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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

TYRONE WILLIAMS, individually, and on behalf of other members of the general public similarly situated, and as an aggrieved employee pursuant to the Private Attorneys General Act (“PAGA”),

Plaintiff,

vs.

ONESOURCE DISTRIBUTORS, LLC, a Delaware limited liability company; ONESOURCE SUPPLY SOLUTIONS, LLC, a Delaware limited liability company; SONEPAR MANAGEMENT US, INC., a Delaware corporation; INDEPENDENT ELECTRIC SUPPLY, INC., a California corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 37-2022-00029632-CU-OE-CTL

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

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Tyrone Williams (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendants OneSource Distributors, LLC; Sonepar Management US, Inc.; and Independent Electric Supply, Inc. (“Defendants”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

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

1. “Action” means *Williams vs OneSource Distributors LLC, et al.*, No. 37-2022-00029632-CU-OE-CTL (San Diego County Superior Court).
2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Five Hundred Thousand Dollars (\$500,000). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Fifteen Thousand Dollars (\$15,000), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above. In the event that Class Counsel’s attorneys’ fees are increased pursuant to the escalation clause at Paragraph 51, it shall be deducted from the Gross Settlement Amount. Even in the event that the Court reduces or does not approve the award of attorneys’ fees discussed in this paragraph, Plaintiff and Class Counsel shall not have the right to revoke this Settlement.
3. “Class Counsel” means Capstone Law APC.
4. “Class List” means a complete list of all Class Members that Defendants will diligently

and in good faith compile from their records and provide to the Settlement Administrator and Class Counsel within thirty (30) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member's full name; most recent mailing address and telephone number; Social Security number; dates of employment; the respective number of Workweeks that each Class Member worked during the Class Period and PAGA Period; and any other relevant information needed to calculate settlement payments.

5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any time from July 27, 2018 through August 15, 2023. To the extent that employees were previously included in a settlement of similar claims in the *Mendoza v. Independent Electric Supply, Inc.*, No. RG18916575 (Alameda County Superior Court) litigation involving Independent Electric Supply, Inc., they will not receive any credit for workweeks prior to or including July 10, 2020.

6. "Class Notice" means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

7. "Class Period" means the period from July 27, 2018 through August 15, 2023.

8. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff in recognition of his effort and work in prosecuting the Action on behalf of Class Members, and for his general release of claims. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class Representative Enhancement Payment of up to Fifteen Thousand Dollars (\$15,000). The Class Representative Enhancement Payment shall be paid from the Gross Settlement Amount. Defendants agree not to oppose any such application that is consistent with this paragraph. Even in the event that the Court reduces or does not approve the Class Representative Enhancement Payment discussed in this paragraph, Plaintiff and Class Counsel shall not have the right to revoke this Settlement.

9. "Court" means the San Diego County Superior Court.

10. "Defendants" means Defendants OneSource Distributors, LLC; Sonepar Management US, Inc.; and Independent Electric Supply, Inc.

11. "Effective Date" means the later of: (a) if no timely objections are filed, or are

1 withdrawn prior to Final Approval, then the date of Final Approval; or (b) if a Class Member files an
2 objection to the Settlement, the Effective Date shall be the sixty-first (61) calendar day after the date of
3 Final Approval, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an
4 objector, then the Effective Date will be the date of final resolution of that appeal (including any requests
5 for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

6 12. "Final Approval" means the date on which the Court enters an order granting final
7 approval of the Settlement Agreement.

8 13. "Gross Settlement Amount" means the Gross Settlement Amount of One Million Five
9 Hundred Thousand Dollars (\$1,500,000), to be paid by Defendants in full satisfaction of all Released
10 Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments,
11 Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the PAGA Settlement
12 Amount, and Settlement Administration Costs. This Gross Settlement Amount has been agreed to by
13 Plaintiff and Defendants based on the aggregation of the agreed-upon settlement value of individual
14 claims. In no event will Defendants be liable for more than the Gross Settlement Amount except as
15 otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to
16 Defendants. Defendants will be separately responsible for any employer payroll taxes required by law,
17 including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross
18 Settlement Amount.

19 14. "Individual Settlement Payment" means each Participating Class Member's and PAGA
20 Member's respective shares of the Net Settlement Fund and PAGA Fund.

21 15. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining
22 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the
23 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
24 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to
25 Defendants.

26 16. "Notice of Objection" means a Class Member's valid and timely written objection to the
27 Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full
28 name, signature, address, and telephone number, (b) a written statement of all grounds for the objection

1 accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other
2 documents upon which the objection is based; and (d) a statement whether the objector intends to appear
3 at the final fairness hearing.

4 17. "PAGA Members" means all persons who worked for Defendants as non-exempt,
5 hourly paid employees in the State of California at any time from July 27, 2021 through August 15,
6 2023.

7 18. "PAGA Period" means the period from July 27, 2021 through August 15, 2023.

8 19. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to
9 the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with
10 Plaintiff's claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
11 *et seq.*, "PAGA") ("PAGA Settlement"). The Parties have agreed that Eighty Thousand Dollars
12 (\$80,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to
13 PAGA, Seventy-Five Percent (75%), or Sixty Thousand Dollars (\$60,000), of the PAGA Settlement
14 Amount will be paid to the California Labor and Workforce Development Agency ("Labor and
15 Workforce Development Agency Payment"), and Twenty-Five Percent (25%), or Twenty Thousand
16 Dollars (\$20,000) ("PAGA Fund"), of the PAGA Settlement will be disbursed to PAGA Members,
17 regardless whether they request to be excluded from the Settlement Class.

18 20. "Parties" means Plaintiff and Defendants collectively.

19 21. "Participating Class Members" means all Class Members who do not submit timely and
20 valid Requests for Exclusion.

21 22. "Plaintiff" means Plaintiff Tyrone Williams.

22 23. "Preliminary Approval" means the date on which the Court enters an order granting
23 preliminary approval of the Settlement Agreement.

24 24. "Released Class Claims" means all claims, rights, demands, liabilities, and causes of
25 action, reasonably arising from, or reasonably related to, the same set of operative facts as those set forth
26 in the operative complaint during the Class Period, including: (a) all claims for unpaid overtime; (b) all
27 claims for meal and rest break violations; (c) all claims for unpaid minimum wages; (d) all claims for the
28 failure to timely pay wages upon termination based on the preceding claims; (e) all claims for the failure

1 to timely pay wages during employment based on the preceding claims; (f) all claims for wage statement
2 violations based on the preceding claims; (g) all claims for the failure to reimburse for necessary business
3 expenses; (h) all claims asserted through California Business & Professions Code §§ 17200, *et seq.*; (i)
4 any other claims or penalties under the wage and hour laws pleaded in the Action or that are based on the
5 same predicate facts or primary rights associated with such laws; and (j) all damages, penalties, interest
6 and other amounts recoverable under the wage and hour laws pleaded in the Action or that are based on
7 the same predicate facts or primary rights associated with such laws, including but not limited to the
8 corresponding provisions of the California Labor Code, the applicable Wage Orders, and the California
9 Unfair Competition Law.

10 25. “Released PAGA Claims” means all claims for civil penalties under California Labor
11 Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the facts
12 alleged in Plaintiff’s LWDA letter and operative complaint, during the PAGA Period, including (a) all
13 claims for unpaid overtime; (b) all claims for meal and rest break violations; (c) all claims for unpaid
14 minimum wages; (d) all claims for the failure to timely pay wages upon termination based on the
15 preceding claims; (e) all claims for the failure to timely pay wages during employment based on the
16 preceding claims; (f) all claims for wage statement violations based on the preceding claims; (g) all
17 claims for the failure to reimburse for necessary business expenses; and (h) any other claims for civil
18 penalties under the wage and hour laws pleaded in the Action or that are based on the same predicate
19 facts or primary rights associated with such laws.

20 26. “Released Parties” means Defendants, their past or present officers, directors,
21 shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and
22 reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and
23 attorneys, if any.

24 27. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a
25 request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the
26 name, address, telephone number and last four digits of the Social Security Number of the Class
27 Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement
28 Administrator; (d) clearly state that the Class Member does not wish to be included in the Settlement;

1 and (e) be faxed or postmarked on or before the Response Deadline.

2 28. "Response Deadline" means the deadline by which Class Members must postmark or
3 fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the
4 calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement
5 Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of
6 the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a
7 Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which
8 the U.S. Postal Service is open.

9 29. "Settlement Administration Costs" means the costs payable from the Gross Settlement
10 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
11 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross
12 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The
13 Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,
14 any such costs in excess of the amount represented by the Settlement Administrator as being the
15 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
16 approximately 1,000 Class Members, the Settlement Administration Costs are currently estimated to be
17 Twelve Thousand Two Fifty Dollars and Zero Cents (\$12,250.00).

18 30. "Settlement Administrator" means CPT Group, or any other third-party class action
19 settlement administrator agreed to by the Parties and approved by the Court for the purposes of
20 administering this Settlement. The Parties each represent that they do not have any financial interest in
21 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
22 could create a conflict of interest.

23 31. "Workweeks" means, according to Defendants' records, the number of weeks that each
24 Class Member worked during the Class Period. Workweeks shall be calculated using the weeks of
25 employment for each Class Member during the Class Period, subtracting weeks where no work was
26 performed due to a leave of absence, vacation, or other periods when no work occurred (if any), and
27 rounding up to the nearest whole number. All Class Members will be credited with at least one
28 Workweek during the Class Period, and all PAGA Members will be credited with at least one

1 Workweek during the PAGA Period. To the extent that employees were previously included in a
2 settlement of similar claims in *Mendoza v. Independent Electric Supply, Inc.*, No. RG18916575
3 (Alameda County Superior Court), they will not receive any credit for workweeks prior to or including
4 July 10, 2020.

5 **TERMS OF AGREEMENT**

6 The Plaintiff, on behalf of himself and the Settlement Class, and Defendants agree as follows:

7 32. Funding of the Gross Settlement Amount. Defendants will make a one-time deposit of
8 the Gross Settlement Amount of One Million Five Hundred Thousand Dollars (\$1,500,000) into a
9 Qualified Settlement Account to be established by the Settlement Administrator. Defendants will pay the
10 employer's share of payroll taxes separately. After the Effective Date, the Gross Settlement Amount will
11 be used for: (a) Individual Settlement Payments; (b) the Labor and Workforce Development Agency
12 Payment; (c) the Class Representative Enhancement Payment; (d) Attorneys' Fees and Costs; and (e)
13 Settlement Administration Costs. Defendants will deposit the Gross Settlement Amount and the
14 employer's share of payroll taxes within thirty (30) calendar days of the Effective Date ("Funding
15 Date").

16 33. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or
17 motion by Class Counsel for Attorneys' Fees and Costs of not more than Five Hundred Thousand
18 Dollars (\$500,000), plus the reimbursement of all out-of-pocket costs and expenses associated with Class
19 Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs,
20 etc.), not to exceed Fifteen Thousand Dollars (\$15,000), both of which will be paid from the Gross
21 Settlement Amount. Even in the event that the Court reduces or does not approve the award of attorneys'
22 fees and/or costs discussed in this paragraph, Plaintiff and Class Counsel shall not have the right to
23 revoke this Settlement.

24 34. Class Representative Enhancement Payment. In exchange for a general release, and in
25 recognition of his effort and work in prosecuting the Action on behalf of Class Members, Defendants
26 agree not to oppose or impede any application or motion for a Class Representative Enhancement
27 Payment of up to Fifteen Thousand Dollars (\$15,000), to Plaintiff. The Class Representative
28 Enhancement Payment will be paid from the Gross Settlement Amount and will be in addition to

1 Plaintiff's Individual Settlement Payment paid pursuant to the Settlement. Plaintiff will be solely and
2 legally responsible to pay any and all applicable taxes on the Class Representative Enhancement
3 Payment. Plaintiff understands and agrees that this Settlement Agreement shall remain in full force and
4 effect even if the full amount of Class Representative Enhancement Payment sought by Plaintiff is not
5 ultimately awarded or reduced by the Court.

6 35. Settlement Administration Costs. The Settlement Administrator will be paid for the
7 reasonable costs of administration of the Settlement and distribution of payments from the Gross
8 Settlement Amount, which is currently estimated to be Twelve Thousand Two Fifty Dollars and Zero
9 Cents (\$12,250.00). These costs, which will be paid from the Gross Settlement Amount, will include,
10 *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2
11 IRS Forms, distributing Class Notices, calculating and distributing the Gross Settlement Amount, and
12 providing necessary reports and declarations. To the extent actual costs for claims administration are less
13 than \$12,250.00, those amounts will be credited to the Gross Settlement Amount prior to distribution of
14 the Net Settlement Fund to Participating Class Members. Defendant agrees not to oppose any such
15 applications that are consistent with this paragraph.

16 36. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
17 of Eighty Thousand Dollars (\$80,000) from the Gross Settlement Amount will be designated for
18 satisfaction of Plaintiff's PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Sixty
19 Thousand Dollars (\$60,000), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or
20 Twenty Thousand Dollars (\$20,000), will be paid to PAGA Members in proportion to the number of
21 Workweeks worked during the PAGA Period.

22 37. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement
23 resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private
24 Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
25 Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and
26 all PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA
27 Member has the right to object to the PAGA Settlement Amount.

28 38. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating

1 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendants.

2 39. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
3 portion of the PAGA Fund will revert to or be retained by Defendants.

4 40. Individual Settlement Payment Calculations. Individual Settlement Payments will be
5 calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of
6 Workweeks a Class Member worked during the Class Period and PAGA Period. Specific calculations of
7 Individual Settlement Payments will be made as follows:

8 40(a) Payments from the Net Settlement Fund. Defendants will calculate the total
9 number of Workweeks worked by each Class Member during the Class
10 Period and the aggregate total number of Workweeks worked by all Class
11 Members during the Class Period. To determine each Class Member's
12 estimated "Individual Settlement Payment" from the Net Settlement Fund,
13 the Settlement Administrator will use the following formula: The Net
14 Settlement Fund will be divided by the aggregate total number of
15 Workweeks, resulting in the "Workweek Value." Each Class Member's
16 "Individual Settlement Payment" will be calculated by multiplying each
17 individual Class Member's total number of Workweeks by the Workweek
18 Value. The Individual Settlement Payment will be reduced by any required
19 deductions for each Participating Class Member as specifically set forth
20 herein, including employee-side tax withholdings or deductions. The entire
21 Net Settlement Fund will be disbursed to all Class Members who do not
22 submit timely and valid Requests for Exclusion. If there are any valid and
23 timely Requests for Exclusion, the Settlement Administrator shall
24 proportionately increase the Individual Settlement Payment for each
25 Participating Class Member according to the number of Workweeks
26 worked, so that the amount actually distributed to the Settlement Class
27 equals 100% of the Net Settlement Fund.

28 40(b) Payments from the PAGA Fund. Defendants will calculate the total number

1 of Workweeks worked by each PAGA Member during the PAGA Period
2 and the aggregate total number of Workweeks worked by all PAGA
3 Members during the PAGA Period. To determine each PAGA Member's
4 estimated "Individual Settlement Payment," the Settlement Administrator
5 will use the following formula: The PAGA Fund will be divided by the
6 aggregate total number of Workweeks, resulting in the "PAGA Workweek
7 Value." Each PAGA Member's "Individual Settlement Payment" will be
8 calculated by multiplying each individual PAGA Member's total number of
9 Workweeks by the PAGA Workweek Value. The entire PAGA Fund will
10 be disbursed to all PAGA Members.

11 41. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
12 Participating Class Members under this Settlement, as well as any other payments made pursuant to this
13 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any
14 Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)
15 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.
16 Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions,
17 or amounts to which any Class Members may be entitled under any benefit plans.

18 42. Administration Process. The Parties agree to cooperate in the administration of the
19 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
20 administration of the Settlement.

21 43. Delivery of the Class List. Within thirty (30) calendar days of Preliminary Approval,
22 Defendants will provide the Class List to the Settlement Administrator.

23 44. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class
24 List from Defendants, the Settlement Administrator will mail a Class Notice to all Class Members via
25 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class
26 List.

27 45. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement
28 Administrator will perform a search based on the National Change of Address Database for information

1 to update and correct for any known or identifiable address changes. Any Class Notices returned to the
2 Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly
3 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
4 Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is
5 provided, the Settlement Administrator will promptly attempt to determine the correct address using a
6 skip-trace, or other search using the name, address and/or Social Security number of the Class Member
7 involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed
8 Class Notice, whether by skip-trace or by request, will have either (a) an additional fifteen (15) calendar
9 days or (b) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an
10 objection to the Settlement.

11 46. Class Notices. All Class Members will be mailed a Class Notice. Each Class Notice will
12 provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal
13 terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of Workweeks each
14 respective Class Member and PAGA Member worked for Defendants during the Class Period and
15 PAGA Period; (e) each Class Member's and PAGA Member's estimated Individual Settlement Payment
16 and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class
17 Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion or Notices of
18 Objection; (h) the deadlines by which the Class Member must postmark or fax Request for Exclusions,
19 or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

20 47. Disputed Information on Class Notices. Class Members will have an opportunity to
21 dispute the information provided in their Class Notices. To the extent Class Members dispute their
22 employment dates or the number of Workweeks on record, Class Members may produce evidence to the
23 Settlement Administrator showing that such information is inaccurate. If a person believes that he or she
24 was wrongly excluded from being a Class Member or a PAGA Member, that person must notify the
25 Settlement Administrator by the Response Deadline or he or she will be excluded from the Settlement
26 Class or as a PAGA Member.

27 48. Defendants' records will be presumed correct, but the Settlement Administrator shall
28 contact the Parties regarding the dispute and the Parties will work in good faith to resolve it. All disputes

1 must be submitted by the Response Deadline, and will be decided within ten (10) business days after the
2 Response Deadline.

3 49. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
4 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
5 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
6 receiving the defective submission to advise the Class Member that his or her submission is defective
7 and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have
8 until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter,
9 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
10 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

11 50. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
12 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
13 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
14 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
15 for Exclusion has been timely submitted.

16 51. Proportional Increase to Gross Settlement Amount: The Gross Settlement Amount was
17 calculated with, and is premised on, the understanding that Class Members worked approximately One
18 Hundred Thousand (100,000) Workweeks during the Class Period. If the actual number of weeks is
19 greater than Eight Percent (8%) of this estimate, then the Gross Settlement Amount will be increased by
20 the same proportion above Eight Percent (8%).

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

26 53. Releases by Participating Class Members. Upon the Funding Date, and except as to such
27 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
28 together and individually, on their behalf and on behalf of their respective heirs, executors,

administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released Class Claims arising during the Class Period.

54. Releases by PAGA Members. Upon the Funding Date, and except as to such rights or claims as may be created by this Settlement Agreement, each PAGA Member, together and individually, on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the Released PAGA Claims arising during the PAGA Period.

55. Defendants' Right to Rescind. Defendants will have, in their sole discretion, the right to void and withdraw from the Settlement if, at any time prior to Final Approval, Five Percent (5%) or more of Class Members opt out of the settlement. Defendants must exercise this right of rescission in writing to Class Counsel within fourteen (14) calendar days after the Response Deadline. If the option to rescind is exercised, then Defendants will be solely responsible for all Settlement Administration Costs incurred to the date of rescission.

56. Objection Procedures. To object to the Settlement Agreement, a Class Member may either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be deemed to have waived all objections to the Settlement and will be foreclosed from making any objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement Agreement or appeal from the final approval order and judgment. Class Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the Class Member shall not participate in or be bound by the Settlement. In the event that the Court approves this Settlement notwithstanding the objections of any Class Members, Class Members who object to the Settlement will nonetheless be bound by the Settlement.

57. Certification Reports Regarding Individual Settlement Payment Calculations. The

1 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that
2 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
3 the Settlement, and whether any Class Member has submitted a challenge to any information contained
4 in their Class Notice. Additionally, the Settlement Administrator will provide to counsel for both Parties
5 any updated reports regarding the administration of the Settlement Agreement as needed or requested.

6 58. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
7 of the Funding Date, the Settlement Administrator will issue payments to: (a) Participating Class
8 Members and PAGA Members; (b) the Labor and Workforce Development Agency; (c) Plaintiff; and
9 (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved
10 services performed in connection with the Settlement.

11 59. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment
12 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
13 more than one hundred and eighty (180) calendar days after issuance will be tendered to The California
14 State Bar Justice Gap Fund.

15 60. Certification of Completion. Upon completion of administration of the Settlement, the
16 Settlement Administrator will provide a written declaration under oath to certify such completion to the
17 Court and counsel for all Parties.

18 61. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
19 be allocated as follows: (a) Twenty-Five Percent (25%) of each Individual Settlement Payment will be
20 allocated as wages for which IRS Forms W-2 will be issued; and (b) Seventy-Five Percent (75%) will be
21 allocated as non-wages for which IRS Forms 1099-MISC will be issued.

22 62. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
23 will be responsible for issuing to Plaintiff, Participating Class Members, PAGA Members, and Class
24 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
25 this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes
26 and penalties to the appropriate government authorities.

27 63. Tax Liability. Defendants make no representation as to the tax treatment or legal effect
28 of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on

any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard.

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

65. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of

1 action or right herein released and discharged.

2 66. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally
3 approve the Settlement as provided herein; or (b) the Settlement does not become final for any other
4 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
5 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
6 likewise be treated as void from the beginning. In such a case, the Parties shall be returned to their
7 respective statuses prior to the settlement, and the Parties shall proceed in all respects as if this Settlement
8 had not been executed. If an appeal is filed from the Court's Judgment prior to the Effective Date,
9 settlement administration shall be immediately stayed pending final resolution of the appeal.

10 67. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request
11 the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order
12 for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) preliminary
13 approval of the proposed Settlement Agreement, (c) setting a date for a final fairness hearing. The
14 Preliminary Approval Order will provide for the Class Notice to be sent to all Class Members as
15 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this
16 Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed
17 Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting
18 all documents necessary to obtain preliminary approval.

19 68. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
20 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
21 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
22 Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b)
23 the Class Representative Enhancement Payment; (c) Individual Settlement Payments; (d) the Labor and
24 Workforce Development Agency Payment; (e) all Settlement Administration Costs. The final fairness
25 hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel
26 will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also
27 be responsible for drafting the attorneys' fees and costs application to be heard at the final approval
28 hearing.

69. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement Administrator's website.

70. Release by Plaintiff. Upon the Funding Date, in addition to the claims being released by all Participating Class Members, Plaintiff will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiff has or may have against the Released Parties as of the date of execution of this Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiff expressly waives any and all rights and benefits conferred upon him by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

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.

71. Exhibits Incorporated by Reference. The terms of this Settlement 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 Settlement Agreement are an integral part of the Settlement.

72. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is

1 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
2 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
3 contradict the terms of this Settlement Agreement.

4 73. Amendment or Modification. No amendment, change, or modification to this Settlement
5 Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved
6 by the Court.

7 74. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
8 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
9 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
10 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
11 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
12 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
13 reach agreement on the form or content of any document needed to implement the Settlement, or on any
14 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
15 may seek the assistance of the Court to resolve such disagreement.

16 75. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
17 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

18 76. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
19 will be governed by and interpreted according to the laws of the State of California.

20 77. Execution and Counterparts. This Settlement Agreement is subject only to the execution
21 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
22 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
23 copies of the signature page, will be deemed to be one and the same instrument.

24 78. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
25 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
26 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account
27 all relevant factors, present and potential. The Parties further acknowledge that they are each represented
28 by competent counsel and that they have had an opportunity to consult with their counsel regarding the

1 fairness and reasonableness of this Settlement.

2 79. Invalidity of Any Provision. Before declaring any provision of this Settlement
3 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
4 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
5 valid and enforceable.

6 80. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
7 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may
8 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
9 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

10 81. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
11 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
12 approved, the stipulation to certification will be void. The Parties further agree that certification for
13 purposes of the Settlement is not an admission that class action certification is proper under the standards
14 applied to contested certification motions and that this Settlement Agreement will not be admissible in
15 this or any other proceeding as evidence that either (a) a class action should be certified or (b) Defendants
16 are liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

17 82. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
18 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
19 entering into this Settlement, Defendants do not admit, and specifically deny, that they violated any
20 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
21 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
22 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
23 respect to their employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
24 of the negotiations connected with it, will be construed as an admission or concession by Defendants of
25 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
26 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be
27 offered or received as evidence in any action or proceeding to establish any liability or admission on the
28 part of Defendants or to establish the existence of any condition constituting a violation of, or a non-

1 compliance with, federal, state, local or other applicable law.

2 83. No Public Comment: Plaintiff and Class Counsel agree not to disclose or publicize the
3 Settlement, including the fact of the Settlement, its terms or contents, and the negotiations underlying the
4 Settlement, in any manner or form, directly or indirectly, to any person or entity, except potential Class
5 Members and as shall be contractually required to effectuate the terms of the Settlement. For the
6 avoidance of doubt, this section means Plaintiff and Class Counsel agree not to issue press releases,
7 communicate with, or respond to any media or publication entities, publish information in manner or
8 form, whether printed or electronic, on any medium or otherwise communicate, whether by print, video,
9 recording or any other medium, with any person or entity concerning the Settlement, including the fact
10 of the Settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be
11 contractually required to effectuate the terms of the Settlement. However, for the limited purpose of
12 allowing Class Counsel to prove adequacy as class counsel in other actions, or to seek approval of
13 comparable settlements, Class Counsel may disclose in court filings information about the Action and
14 Settlement available in the public record.

15 84. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
16 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
17 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

18 85. Enforcement Actions. In the event that one or more of the Parties institutes any legal
19 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
20 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
21 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
22 expert witness fees incurred in connection with any enforcement actions.

23 86. Enforceability. The Parties intend for this Agreement to be enforceable in the Superior
24 Court of California for the County of San Diego, by and subject to the Court's pending jurisdiction.

25 87. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
26 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
27 more strictly against one party than another merely by virtue of the fact that it may have been prepared
28 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations

1 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

2 88. Representation By Counsel. The Parties acknowledge that they have been represented
3 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
4 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
5 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

6 89. All Terms Subject to Final Court Approval. All amounts and procedures described in
7 this Settlement Agreement herein will be subject to final Court approval.

8 90. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
9 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
10 Settlement Agreement.

11 91. Notices. Unless otherwise specifically provided in this Settlement, all notices, demands,
12 and/or other communications will be in writing and will be deemed to have been duly given as of the
13 third (3rd) business day after mailing by U.S. Mail, addressed as follows:

14 To The Class:
15 CAPSTONE LAW APC
16 Raul Perez
17 Orlando Villalba
18 Helga Hakimi
19 1875 Century Park East, Suite 1000
20 Los Angeles, California 90067

21 To Defendants:
22 OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
23 Alexander M. Chemers
24 Daniel N. Rojas
25 400 South Hope Street, Suite 1200
26 Los Angeles, CA 90071

27 92. Binding Agreement. The Parties warrant that they understand and have full authority to
28 enter into this Settlement Agreement, and further intend that this Settlement 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.

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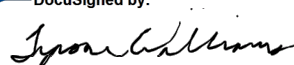
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READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 10/27/2023

Tyrone Williams

DocuSigned by:

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**DEFENDANTS ONESOURCE
DISTRIBUTORS, LLC; SONEPAR
MANAGEMENT US, INC.; AND
INDEPENDENT ELECTRIC SUPPLY, INC.**

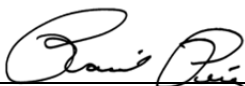
Dated: _____

John Sharpe

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 10/27/2023

By: 
Raul Perez

Attorneys for Plaintiff Tyrone Williams

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

Dated: _____

By: _____
Alexander M. Chemers
Daniel N. Rojas

Attorneys for Defendants OneSource Distributors,
LLC; Sonepar Management US, Inc.; and
Independent Electric Supply, Inc.

1 **READ CAREFULLY BEFORE SIGNING**

2 **PLAINTIFF**

3
4 Dated: _____

Tyrone Williams

5
6 **DEFENDANTS ONESOURCE**
7 **DISTRIBUTORS, LLC; SONEPAR**
8 **MANAGEMENT US, INC.; AND**
9 **INDEPENDENT ELECTRIC SUPPLY, INC.**

10 Dated: 11/06/2023



Peter H. Bruhn

11 **APPROVED AS TO FORM**

12 **CAPSTONE LAW APC**

13
14
15 Dated: _____

By: _____

Raul Perez

Attorneys for Plaintiff Tyrone Williams

16
17
18
19 **OGLETREE, DEAKINS, NASH, SMOAK &**
20 **STEWART, P.C.**

21 Dated: November 16, 2023

By: 

Alexander M. Chemers

Daniel N. Rojas

22
23 Attorneys for Defendants OneSource Distributors,
24 LLC; Sonepar Management US, Inc.; and
25 Independent Electric Supply, Inc.
26
27
28

Exhibit A

Williams vs OneSource Distributors LLC, No. 37-2022-00029632-CU-OE-CTL
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SAN DIEGO
NOTICE OF CLASS ACTION SETTLEMENT

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

To: All persons who worked for Defendants OneSource Distributors, LLC; Sonepar Management US, Inc.; and Independent Electric Supply, Inc. (“Defendants”) as non-exempt, hourly paid employees in the State of California at any time from July 27, 2018 through August 15, 2023 (“Class Members”).

All persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any time from July 27, 2021 through August 15, 2023 (“PAGA Members”).

On _____, the Honorable Matthew C. Braner of the San Diego County Superior Court 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 Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at __:00 __m. on _____, 2024 in Department C-60 of the San Diego County Superior Court located at 330 W Broadway, San Diego, California 92101.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don’t Have to Do Anything to Participate in the Settlement	If you do nothing, you will be deemed a “Participating Class Member,” and will be eligible for a payment from the Net Settlement Fund and PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims and PAGA penalty claims against Defendants based on the facts alleged in the Action during the applicable Class Period and PAGA Period.
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don’t want to fully participate in the proposed Settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement.
The Opt-out Deadline is [DATE]	You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [DATE]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed class settlement, but not the PAGA settlement.
You Can Participate in the [DATE] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [DATE] in Department C-60 of the San Diego County Superior Court located at 330 W Broadway, San Diego, California 92101. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement.

Why Am I Receiving This Notice?

Defendants’ records show that you currently work, or previously worked, for Defendants as a non-exempt employee in the State of California at any time from July 27, 2018 through August 15, 2023. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action and PAGA lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and/or appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

Summary of the Litigation

Plaintiff Tyrone Williams, on his behalf and on behalf of other current and former non-exempt employees, alleges that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) reimburse employees for all necessary business expenses; and (5) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On May 15, 2023, the parties participated in a mediation with Louis Marlin, Esq., an experienced and well-respected class action mediator. With Mr. Marlin’s guidance, the parties were able to negotiate a complete settlement of Plaintiff’s claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. Defendants deny all of the allegations made by Plaintiff and deny that they violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this Class Action and PAGA Settlement. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing. Based on

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

the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$1,500,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) a Class Representative Enhancement Payment of \$15,000 to Tyrone Williams for his services on behalf of the class, and for a release of all claims arising out of his employment with Defendants; (3) \$500,000 in attorneys' fees and up to \$15,000 in litigation costs and expenses; (4) a \$80,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$60,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$20,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$_. After deducting the above payments, a total of approximately \$_ will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Members will receive a proportional share of the \$20,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund.

Defendants will calculate the total number of Workweeks worked by each Class Member from July 27, 2018 through August 15, 2023 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To the extent that Class Members were previously included in a settlement of similar claims in *Mendoza v. Independent Electric Supply, Inc.*, No. RG18916575 (Alameda County Superior Court), they will not receive any credit for Workweeks prior to or including July 10, 2020. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants' records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$ _____. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [RESPONSE DEADLINE]. Please include any documentation you have that you contend supports your dispute.

Payments from PAGA Fund.

Defendants will calculate the total number of Workweeks worked by each PAGA Member from July 27, 2021 through August 15, 2023 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does

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

not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Defendants' records, you worked during the PAGA Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$ _____. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than **[RESPONSE DEADLINE]**. Please include any documentation you have that you contend supports your dispute.

Your Estimated Payment

Based on the above, your estimated payment from the settlement is approximately \$ _____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator

c/o _____

Fax No. _____

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments

IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 25% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. This notice is not intended to provide legal or tax advice on your Settlement Share.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

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, you will be deemed to have released or waived the Released Class Claims and Released PAGA Claims:

Released Class Claims: All claims, rights, demands, liabilities, and causes of action, reasonably arising from, or reasonably related to, the same set of operative facts as those set forth in the operative complaint during the Class Period, including: (a) all claims for unpaid overtime; (b) all claims for meal and rest break violations; (c) all claims for unpaid minimum wages; (d) all claims for the failure to timely pay wages upon termination based on the preceding claims; (e) all claims for the failure to timely pay wages during employment based on the preceding claims; (f) all claims for wage statement violations based on the preceding claims; (g) all claims for the failure to

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

reimburse for necessary business expenses; (h) all claims asserted through California Business & Professions Code §§ 17200, *et seq.*; (i) any other claims or penalties under the wage and hour laws pleaded in the Action or that are based on the same predicate facts or primary rights associated with such laws; and (j) all damages, penalties, interest and other amounts recoverable under the wage and hour laws pleaded in the Action or that are based on the same predicate facts or primary rights associated with such laws, including but not limited to the corresponding provisions of the California Labor Code, the applicable Wage Orders, and the California Unfair Competition Law.

Released PAGA Claims: All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the facts alleged in Plaintiff's LWDA letter and operative complaint, during the PAGA Period, including (a) all claims for unpaid overtime; (b) all claims for meal and rest break violations; (c) all claims for unpaid minimum wages; (d) all claims for the failure to timely pay wages upon termination based on the preceding claims; (e) all claims for the failure to timely pay wages during employment based on the preceding claims; (f) all claims for wage statement violations based on the preceding claims; (g) all claims for the failure to reimburse for necessary business expenses; and (h) any other claims for civil penalties under the wage and hour laws pleaded in the Action or that are based on the same predicate facts or primary rights associated with such laws.

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 Settlement 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 include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

The Request for Exclusion must be postmarked or faxed not later than _____, 2024. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2024, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _____ 2024. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the

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

directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of San Diego 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 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: 1 (888) 451-8669

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, AND/OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

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