agreement. The Claims Administrator
20 will also be responsible for forwarding all payroll taxes and penalties to the appropriate government
21 authorities.

22 76. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
23 of the payments called for hereunder; and Plaintiff and Claimants are not relying on any statement,
24 representation, or calculation by Defendant or by the Claims Administrator in this regard. Plaintiff and
25 Claimants understand and agree that except for Defendant's payment of the employer's portion of any
26 payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed on the
27 payments described herein and shall defend, indemnify, and hold Defendant free and harmless from and
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1 against any claims resulting from treatment of such payments as non-taxable damages.

2 77. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
3 OF THIS SECTION, THE “ACKNOWLEDGING PARTY”) AND EACH PARTY TO THIS
4 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, (“THE OTHER PARTY”)
5 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
6 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
7 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY
8 SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
9 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
10 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
11 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN,
12 INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN
13 CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT
14 BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR
15 ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
16 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER
17 PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
18 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY
19 HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH
20 ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH
21 LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING
22 PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION,
23 INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

24 78. No Assignments. The Parties and their counsel represent, covenant, and warrant that
25 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
26 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
27 or right herein released and discharged. Further, none of the rights, commitments, or obligations

1 recognized under this Agreement may be assigned by any Party, Class Member, Class Counsel, or
2 Defense Counsel without the express written consent of each other Party and their respective counsel.
3 The representations, warranties, covenants, and agreements contained in this Agreement are for the sole
4 benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any
5 remedy to any other person.

6 79. Release of Claims by Class Members. Upon the Effective Date and conditioned on the
7 full funding of the settlement, Plaintiff and all Class Members who have not submitted valid and timely
8 Requests for Exclusion, will be deemed to have fully, finally, and forever released, settled,
9 compromised, relinquished, and discharged with respect to all of the Released Parties any and all
10 Released Claims for any period during the Released Claims Period.

11 80. Waiver of California Civil Code § 1542. Furthermore, pursuant to the terms of the
12 Settlement, and with respect to both the Released Claims and the Claims released in paragraph 50 of
13 this Agreement, Plaintiff expressly waives and relinquishes any rights or benefits available to him under
14 the provisions of § 1542 of the California Civil Code, which provides as follows:

15 “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR
16 RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT
17 THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD
18 HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR
19 RELEASED PARTY.”

20 81. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit this
21 Stipulation of Settlement to the Court in support of Plaintiff’s Motion for Preliminary Approval and
22 determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution
23 of this Stipulation of Settlement, the Parties shall apply to the Court for the entry of an order scheduling
24 a fairness hearing on the question of whether the proposed settlement, including payment of Attorneys’
25 Fees and Costs, and Plaintiff’s Class Representative Enhancement Payment and Class Representative
26 Settlement Payment, should be finally approved as a fair, reasonable, and adequate settlement. As part
27 of Plaintiff’s Motion for Preliminary Approval, Plaintiff shall also apply to the Court for the entry of an

order as follows:

- a. Certifying the Class for the purpose of settlement;
- b. Approving, as to form and content, the proposed Notice of Class Action Settlement;
- c. Approving the manner and method for Class Members to request exclusion from the Settlement as contained herein and within the Notice of Class Action Settlement;
- d. Directing the mailing of the Notice of Class Action Settlement to the Class Members, in accordance with the Settlement Agreement;
- e. Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court; and
- f. Enjoining Plaintiff and any Class Member from filing or prosecuting any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement and the LWDA) regarding the Released Claims unless and until such Class Members have filed valid Requests for Exclusion with the Claims Administrator.

82. Duties of the Parties Following Final Court Approval. Following final approval by the Court of the Settlement provided for in this Stipulation of Settlement, Class Counsel will submit a proposed final order of approval and judgment as follows:

- a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- b. Approving Class Counsel's application for an award of Attorneys' Fees and Costs;
- c. Approving the Class Representative Enhancement Payment to Plaintiff;
- d. Setting a date when the Parties shall report to the Court the total amount that was actually paid to the Class Members; and
- e. Entering judgment in this Action consistent with this Agreement.

83. Defendant's Option to Terminate the Settlement. If Ten Percent (10%) or more of the Class Members opt out of the Settlement by filing Requests for Exclusion, Defendant may, at its

election, rescind the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel within ten (10) calendar days after the Claims Administrator notifies the Parties of the total number of opt-outs received by the Response Deadline. If the option to rescind is exercised, the Parties shall equally divide all costs of the Claims Administrator accrued to that point.

84. Nullification of Stipulation of Settlement. In the event that: (a) the Court does not finally approve the Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then this Stipulation of Settlement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Stipulation of Settlement will likewise be treated as void from the beginning.

85. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request the Preliminary Approval of this Stipulation of Settlement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Class for settlement purposes only, (b) Preliminary Approval of the proposed Stipulation of Settlement, and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval Hearing, Plaintiff will submit this Stipulation of Settlement, which sets forth the terms of this Settlement, and will include the proposed Notice, i.e., the proposed Notice of Class Action Settlement document, attached as **Exhibit A**. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Defendant agrees not to oppose the Motion for Preliminary Approval.

86. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Requests for Exclusion, or objections to this Stipulation of Settlement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of this Stipulation of Settlement along with the amounts properly payable for (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) the Class Representative Enhancement Payment; (d) all Claims Administration Costs; as well as (e) confirming the total amount to be allocated towards the PAGA Payment. Class Counsel will be responsible for drafting all

documents necessary to obtain final approval, subject to approval by Defendant's Counsel. Class Counsel will also be responsible for drafting the Attorneys' Fees and Costs application to be heard at the final approval hearing and shall submit to the Court a Proposed Final Approval Order, which shall be in a form approved by Defendant's Counsel. Defendant agrees not to oppose the Motion for Final Approval and Attorneys' Fees and Costs.

87. Either Party's Option to Terminate the Settlement. Subject to the obligation(s) of mutual full cooperation, either Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order, the Final Approval Order, or final judgment in substantially the form submitted by the Parties, or this Stipulation of Settlement as agreed does not become final because of appellate court action. A Party shall not have the option to terminate the settlement based on any change to a provision specifically identified in this Settlement Agreement as not being a material provision. The terminating Party shall give to the other Party (through its counsel) written notice of its decision to terminate no later than ten (10) business days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

- a. The Stipulation of Settlement 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 is terminated, Defendant shall have no obligation to make any payments to any Party, Class Member or attorney, except that the Terminating Party shall pay the Claims Administrator for services rendered up to the date the Claims Administrator is notified that the Settlement has been terminated;
- c. The Preliminary Approval Order, Final Approval Order and Judgment, including any order of class certification, shall be vacated;
- d. The Stipulation of Settlement and all negotiations, privileged 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 in the Action prior to this Stipulation of Settlement; and

e. Neither this Stipulation of Settlement, nor any ancillary documents, actions, statements, or filings in furtherance of this Stipulation of Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever.

88. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of this Stipulation of Settlement.

89. Confidentiality. Plaintiff and his counsel agree that they have not and will not publish the resolution of this case. Plaintiff's counsel shall not report the resolution of this case in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff or the Putative Class or the resolution of this case on their website which identify Plaintiff or Defendant by name, and shall not contact any reporters or media regarding the resolution of this case. However, Plaintiff's attorneys are authorized to make disclosure to the Court for the purposes of obtaining the approval of the settlement and may discuss the settlement with the Class Members. This disclosure is limited to court filings and neither Plaintiff nor his counsel or representatives are permitted to disseminate or publish, distribute or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court.

90. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of the Settlement prior to the Settlement being preliminarily approved by the Court. In addition, the Parties and their counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement of this case prior to the Settlement being preliminarily approved by the Court, including but not limited to any postings on any websites maintained by Class Counsel. Any communication about the Settlement to Class Members prior to the Settlement being preliminarily approved by the Court will be limited to a statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved notice.

1 Nothing set forth herein, however, shall prohibit (a) Defendant from providing truthful disclosure about
2 the Settlement, including its amount, in its periodic filings on Form 10-Q or Form 10-K with the United
3 States Securities and Exchange Commission, or (b) the Parties from providing this Agreement to the
4 Court in connection with the Parties' efforts to seek the Court's approval of this Settlement. Neither
5 Plaintiff nor Class Counsel shall hold a press conference or otherwise seek to affirmatively contact the
6 media about the Settlement. If contacted by the media regarding the Settlement, Class Counsel will
7 direct any media inquiries to the public records of the Action on file with the Court. Additionally, neither
8 Plaintiff nor Class Counsel will disparage the Settlement.

9 91. Entire Agreement. This Stipulation of Settlement and any attached Exhibits constitute
10 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
11 agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil
12 Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement
13 is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence,
14 and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or
15 contradict the terms of this Agreement.

16 92. Amendment or Modification. This Stipulation of Settlement may be amended or
17 modified only by a written instrument signed by the named Parties and counsel for all Parties or their
18 successors-in-interest.

19 93. Authorization to Enter Into Stipulation of Settlement. Counsel for all Parties warrant and
20 represent they are expressly authorized by the Parties whom they represent to negotiate this Stipulation
21 of Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant
22 to this Stipulation of Settlement to effectuate its terms and to execute any other documents required to
23 effectuate the terms of this Stipulation of Settlement. The Parties and their counsel will cooperate with
24 each other in good faith and use their best efforts to affect the implementation of the Settlement. If the
25 Parties are unable to reach agreement on the form or content of any document needed to implement the
26 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this
27 Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

1 94. Signatories. It is agreed that because the members of the Class are so numerous, it is
2 impossible or impractical to have each member of the Class execute this Stipulation of Settlement. The
3 Notice of Class Action Settlement, attached hereto as Exhibit A, will advise all Class Members of the
4 binding nature of the release, and the release shall have the same force and effect as if this Stipulation
5 of Settlement were executed by each Settlement Class Member.

6 95. Binding on Successors and Assigns. This Stipulation of Settlement will be binding upon,
7 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

8 96. California Law Governs. All terms of this Stipulation of Settlement and Exhibits hereto
9 will be governed by, construed, and interpreted according to the laws of the State of California,
10 irrespective of the State of California's choice of law principles.

11 97. Execution and Counterparts. This Stipulation of Settlement is subject only to the
12 execution of all Parties. However, the Agreement may be executed in one or more counterparts,
13 including by facsimile, electronic signature, or email. All executed counterparts and each of them will
14 be deemed to be one and the same instrument.

15 98. Acknowledgement that the Settlement is Fair, Reasonable, and Adequate. The Parties
16 believe this Stipulation of Settlement is a fair, adequate, and reasonable settlement of the Action and
17 have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation,
18 taking into account all relevant factors, present and potential. The Parties further acknowledge that they
19 are each represented by competent counsel and that they have had an opportunity to consult with their
20 counsel regarding the fairness and reasonableness of this Agreement. In addition, the Mediator may
21 execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court
22 may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement
23 is objectively fair and reasonable.

24 99. Invalidity of Any Provision. Before declaring any provision of this Stipulation of
25 Settlement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
26 possible consistent with applicable precedents so as to define all provisions of this Stipulation of
27 Settlement as valid and enforceable.

1 100. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign this
2 Stipulation of Settlement and, by signing this Stipulation of Settlement, is hereby bound by the terms
3 herein. For good and valuable consideration, Plaintiff further agrees that he will not request to be
4 excluded from this Stipulation of Settlement. Any such Request for Exclusion by Plaintiff will be void
5 and of no force or effect.

6 101. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute
7 that has arisen between them and to avoid the burden, expense, and risk of continued litigation. By
8 entering into this Agreement, Defendant does not admit, and specifically denies, it has violated any
9 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute
10 or any other applicable laws, regulations, or legal requirements; breached any contract; violated or
11 breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful
12 conduct with respect to its employees or the Class Members. Neither this Agreement, nor any of its
13 terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or
14 concession by Defendant of any such violations or failures to comply with any applicable law. Except
15 as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and
16 provisions shall not be offered or received as evidence in any action or proceeding to establish any
17 liability or admission on the part of Defendant or to establish the existence of any condition constituting
18 a violation of, or a non-compliance with, federal, state, local or other applicable law.

19 102. Captions. The captions and section numbers in this Agreement are inserted for the
20 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
21 provisions of this Agreement.

22 103. Waiver. No waiver of any condition or covenant contained in this Agreement or failure
23 to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a
24 further waiver by such party of the same or any other condition, covenant, right or remedy.

25 104. Meet and Confer Regarding Disputes. Should any dispute arise among the Parties or
26 their respective counsel regarding the implementation or interpretation of this Agreement, a
27 representative of Class Counsel and a representative of Defense Counsel shall meet and confer to resolve

1 such disputes prior to submitting such disputes to the Court.

2 105. Enforcement Actions. If a Party institutes any legal action or other proceeding against
3 the other Party to enforce the provisions of this Settlement or to declare rights and/or obligations under
4 this Settlement, the successful Party will be entitled to recover from the unsuccessful Party reasonable
5 attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement
6 actions. To the extent consistent with class action procedure, this Agreement shall be enforceable by
7 the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court
8 3.769(h). The Disposition entered by the Court will not adjudicate the merits of the Action or the
9 liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms
10 of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain
11 continuing jurisdiction over this Action and over all Parties and Class Members to the fullest extent to
12 enforce and effectuate the terms and intent of this Agreement

13 106. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
14 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
15 one party than another merely by virtue of the fact that it may have been prepared by counsel for one of
16 the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all
17 Parties have contributed to the preparation of this Agreement.

18 107. Representation By Counsel. The Parties acknowledge that they have been represented
19 by counsel throughout all negotiations that preceded the execution of this Agreement, and that this
20 Agreement has been executed with the consent and advice of counsel and reviewed in full. Further,
21 Plaintiff and Class Counsel warrant and represent that there are no liens on this Stipulation of Settlement.

22 108. All Terms Subject to Final Court Approval. All amounts and procedures described in
23 this Stipulation of Settlement herein will be subject to final Court approval.

24 109. Notices. Unless otherwise specifically provided herein, all notices, demands or other
25 communications given hereunder shall be in writing and shall be deemed to have been duly given as of
26 the third business day after mailing by United States registered or certified mail, return receipt requested,
27 addressed as follows:

To Plaintiff and the Class:

Douglas Han, Esq.
Shunt Tatavos-Garajeh, Esq.
Phillip Song, Esq.
Lizette Rodriguez, Esq.
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 91103

To Defendant WESCO DISTRIBUTION, INC.:

Daniel C. Whang
SEYFARTH SHAW LLP
2029 Century Park East, Suite 3500
Los Angeles, California 90067

Elizabeth J. MacGregor
SEYFARTH SHAW LLP
560 Mission Street, Suite 31st Floor
San Francisco, California 94105

110. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Stipulation of Settlement.

111. Integration Clause. This Stipulation of Settlement contains the entire agreement between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

112. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

1 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint
2 Stipulation of Settlement and Release Between Plaintiff and Defendant as of the date(s) set forth below:

3 **NAMED PLAINTIFF AND CLASS COUNSEL**

4 **READ CAREFULLY BEFORE SIGNING**

5 DATED: 10/10/2022

Eric Shadinger

6
7 ERIC SHADINGER
Named Plaintiff

8
9 DEFENDANT WESCO DISTRIBUTION, INC.

10
11 DATED: _____

By: _____

12
13 **APPROVED AS TO FORM**

14
15 **JUSTICE LAW CORPORATION**

16 DATED: 10/10/22

17 By: *D. Han*

18 DOUGLAS HAN
19 SHUNT TATAVOS-GARAJEH
20 PHILLIP SONG
21 LIZETTE RODRIGUEZ
22 Attorneys for Plaintiff Eric Shadinger and the Class

23
24 **SEYFARTH SHAW LLP**

25 DATED: _____

By: _____

26 Daniel C. Whang
27 Elizabeth J. MacGregor
28 Attorneys for Defendant Wesco Distribution, Inc.

1 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint
2 Stipulation of Settlement and Release Between Plaintiff and Defendant as of the date(s) set forth below:

3 **NAMED PLAINTIFF AND CLASS COUNSEL**

4 **READ CAREFULLY BEFORE SIGNING**

5 DATED: _____

6 _____
7 ERIC SHADINGER
8 Named Plaintiff

9 DEFENDANT WESCO DISTRIBUTION, INC.

10 DATED: 10/11/2022

11 By: 

12 **APPROVED AS TO FORM**

13 **JUSTICE LAW CORPORATION**

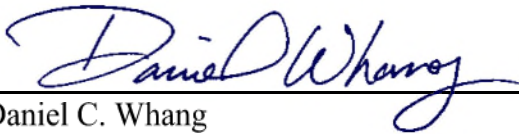
14 DATED: _____

15 By: _____

16 DOUGLAS HAN
17 SHUNT TATAVOS-GARAJEH
18 PHILLIP SONG
19 LIZETTE RODRIGUEZ
20 Attorneys for Plaintiff Eric Shadinger and the Class

21 **SEYFARTH SHAW LLP**

22 DATED: 10/11/2022

23 By: 

24 Daniel C. Whang
25 Elizabeth J. MacGregor
26 Attorneys for Defendant Wesco Distribution, Inc.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Eric Shadinger v. Wesco Distribution, Inc.

Sacramento County Superior Court Case No. 34-2021-00298583

(Complaint Filed April 12, 2021)

You are not being sued. This notice affects your rights. Please read it carefully

To: All current and former non-exempt employees who worked for Defendant within the State of California at any time during the period from April 12, 2017, to July 8, 2022 (“Class” or “Class Member(s)).

You are receiving this Notice of Class Action Settlement because you have been identified as a person who has worked or who currently works as a non-exempt employee of Wesco Distribution, Inc. (“Defendant”) within the State of California at any time during the period from April 12, 2017, to July 8, 2022 (“Class Period”).

On _____, 2022, the Honorable _____ of the Superior Court of the State of California for the County of Sacramento granted preliminary approval of this Class Action Settlement and ordered the litigants to notify all Class Members of the settlement. You have received this notice because Defendant’s records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

The amount of your estimated payment is [INSERT ESTIMATE]

To participate in the settlement DO NOTHING. You will automatically be a Claimant unless you mail a Request for Exclusion to the Claims Administrator by not later than _____, 2022. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held on _____, 2023 in Department ____ of the Sacramento County Superior Court located at _____. You are not required to attend the Hearing, but you are welcome to do so.

Summary of the Litigation

On April 12, 2021, Eric Shadinger (“Plaintiff”), filed a putative class action against Defendant in the Superior Court for the State of California, County of Sacramento, entitled *Shadinger v. Wesco Distribution, Inc.*, Case No. 34-2021-00298583, for (1) violation of California Labor Code §§ 510, 1194, 1197, and 1198 (failure to pay minimum and overtime wages); (2) violation of California Labor Code § 226.7 (failure to provide rest breaks); (3) violation of California Labor Code § 512 (failure to provide meal periods) (4) violation of California Labor Code § 1194 (failure to pay minimum wage); (5) violation of California Labor Code §§ 201, 202, and 203 (failure to timely pay wages upon termination); (6) violation of California Labor Code § 226 (failure to provide complete and accurate wage statements); (7) violation of California Labor Code §§ 2800 and 2802 (failure to reimburse business expenses); and (8) violation of California Business and Professions Code § 17200.

On March 28, 2022, the Parties participated in mediation before Jeffrey A. Ross (the “Mediator”), a respected mediator of wage and hour class actions. After a full day of negotiations and considering the Mediator’s proposal, the Parties agreed to settle.

Plaintiff filed a First Amended Class Action Complaint against Defendant in the Action alleging additional claims for civil penalties under the California Labor Code §§ 2699 et seq. Private Attorney General Act (“PAGA”).

On May 2, 2022, the Parties were able to finalize the Settlement Agreement. Counsel for Plaintiff, and the attorneys
83078403v.1

appointed by the Court to represent the Class, Justice Law Corporation (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believes that the claims alleged in this lawsuit have merit, Class Counsel also recognizes that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believes the proposed settlement is fair, adequate, reasonable, and in the best interests of the Class Members.

Defendant has denied and continues to deny the factual and legal allegations in Plaintiff’s case and believes that the claims have no merit. By agreeing to settle, Defendant is not admitting liability on any of the allegations or claims in the case or that the case can or should proceed as a class action. Instead, Defendant has agreed to settle the case solely for economic efficiency.

Summary of Settlement Terms

Plaintiff and Defendant have agreed to settle the underlying Class and PAGA claims in exchange for the Maximum Settlement Amount of up to \$1,390,000. This amount is inclusive of: (1) Individual Settlement Payments to all Class Members (“Claimants”); (2) the Class Representative Enhancement Payment in the amount of \$10,000 to Plaintiff; (3) Claims Administration Costs currently estimated at \$10,000; (4) \$486,500 in attorneys’ fees and up to \$20,000 in litigation costs and expenses to Class Counsel; (5) \$100,000 in PAGA Payment (civil penalties) to be divided seventy-five percent (75%) to the California Labor and Workforce Development Agency (“LWDA”) and twenty-five percent (25%) to PAGA Aggrieved Employees.

After deducting the Class Representative Enhancement Payment, Claims Administration Costs, the PAGA Payment, and Attorneys’ Fees and Costs, a total of approximately \$763,500.00 will be available to Claimants (“Net Settlement Amount”).

The Class Administrator will make settlement payments to each Claimant. The amount of settlement payment each Class Member receives will be based on the number of Eligible Workweeks each Class Member worked during the relevant Class Period. “Eligible Workweeks” means the number of weeks of employment that a Class Member worked for Defendant as a non-exempt employee in California at any time during the Class Period and received any pay for work. Any workweek in which a Class Member did not receive pay for work will not be an Eligible Workweek, even if the Class Member received other pay (such as sick or vacation, for example).

You have worked an estimated ____ Eligible Workweeks during the Class Period. Based on your total number of Eligible Workweeks within the Class Period, your portion of the Net Settlement Amount is \$ ____.

IRS Forms W-2 and 1099 will be distributed to Claimants and the appropriate taxing authorities reflecting the payments they receive under the settlement. Claimants should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, twenty percent (20%) of each Class Member’s Individual Settlement Payment will be treated as wages, and the remaining eighty percent (80%) will be treated as penalties and interest.

PAGA Aggrieved Employees and PAGA Payment

Under the terms of the Settlement, \$100,000 has been set aside as a PAGA Payment. This portion is the total amount of civil penalties collected on behalf of the State of California. Seventy-five thousand dollars (\$75,000)

Questions? Contact the Settlement Claims Administrator toll free at 1-*-***-******

will be sent to the LWDA. The PAGA Aggrieved Employees will share twenty-five thousand dollars (\$25,000) that will be based on the number weeks they worked during the period from April 18, 2021, to July 8, 2022.

You are a “PAGA Aggrieved Employee” eligible to share the PAGA Payment under the settlement if you were employed by Defendant within the State of California at any time during the period from April 18, 2021, to July 8, 2022 (“PAGA Period”).

The Claims Administrator will calculate the total number of Eligible Workweeks worked by each individual PAGA Aggrieved Employee to determine the total number of Eligible Workweeks worked by all PAGA Aggrieved Employees (“Total PAGA Workweeks”) between April 18, 2021, and July 8, 2022. The Claims Administrator will use the following formula to determine each PAGA Aggrieved Employee’s estimated PAGA Payment: Estimated individual PAGA Payment = $(\$25,000 \div \text{Total PAGA Workweeks}) \times \text{individual Eligible Workweeks}$ for each individual PAGA Aggrieved Employee. The portion of the PAGA Payment paid to PAGA Aggrieved Employees shall be designated as one hundred percent (100%) penalties, for which an IRS Form 1099 will issue.

Based on your total number of Eligible Workweeks within the PAGA Period, your portion of the PAGA Payment is \$ _____. You are responsible for paying any federal, state, or local taxes owed because of this PAGA Payment.

Because these penalties can only be sought by the State of California, you cannot exclude yourself from the PAGA portion of the settlement if the Court gives Final Approval. Even if you exclude yourself from the class action portion of the settlement, you will still be paid your portion of the civil penalties described above.

If you were not a non-exempt employee of Defendant within the PAGA Period of April 18, 2021 to July 8, 2022, you are not a PAGA Aggrieved Employee, and this Section does not apply to you.

Your Options Under the Settlement

Important Note: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

Option 1 – Do Nothing to Be Eligible for Payment

If you want to receive money from the settlement, you do not need to do anything. You will be considered a Claimant and will be issued your portion of the Net Settlement Amount.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Claims Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written Request for Exclusion must: (a) be signed by you; (b) set forth your name, address, telephone number, and last four digits of your Social Security Number; (c) clearly state the name of this case, the case number, and that the Class Member does not wish to be included in the Settlement; (d) be returned by mail to the Claims Administrator at the specified address and/or facsimile number; and (e) be postmarked on or before the Response Deadline. Sign, date, and mail the Request for Exclusion by First Class U.S. Mail, or equivalent, to the address below.

Questions? Contact the Settlement Claims Administrator toll free at 1-*-***-******

Claims Administrator
c/o _____

The written request to be excluded must be postmarked not later than _____, 2022. If you submit a Request for Exclusion which is not postmarked by _____, 2022, your Request for Exclusion will be rejected, and you will be included in the settlement class.

Option 3 – *File an Objection with the Court*

If you wish to object to the settlement because you find it unfair or unreasonable, you may file with the Court an objection stating why you object to the settlement. For the objection to be valid, it must include: (a) your full name, signature, address, and telephone number; (b) a written statement of all grounds for the objection accompanied by any legal support for such objection; (c) a clear reference to the title of this case and case number; and (d) copies of any papers, briefs, or other documents upon which the objection is based. Further, if you intend to appear at the Final Approval Hearing, either in person or through counsel, you must include notice of that fact and state the purpose for your appearance in your objection. The objection must be filed with the Court and served on the attorneys listed below:

Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Phillip Song, Esq.
Lizette Rodriguez, Esq.
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Telephone: (818) 230-7502
Class Counsel

Daniel C. Whang, Esq.
SEYFARTH SHAW LLP
2029 Century Park East, Suite 3500
Los Angeles, California 90067
Telephone: (310) 277-7200

Elizabeth J. MacGregor, Esq.
SEYFARTH SHAW LLP
560 Mission Street, Suite 31st Floor
San Francisco, California 94105
Telephone: (415) 397-2823
Counsel for Wesco Distribution, Inc.

All objections must be filed with the Court not later than _____, 2022. Late objections will not be considered. By filing an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described in Option 2 above. Please note that you cannot both object to the settlement and exclude yourself.

You may also, if you wish, appear at the Final Approval Hearing set for _____ at _____ a.m./p.m. in the Sacramento County Superior Court and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, under both **Options 1 and 3** (if the Court approved the Settlement), you will be deemed to have released or waived the following claims:

The claims released by Class Members include any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney's fees, interest, damages, actions or causes of action of whatever kind or nature, whether known or unknown,

Questions? Contact the Settlement Claims Administrator toll free at 1-*-***-******

contingent or accrued, under any legal theory under state law that were or could have been brought based on the facts or claims alleged in any version of the complaints filed in the Action, or letters submitted by Plaintiff to the Labor and Workforce Development Agency during the Released Claims Period.

The Released Claims include, but are not limited to, any and all claims, debts, liabilities, demands, obligations, guarantees, penalties, costs, expenses, attorney's fees, damages, action or causes of action, contingent or accrued, which relate to the allegations and claims asserted or that could have been asserted in the complaints filed in the Action, or letters submitted by Plaintiff to the Labor and Workforce Development Agency, including without limitation claims for: (1) unpaid overtime (Cal. Lab. Code §§ 510 and 1198); (2) failure to provide meal periods (Cal. Lab. Code §§ 226.7 and 512); (3) failure to authorize and permit rest breaks (Cal. Lab. Code § 226.7); (4) unpaid minimum wages (Cal. Lab. Code §§ 1194 and 1197); (5) failure to pay all wages and termination (Cal. Lab. Code §§ 201-203); (6) failure to provide accurate wage statements (Cal. Lab. Code § 226); (7) failure to reimburse business expenses (Cal. Lab. Code §§ 2800 and 2802); (8) unfair competition (Cal. Bus. & Prof. Code § 17200, et seq.) and (9) claims under the Private Attorneys General Act (Cal. Lab. Code § 2698, et seq.); claims for any alleged failure to provide, or authorize and permit, meal and rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, auto-deduction of meal periods, failure to properly calculate or to pay meal or rest break premiums, failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked (including off-the-clock work or pre or post shift work), time clock rounding, grace periods, shift tolerance, failure to timely pay wages during employment, failure to timely pay all final wages at separation from employment, failure to furnish accurate wage statements, record-keeping violations, failure to reimburse business expenses, claims derivative and/or related to these claims, and liquidated damages; claims under any and all applicable statutes, including without limitation any provision of the California Labor Code, California Business & Professions Code §§ 17200 et seq., Private Attorneys General Act (Cal. Lab. Code § 2698, et seq.), and any provision of the applicable California Industrial Welfare Commission Wage Orders based on the facts or claims alleged or that could have been alleged in any version of the complaints filed in the Action, or letters submitted by Plaintiff to the Labor and Workforce Development Agency.

If you choose **Option 2**, you will no longer be a Class Member and will: (1) be barred from participating in the settlement, but you will not be deemed to have released the Released Claims; (2) be barred from filing an objection to the settlement; and (3) not receive a payment from the settlement.

If you choose **Option 3**, you will still be entitled to the money from the settlement. Otherwise, if the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel listed above, or the Claims Administrator at the telephone number listed below, toll free. Please refer to the Wesco Distribution, Inc. class action settlement.

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement

Questions? Contact the Settlement Claims Administrator toll free at 1-*-***-******

of the matters involved in the case and the settlement, you may refer to the pleadings, the Settlement Agreements, and other papers filed in the case. Copies of these documents may be obtained at the Sacramento County Superior Court Office of the Clerk located at _____.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT; THE JUDGE; WESCO DISTRIBUTION, INC.; OR WESCO DISTRIBUTION, INC'S ATTORNEYS WITH INQUIRIES.

Questions? Contact the Settlement Claims Administrator toll free at 1-*-***-******

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On October 12, 2022, I served the foregoing document described as

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

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

Executed on October 12, 2022, at Pasadena, California.

An Am

Anna Okada