

CLASS ACTION AND PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AND RELEASE AGREEMENT

This Class Action and Private Attorneys General Act Settlement and Release Agreement (“**Agreement**,” “**Settlement Agreement**” or “**Settlement**”) is entered into by Plaintiff Parwinder Birk (“**Birk**” or “**Plaintiff**”), on behalf of himself, similarly situated non-exempt employees, the State of California Labor and Workforce Development Agency (“**LWDA**”), and those he seeks to represent, on the one hand, and, on the other hand, Simpson Strong-Tie Company, Inc. (“**Simpson**” or “**Defendant**”). For purposes of this Agreement, Plaintiff and Simpson are collectively referred to as the “**Parties**.”

By way of this Agreement, the Parties seek to settle the action entitled *Parwinder Birk v. Simpson Strong-Tie Company, Inc.*, Alameda Superior Court Case No. 22CV018199 (the “**Action**”). The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising disputed legal and factual issues and that nothing in this Settlement Agreement is an admission of liability or wrongdoing by Defendant.

RECITALS

1. **The Action.** On September 20, 2022, Birk filed a complaint in Alameda Superior Court alleging claims for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Indemnify Necessary Business Expenses; (6) Failure to Timely Pay Final Wages at Termination; (7) Failure to Provide Accurate Itemized Wage Statements; and (8) Unfair Business Practices. On December 15, 2022, Birk amended his complaint to add a claim for civil penalties under California’s Private Attorneys General Act (“PAGA”) based on the same predicate claims and allegations as well as allegations of failure to properly pay sick pay. In the Action, Plaintiff seeks to represent all current and former California non-exempt, hourly paid employees of Simpson during the statutory period.
2. **The Parties’ Successful Mediation Efforts.** On April 26, 2024, the Parties to the Action attended a private mediation with Steve Rotman, Esq., a well-respected and highly sought-after mediator with extensive experience in wage and hour, class and representative action litigation. The Parties reached a settlement of the Action at the full-day mediation and subsequently executed a Memorandum of Understanding on May 3, 2024.
3. **Class Counsel’s Investigation.** Counsel for Plaintiff, the Class Members, and those alleged aggrieved employees Plaintiff seeks to represent—Moon Law Group, PC (“**Class Counsel**”)—conducted a formal and informal investigation into the facts and allegations of the Action, including an extensive review of produced documents and data. In particular, Class Counsel propounded formal discovery, and made informal discovery requests in advance of mediation, and reviewed and analyzed documents produced in response to such requests, including Plaintiff’s personnel information, Defendant’s written policies relating to the claims asserted in the Action, all reasonably accessible time records and payroll data for the Class, and other data reflecting the pay periods and workweeks worked by Class Members during the relevant time period. Class Counsel also investigated the claims against Simpson in the Action and analyzed all applicable defenses raised by Simpson.

4. **Class Counsel's Evaluation.** Class Counsel believes that the Settlement documented by this Agreement is fair, reasonable, and adequate, and in the best interest of the Class Members and PAGA Group based on all known facts and circumstances, including the risk of significant delay, defenses asserted to the merits of the Action, defenses asserted to class certification and the PAGA representative action, as well as defenses to the overall issue of liability and damages, and potential appellate issues.

5. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge any and all claims, rights, demands, charges, complaints, causes of action, obligations or liability of any and every kind that were or could be asserted in the Action based upon the operative facts alleged or theories asserted in any of Plaintiff's complaints, amended complaints or in the letter to the Labor and Workforce Development Agency. Additionally, the Parties intend the Settlement of the Action as described in this Agreement to be contingent upon: (1) the Court's preliminary and final approval of the terms of this Agreement, including entry of a final approval order and the Judgment described in Section X(B)(3); (2) execution by Plaintiff separately of a general release of all claims against Defendant and all Released Parties (defined below in Section XV); and (3) the Court granting the Parties' stipulation permitting the filing of a second amended complaint in the Action to add claims based on allegations of time rounding.

6. **The Parties stipulate to the certification of this Settlement Class solely for purposes of this Agreement.** The Parties stipulate to certify the Class described herein for settlement purposes only. The Parties' stipulation to class certification is contingent upon the preliminary and final approval and certification of the Settlement Class only for purposes of this Agreement. Should this Agreement not become final or not be approved by the Court, for whatever reason, the fact that the Parties were willing to stipulate provisionally to class certification as part of the Agreement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in the Action. Simpson does not waive, and instead expressly reserves, its right to challenge the propriety of class certification or representative treatment for any purpose should the Court not approve this Agreement.

7. **The Parties' Agreement to Cooperate and Execute Necessary Documents.** The Parties agree to cooperate and to take all steps reasonably necessary and appropriate to effectuate the terms of this Agreement including to obtain a preliminary approval order and Final Approval Order of this Settlement, to obtain entry of judgment and/or dispose of the Action and claims of Class Members and aggrieved employees with prejudice, to have Plaintiff execute a separate, general release of all claims against Defendant, and to have Defendant timely provide the Class Data (defined below) and fund the Gross Settlement Amount.

NOW THEREFORE, in consideration of the recitals listed above and the promises, releases, and warranties set forth below, and with the Parties' intent to be legally bound and to acknowledge the sufficiency of the consideration and undertakings set forth herein, Plaintiff, individually and on behalf of the Class Members, the PAGA Group, and the State of California LWDA, on the one hand, and Simpson, on the other hand, agree that the Action shall be and is finally and fully compromised and settled as to the Released Parties, on the terms and conditions set forth herein, subject to Court approval:

AGREEMENT

I. DEFINITIONS

- A. Class Definition and Class Period: “**Class**,” “**Settlement Class**,” or “**Class Members**” means: All individuals who worked for Simpson Strong-Tie Company, Inc. in the state of California in the position of a nonexempt employee at any time between August 31, 2019 and the date of preliminary approval (“**Class Period**”).
- B. “**Final Approval Order**” refers to the order by the Court finally approving the Settlement following the Final Settlement Approval Hearing.
- C. PAGA Group and PAGA Period. “**PAGA Group**” or “**PAGA Group Members**” means all individuals who worked for Simpson Strong-Tie Company, Inc. in the state of California in the position of a nonexempt employee at any time between September 16, 2021 and the date of preliminary approval (“**PAGA Period**”).
- D. “**Settlement Administrator**” refers to Simpluris, Inc., the third-party administrator, who has been mutually selected by the Parties, subject to Court approval, to perform the notice, settlement administration, and distribution of payment functions further described in this Agreement. The Settlement Administrator shall establish a Qualified Settlement Fund (QSF) pursuant to U.S. Treasury Regulation Section 468B-1 for purposes of administering the Settlement.

II. PROVISIONAL APPROVAL OF THIS AGREEMENT

- A. Upon execution of this Agreement, the Parties shall take the following actions:
 - 1. To effectuate the terms of the Settlement, the Parties will file a stipulation requesting the Court to permit Plaintiff to file a second amended class and representative action complaint, which adds claims and allegations relating to time rounding. The Parties acknowledge that the Court entered an Order granting the Parties’ Joint Stipulation on June 5, 2024.
 - 2. The Parties acknowledge that a hearing at which to seek preliminary approval of the Settlement has been scheduled for August 22, 2024.
 - 3. Within sufficient statutory notice of the August 22, 2024 hearing date for preliminary approval, Class Counsel shall move the Court to enter an order as to all of the following:
 - a) Preliminarily certifying, for settlement purposes only, a Class comprising the Class Members;
 - b) Preliminarily appointing, for settlement purposes only, Moon Law Group, PC as Class Counsel;

- c) Preliminarily appointing, for settlement purposes only, Birk as the class representative;
- d) Appointing and approving Simpluris, Inc. as the Settlement Administrator;
- e) Provisionally approving all terms of this Agreement and finding that such terms are sufficient to warrant sending notice of settlement to Class Members;
- f) Approving the form and content of the Notice of Proposed Settlement and Final Settlement Approval Hearing (the “**Class Notice**”), substantially in the form attached hereto as **Exhibit A**;
- g) Authorizing the mailing of the Class Notice to the Class Members; and
- h) Scheduling a hearing, to occur within a reasonable period after the Response Deadline (defined below) has expired, in which the Court will hear Plaintiff’s motion requesting the Court to fully and finally approve this Agreement and the settlement herein, and enter Judgment (the “**Final Settlement Approval Hearing**”).

Simpson does not intend to oppose Plaintiff’s Motion for Preliminary Approval provided such motion and supporting papers are consistent with the terms of this Agreement. Class Counsel shall provide counsel for Defendant with a draft of the preliminary approval motion and supporting papers, and proposed preliminary approval order, for review and opportunity to provide comments within a reasonable time after the Settlement Agreement is executed and at least five business days prior to the filing of the motion for preliminary approval. Plaintiff’s counsel shall not file a motion for preliminary settlement approval without first confirming with counsel for Defendant that Defendant has no objection to any matters stated within the other preliminary approval papers. The Parties shall jointly prepare the proposed Preliminary Approval Order and proposed Class Notice, and Class Counsel shall submit them in the form mutually agreed to by the Parties.

B. Notice of Settlement to Appropriate Government Officials. Pursuant to California Labor Code section 2699(1)(2), Class Counsel shall notify the LWDA of the Settlement at the same time that Class Counsel files the motion for preliminary approval of the Settlement.

This Agreement is contingent upon entry of the Final Approval Order by the Court that contains each of the terms specified in Section II(A)(3) above and is consistent with the terms and conditions specified in this Agreement. However, the Parties agree and acknowledge that the Court may condition the Final Approval Order on modification of this Agreement, which shall not be the basis for nullifying and voiding the Settlement unless the required modification is material (including but not limited to modifications to the Gross Settlement Amount or release provisions of this Agreement) and the Parties have exhausted all efforts to address the Court’s concerns as necessary to obtain final approval. The Court’s decision to award less than the amounts requested for the Enhancement Payment, Class Counsel Attorneys’ Fees, Class Counsel Litigation Costs

and/or Settlement Administration Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph. This Agreement shall become null and void in the event the Court for any reason refuses to enter the orders specified in Section II(A)(3) after all opportunities granted by the Court to the Parties for amendment have been exhausted. In the event the Court for any reason refuses to enter such orders, the Parties agree to cooperate in good faith to resolve any issues addressed by the Court, and exhaust all possible solutions to obtain the Court's approval. If the Parties cannot agree on how to address issues raised by the Court to obtain approval of this Agreement or the relief specified in this Section II, then they will seek the assistance of the mediator for resolution.

III. ALLOCATION OF GROSS SETTLEMENT AMOUNT

- A. The following are material conditions to be satisfied before and as a condition to payment of the Gross Settlement Amount (defined below) is made:
1. Execution of this Agreement by all signatories.
 2. The Court has conducted a Final Settlement Approval Hearing and fully and finally approves all material terms of this Agreement.
 3. A Final Approval Order and Judgment including all of the provisions identified in Section X(B)(3) is entered by the Court and becomes final under California law (including the right to appeal expiring).
 4. The time to file any appeal in the Action has expired and no appeal has been filed on the Final Approval Order and Judgment, or any appeals filed in the Action have been fully resolved by a final judgment, dismissal, or withdrawal of the appeal.
 5. Plaintiff has signed a separate settlement agreement and for separate consideration, generally releasing any and all claims against Defendant, including any claims that may arise out of or relate to his employment, and providing for a waiver of rights under California Civil Code section 1542.
- B. **Gross Settlement Amount.** “**Gross Settlement Amount**” means the maximum settlement amount of **Two Million Nine Hundred Forty Thousand Dollars (\$2,940,000.00)** (the “**Gross Settlement Amount**”) to be paid by Simpson on the condition that all of the material conditions set forth above in Section III(A) have occurred, in full satisfaction of all claims released under this Agreement, and includes all individual payments to Class Members and PAGA Group Members, Enhancement Payment to Plaintiff, payments to the LWDA, Attorneys’ Fees and Costs to Class Counsel, and payment of settlement administration fees and costs to the Settlement Administrator. Simpson shall be separately responsible for employer-side payroll taxes (including, without limitation, FUTA, SUTA and the employer portion of FICA, Medicare and any applicable state or local employment taxes) which shall not be paid from the Gross Settlement Amount. The Parties agree that, subject to this paragraph and Section XIII(B), under no circumstances shall Simpson be obligated to pay any amount over the Gross Settlement Amount

under the terms of this Agreement except as provided for in this Agreement. This Settlement shall be a non-reversionary Settlement. None of the Gross Settlement Amount will revert to Defendant.

- C. **PAGA Penalties.** The Parties agree that Defendant will pay a total of two hundred fifty thousand dollars (\$250,000.00) to PAGA Group Members and the California Labor and Workforce Development Agency (LWDA) from the Gross Settlement Amount in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law that were alleged or could have been alleged to have been violated in the notice Plaintiff provided to the LWDA and the operative Complaint filed by Plaintiff in the Action (“**PAGA Settlement Amount**”). Pursuant to PAGA, Seventy Five Percent (75%) of the PAGA Settlement Amount will be paid to the LWDA (the “**LWDA Payment**”), and the remaining Twenty-Five Percent (25%) will be paid to all PAGA Group Members (“**PAGA Group Payment**”). The 25% to be paid to PAGA Group Members shall be distributed based on the number of pay periods worked by that PAGA Group Member in a nonexempt California position during the PAGA Period (defined as September 16, 2021 through the date of preliminary approval) in accordance with the methodology set forth in Section VIII(G) herein. The Court’s reduction or increase of the PAGA Settlement Amount is not a material term of this Agreement. If the Court approves a lesser amount or a higher amount than that requested by Class Counsel for the PAGA Settlement Amount, the Parties will not object to such determination, the other terms of this Agreement shall apply and the Net Settlement Amount (defined below) to be distributed to the Class Members will be adjusted accordingly.
- D. **Enhancement Payment.** From the Gross Settlement Amount, \$5,000.00 will be allocated to Plaintiff for initiating the Action and providing services in support of the Action (“**Enhancement Payment**”). The Enhancement Payment is in addition to any Individual Settlement Payment Plaintiff is entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiff’s request for an Enhancement Payment that does not exceed this amount. As part of the motion for final approval, Plaintiff will seek Court approval of the Enhancement Payment. If the Court approves an Enhancement Payment less than the amount requested, the Settlement Administrator will retain the remainder in the Net Settlement Amount (defined below). Plaintiff agrees that the Settlement Administrator will not withhold any taxes from the Enhancement Payment, will issue a Form 1099 or other appropriate tax form consistent with the classification of the Enhancement Payment. Plaintiff acknowledges and agrees that Defendant and its counsel have made no representations regarding the proper tax treatment of the Enhancement Payment. Plaintiff agrees, covenants, and represents that he shall be solely responsible for paying any taxes and penalties payable on the Enhancement Payment and that he shall defend, indemnify, and hold Defendant and the Released Parties (defined below) harmless from any claims, demands, actions, causes of action, losses, costs, attorneys’ fees, penalties, or expenses arising from any classification of the Enhancement Payment as taxable income.

- E. **Attorneys' Fees and Costs.** "Attorneys' Fees and Costs" means the amount allocated to Class Counsel for the work they have performed in furtherance of the Action and for reimbursement of litigation expenses incurred to prosecute the Action. Subject to Court approval, the following payments are to be made from the Gross Settlement Amount to Class Counsel: attorneys' fees of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$980,000.00 ("Attorneys' Fees"), and litigation expenses payment of not more than \$30,000.00 ("Litigation Costs"). Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for final approval which will include a request for Class Counsel's Attorneys' Fees and Costs. If the Court approves Attorneys' Fees and/or Litigation Costs less than the amounts requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Settlement Administrator will issue one or more IRS 1099 Forms in connection with the payment of the Class Counsel Attorneys' Fees and Attorneys' Costs.
- F. **Settlement Administration Costs.** Settlement Administration Costs not to exceed \$15,000.00 except for a showing of good cause and as approved by the Court will be paid from the Gross Settlement Amount. To the extent the Settlement Administration Costs are less or the Court approves payment less than \$15,000.00, the Settlement Administrator will retain the remainder in the Net Settlement Amount for distribution to the Participating Class Members.
- G. **Payments to Participating Class Members.** The "Net Settlement Amount" means the portion of the Gross Settlement Amount remaining after subtracting the following payments: Attorneys' Fees and Costs to Class Counsel, the Enhancement Payment to Plaintiff, payment to the Settlement Administrator for settlement administration fees and costs, and the PAGA Settlement Amount. The Net Settlement Amount will be distributed to "Participating Class Members" (i.e., those Class Members who do not submit valid Requests for Exclusion) . Class Members who do not opt out will be entitled to their pro rata share of the Net Settlement Amount ("Individual Settlement Payment"), calculated in accordance with the formula set forth in Section VIII(D).

IV. SETTLEMENT ADMINISTRATOR

- A. **Appointment of Settlement Administrator.** The Parties request that the Court appoint Simpluris, Inc. as Settlement Administrator. The Settlement Administrator will be responsible for the administration of the settlement terms set forth herein, and all related matters, and will perform the following duties: (i) prepare the Class Notice with the number of Individual Workweeks and Individual PAGA Pay Periods for each Class Member and/or PAGA Group Member based on data provided by Simpson; (ii) mail the Class Notice to Class Members and perform address searches and re-mailings as necessary; (iii) track returned Class Notices; (iv) notify the Parties of timely and untimely Objections and requests for exclusion received; (v) notify the Parties of any disputes by Class Members of the number of Individual Work Weeks and/or persons claiming to be Class Members and resolve

any disputes resulting from same; (vi) calculate the amounts due to each Class Member; (vii) provide settlement payments, W-2 Forms, and 1099 Forms to Participating Class Members and/or PAGA Group Members and to the relevant taxing authorities; (viii) make all other required settlement payments and tax remissions pursuant to the terms of this Agreement and as directed by the Court; and (ix) perform such other duties as are described in this Agreement and/or as are customarily performed by settlement administrators. Among its other duties as described in this Agreement, the Settlement Administrator shall provide counsel for the Parties with a weekly report showing the number of opt-outs and objections received as well as declarations as required by the approval process of this Settlement. The Parties agree to provide any reasonable information requested by the Settlement Administrator needed to effectively administer the settlement.

- B. **Cost of Settlement Administrator.** The cost of the Settlement Administrator, including those costs incurred in mailing the Class Notice to the Class Members as required by this Agreement, will be paid from the Gross Settlement Amount and shall not exceed Fifteen Thousand Dollars (\$15,000.00) based on a written bid received from the Settlement Administrator obtained by the Parties. All disputes relating to the Settlement Administrator's performance of its duties, after good-faith efforts by the Parties to first resolve such disputes, will be referred to the Court, if necessary.

V. NOTICE OF SETTLEMENT TO CLASS MEMBERS AND PAGA GROUP MEMBERS

- A. **Class Data for Settlement Administrator.** Within **fourteen (14) calendar** days after entry of the Court's preliminary approval order that includes all of the provisions identified in Section II(A)(4), Simpson shall provide to the Settlement Administrator the following information for each Class Member and/or PAGA Group Member in a password protected Microsoft Excel format: name, last known address, Social Security number, and the number of Individual Workweeks and/or Individual PAGA Pay Periods attributable to each Class Member/PAGA Group Member ("**Class Data**").

1. Within three (3) calendar days of receipt of the Class Data by the Settlement Administrator, the Settlement Administrator shall notify Class Counsel that the Class Data has been received and provide to Class Counsel, without revealing any confidential information (such as names, Social Security Numbers, contact information, or other personally identifiable information), the number of Class Members along with the total Workweeks worked by all Class Members.

- B. **Confidentiality Of Class Member Contact Information And Data.** The contact information is being provided confidentially, and the Settlement Administrator shall treat the information as private and confidential and take all necessary precautions to maintain the confidentiality of contact information of the Class Members. This information is to be used only to carry out the Settlement

Administrator's duties as specified in this Agreement. The Settlement Administrator shall return the Class Data to Simpson or confirm its destruction upon completion of the Settlement Administrator's duties.

- C. **Mailing Of Class Notice.** The Settlement Administrator shall mail the Class Notice to Class Members **within fourteen (14) calendar days** of receiving the Class Data from Simpson. The Settlement Administrator shall send the Class Notice via First Class U.S. Mail, using the most current, known mailing address for each Class Member and PAGA Group Member based on information provided by Simpson. Upon receipt of this information from Simpson, the Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes.
- D. **Re-mailing Of Returned Notices.** Any mailing returned to the Settlement Administrator as undeliverable shall be sent **within three (3) business days** via First Class U.S. Mail to the forwarding address affixed thereto, if applicable. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address again using a robust skip trace database to update and correct any known or identifiable address changes. Following this procedure, the Settlement Administrator shall perform a re-mailing via First Class U.S. Mail **within three (3) business days**. It shall be presumed that those Class Members whose re-mailed Class Notices are not returned to the Settlement Administrator as undeliverable within **thirty (30) calendar days** after re-mailing, actually received the Class Notice to the maximum extent permitted by law. The Settlement Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- E. **Content Of The Notice Of Class Action Settlement.** The Class Notice shall be in a form mutually agreed to by the Parties and shall, among other things, inform Class Members of their right to decline to participate in the class action portion of the settlement established by this Agreement, so long as the Class Member submits to the Settlement Administrator a valid request for exclusion on or before the Response Deadline (defined below), accurately describe the scope of the release, provide all deadlines and material terms of the Settlement, Class Counsel's contact information, a URL to a website maintained by the Settlement Administrator that has links to the Class Notice and the most important publicly filed documents in the case; and for persons who wish to review the Court's docket in this case, the URL for the Court's electronic filing and service website. The Class Notice shall also state that a Class Member's right to opt out applies only to the class action portion of the Settlement and that no opt out right applies to the settlement of PAGA claims in the Actions. It shall be presumed that each and every Class Member whose Class Notice is not returned to the Settlement Administrator as undeliverable **within thirty (30) calendar days** after mailing or re-mailing (as described above in Section V(D)) actually received it to the maximum extent permitted by law.

- F. **Proof Of Mailing.** At least 16 court days prior to the Final Settlement Approval Hearing, the Settlement Administrator shall provide a finalized and executed declaration of due diligence and proof of mailing with regard to mailing of the Class Notice to Class Counsel and Defendant's Counsel, which Class Counsel shall in turn provide to the Court. **No later than 5 business days** before the final executed declaration is due to be filed by Class Counsel, the Settlement Administrator shall provide to Class Counsel and Defendant's Counsel a final draft of the declaration for review.
- G. Counsel for the Parties shall not attempt in any way to initiate contact or initiate communications with any Class Member other than through the Class Notice, to discuss the Settlement, except as provided in this Agreement and to the extent any Class Member identified by the Settlement Administrator as to whom the Class Notice is believed by the Settlement Administrator to have been undeliverable, in which case counsel for Simpson may make reasonable attempts to secure accurate contact information for such Class Member. Notwithstanding the foregoing: (i) Class Counsel may respond to questions about the Settlement by Class Members who contact Class Counsel; (ii) counsel for the Parties may respond to questions by the Settlement Administrator about specific claims or questions of Class Members; and (iii) Simpson may communicate with its employees and the Class Members to discuss or describe the Settlement as set forth in this Agreement provided that such communications shall not interfere with or discourage participation in the Settlement.

VI. THE OPT-OUT PROCEDURE

- A. **Class Members' Consideration Period.** The Class Notice shall state that Class Members who wish to exclude themselves from, or "opt out" of, the class action portion of the Settlement must submit a signed, written request for exclusion to the Settlement Administrator ("**Request for Exclusion**"). The deadline to submit a Request for Exclusion is **60 calendar days** from the original date that the Class Notice was mailed (the "**Response Deadline**") (plus an additional 14 days for Class Members whose Class Notice is re-mailed). To be valid, a Request for Exclusion must be timely sent either by fax or by mail and be postmarked to the Settlement Administrator at the address listed in the Class Notice on or before the Response Deadline. The date of the postmark on the return mailing envelope or fax stamp on the request for exclusion shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. No later than five (5) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a complete list of all members of the Class who have timely submitted requests for exclusion.
- B. **No right to opt out from PAGA settlement.** The Class Notice shall state that a Class Member's right to opt out applies only to the class action portion of the Settlement and that no opt out right applies to the settlement of PAGA claims in the Actions.

- C. **Opt-Out Procedures.** A Class Member who wishes to opt out of the class portion of the Settlement shall send a Request for Exclusion to the Settlement Administrator, which is a letter setting forth their name, the last four digits of the Social Security number of the Class Member requesting exclusion, the name of the Action, and a statement that they request exclusion from the class and do not wish to participate in the settlement. To be valid, the Request for Exclusion must: (i) reasonably communicate the Class Member's election to be excluded from the class portion of the Settlement and contain sufficient Class Member identifying information; (ii) be signed by the Class Member; and (iii) be postmarked or fax stamped by the Response Deadline and submitted to the Settlement Administrator at the specified address or fax number. All Class Members who do not timely submit a valid Request for Exclusion shall be bound by the terms and conditions of this Agreement including the release of claims described herein, and shall also be bound by any Court orders related to this Agreement or the Actions.
- D. **Effect of Opt-Out.** Class Members who successfully submit a Request for Exclusion ("**Non-Participating Class Member**") will not be entitled to a settlement payment for the class portion of this Settlement, and will not be bound by the class action release of this Agreement. To the maximum extent permitted by law, any Class Member who opts out of the Settlement may not object to the Settlement. If a Class Member submits both a Request for Exclusion and an Objection, the Class Member's Request for Exclusion will be deemed to invalidate the Objection. Class Members who submit valid and timely requests to opt out of the Settlement shall not receive a payment for settlement of Class claims pursuant to the Settlement, nor shall such Class Members be bound by the terms of the Settlement of their individual claims against Simpson pursuant to this Settlement. However, Class Members who submit a valid Request for Exclusion will nevertheless be bound by the settlement and release of PAGA claims in the Settlement to the extent they are a member of the PAGA Group and will receive a payment for their individual share of the PAGA Group Payment in settlement of PAGA claims pursuant to the terms of this Agreement. Class Members who receive a Class Notice (or to whom the Class Notice is sent and not returned to the Settlement Administrator as undeliverable) but do not submit a valid and timely Request for Exclusion on or before the Response Deadline shall be deemed Participating Class Members and shall be bound by all terms of the Settlement and any Final Judgment entered in the Actions if the Settlement is approved by the Court.
- E. The Settlement Administrator shall review each Request for Exclusion upon receipt for timeliness, completeness, and validity. If a submitted Request for Exclusion is defective or incomplete, the Settlement Administrator will promptly notify the Class Member of the defect or deficiency and permit the Class Member fourteen **(14) days** from the date of the mailing of the deficient form or the Response Deadline to cure the defect (the "**Cure Deadline**"), whichever is later. Notwithstanding the foregoing, any Request for Exclusion that is cured will not be considered effective unless: (i) the original Request for Exclusion was postmarked or delivered by the Response Deadline; and (ii) the cured Request for Exclusion

was postmarked or delivered by the Cure Deadline. Class Members shall only be permitted one opportunity to cure a defective Request for Exclusion.

- F. Unless otherwise permitted by this Agreement, only the Settlement Administrator has the right to contact Class Members who submit a Request for Exclusion. The Settlement Administrator shall not interfere with any Class Member's right to submit a Request for Exclusion and shall communicate with a Class Member solely for purposes of determining the validity, completeness, and any defect in a submitted Request for Exclusion. The Settlement Administrator shall not have the authority to extend the Response Deadline or Cure Deadline except as directed by the Court or otherwise agreed to by the Parties in writing. The Settlement Administrator shall provide weekly updates concerning the status to both Class Counsel and counsel for Defendant, which will not in any way hamper or impede the right of Class Members to submit Requests for Exclusion.
- G. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to opt out of the Settlement or to appeal from the Final Approval Order.

VII. OBJECTING TO THE SETTLEMENT

- A. **Objection Rights.** Class Members who wish to object to the Settlement may do so in writing by submitting a written objection ("**Objection**") to the Settlement Administrator within the Response Deadline. Class Members may also appear at the Final Approval Hearing and present their objection orally, regardless of whether the Class Member submitted an Objection to the Settlement Administrator. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether an Objection is timely submitted. The Settlement Administrator shall provide all such Objections to Class Counsel and Defendant's counsel promptly upon receipt. The Court retains final authority with respect to the consideration and admissibility of any Class Member's Objections. Plaintiff and Defendant may respond in writing to any written Objections by **no later than seven (7) calendar days** before the Final Settlement Approval Hearing (or some other number of days as the Court shall specify) unless the Objection is received at a later time. Plaintiff and Defendant may respond to Objections orally at the Final Settlement Approval Hearing.
- B. **Objection Procedures.** The Objection must: (a) contain the case name of the Action; (b) contain the Class Member's full name and signature, and the last four (4) digits of their Social Security number; (c) contain a written statement of the grounds for the objection and supporting documents, if any; and (d) be sent by mail to the Settlement Administrator, postmarked on or before the Response Deadline. These instructions, as well as information regarding how to appear will be communicated in the Class Notice.
- C. Class Members who object to the Settlement may still participate in the Settlement. A Class Member who objects, but does not submit a request for exclusion, will

remain a Participating Class Member. Accordingly, if the Court approves the Settlement, such Class Members will be bound by the terms of the Settlement in the same way as the Class Members who did not object. Only those Class Members who opt-out will not be bound by the class action portion of this Agreement.

- D. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel's attorneys' fees and costs and/or the Enhancement Payment to Plaintiff.
- E. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- F. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written Objections to the Settlement or to appeal from the Court's Final Approval Order and Judgment thereon.
- G. **Objecting Class Members Not Entitled to Attorneys' Fees.** The Parties expressly agree that objecting Class Members are not entitled to recover any attorneys' fees or costs from Class Counsel's fee award. This Agreement specifically bars recovery of attorney fees and costs for objectors even if the objection has added genuine value to the Settlement. Furthermore, nothing in this Agreement, express or implied, creates any obligation on the part of Defendant to pay any attorneys' fees or costs to an objector, even if such fees and costs are ordered to be paid by the Court.
- H. **Waiver of Objection Rights.** To the fullest extent permitted by law, Class Members who fail to submit Objections in the manner specified in the Class Notice and/or fail to appear in Court to present verbal objections at the Final Approval Hearing shall be deemed to have waived any Objections and shall be foreclosed from making any Objection, whether by appeal or otherwise, to this Agreement. To the maximum extent permitted by law, the Parties agree that only the Parties and/or Class Members who file a valid and timely Objection maintain the right to appeal. If the objecting Class Member does not formally intervene in the Action or move to set aside the Judgment and/or the Court rejects the Class Member's Objection, the Class Member will still be bound by the terms of this Agreement.
- I. **Binding Effect of Settlement.** Although some Class Members might not receive the Class Notice or timely submit a request for exclusion, as provided under this Agreement, due to inability to locate their current address following the procedures set forth in this Agreement, such individuals shall nonetheless be bound by all of the terms of this Agreement and the Final Approval Order and Judgment to the maximum extent permitted by law.

VIII. CALCULATION OF SETTLEMENT PAYMENTS TO CLASS MEMBERS AND PAGA GROUP

- A. Upon receipt of the Class Data, and prior to the mailing of the Class Notice, the Settlement Administrator shall review the information submitted by Simpson to confirm the number of Workweeks of each Class Member during the Class Period (“**Individual Workweeks**”) for purposes of performing the calculations of Individual Settlement Payments (defined below). For purposes of this Agreement, a “**Workweek**” shall be defined as a 7-day week, beginning on Monday and ending on Sunday, during which a Class Member employed by Simpson received compensation for regular hours worked as a nonexempt employee for at least one day in the Workweek for work actually performed in California during the Class Period, but shall not include any workweeks for which a Class Member was on a paid or unpaid leave of absence.
- B. The Settlement Administrator shall thereafter provide to Defendant’s counsel and Class Counsel the total number of Class Members and Workweeks in the Class Data.
- C. **No Claims Process.** This Settlement does not require Class Members to submit a claim form to participate in the Settlement.
- D. **Individual Settlement Calculations and Payments.** No claims process shall be required of Plaintiff or Class Members in order to participate in the Settlement. Calculations of Individual Settlement Payments will be made as follows and shall be included in the Class Notice to each Class Member and based on the assumption that no Class Member opts out:
 - 1. The Settlement Administrator will calculate the total number of each Class Member’s Individual Workweeks, and the total number of Workweeks for all Class Members (“**Class Workweeks**”). To determine each Class Member’s Individual Settlement Payment, the Settlement Administrator will use the following formula: (a) dividing the Class Member’s Individual Workweeks by the total number of Class Workweeks, and (b) multiplying the result by the Net Settlement Amount.

The Individual Settlement Payments will be reduced by any required deductions for each Class Member as set forth herein, including required withholdings or deductions.

- E. **Calculation of PAGA Group Members’ Individual Share of PAGA Group Payment.** Each PAGA Group Member’s individual share of the PAGA Group Payment shall be calculated on a pro rata basis, based on the following formula: The Settlement Administrator will calculate the total number of each PAGA Group Member’s Pay Periods during the PAGA Period (“**Individual PAGA Pay Periods**”), and the total number of Pay Periods for all PAGA Group Members in the PAGA Period (“**PAGA Group Pay Periods**”). To determine each PAGA Group Member’s Individual PAGA Payment, the Settlement Administrator will use

the following formula: (a) dividing the amount of the PAGA Group Payment (\$62,500.00) by the total number of PAGA Group Pay Periods, and (b) multiplying the result by each PAGA Group Member's Individual PAGA Pay Periods.

The individual shares of the PAGA Group Payment constitute penalties from which no deductions or withholdings will be taken. For purposes of this Agreement, a "**Pay Period**" shall be defined as any pay period during the PAGA Period in which a PAGA Group Member employed by Simpson received compensation for regular hours worked as a nonexempt employee for work actually performed in California for at least one day in the pay period but shall not include any full pay periods for which a PAGA Group Member was on a paid or unpaid leave of absence.

F. Procedures for Class Members to Dispute Workweek Calculations:

Defendant's records shall be determinative with respect to the number of Individual Workweeks for the Class Member and shall be presumptively valid, subject to this Section VIII(F). If a Class Member disagrees with the number of Individual Workweeks or Individual PAGA Pay Periods listed in his/her/their Class Notice, the Class Member may challenge the number of Individual Workweeks and/or PAGA Pay Periods by communicating with the Settlement Administrator via fax or mail by no later than the Response Deadline. The Class Member must provide the Settlement Administrator with a written statement explaining the basis for such challenge and supporting documentation, if any. In the absence of any contrary evidence, the Settlement Administrator is entitled to presume that the Individual Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Settlement Administrator's determination of each Class Member's allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Settlement Administrator shall promptly provide copies of all challenges to calculation of Individual Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Settlement Administrator's determination of the challenges.

IX. TAX ALLOCATION

- A. The Individual Settlement Payments to Class Members shall consist of the following: (i) 15% wages and (ii) 85% interest and penalties. Defendant will be responsible for the employer's share of payroll taxes on W-2 income, separate and apart from the Gross Settlement Amount.
- B. Because 15% of the gross amount of the Individual Settlement Payments to Class Members constitutes compensation for past services rendered, it shall be considered wages. Accordingly, the Settlement Administrator shall: (i) withhold from the applicable portion of the Individual Settlement Payment the Class Member's share of all appropriate payroll taxes, including federal and state income taxes; (ii) issue to each Class Member and appropriate taxing authorities a Form W-2 statement or its equivalent with respect to the appropriate portion of the Individual Settlement Payment; (iii) issue a Form-1099 to each Class Member and appropriate taxing authorities with respect to the portions of the Individual Settlement Payment representing penalties and interest and, to the extent a Class Member is also a PAGA Group Member, the individual share of the PAGA Payment; and (iv) notify

Defendant of its share of any payroll taxes attributable to the employer for the 15% of the gross amount allocated to wages, which amount will be paid separately from the Gross Settlement Amount.

- C. **Allocation of Individual Settlement Payment Not Material.** The Court's approval of the allocation of the Individual Settlement Payment for Form 1099 income and Form W-2 income is not a material term of this Agreement. If the Court does not approve or approves a different allocation of the Individual Settlement Payments, the Agreement shall remain intact and all other terms of this Agreement shall apply.
- D. Neither Simpson nor its counsel, nor Class Counsel makes any representation, and have made no representations as to the tax treatment or legal effect of the payments called for in this Settlement Agreement, and Plaintiff and Class Members are not relying on any statement, representation, or calculation by Simpson or its counsel, the Settlement Administrator, or Class Counsel in this regard. Plaintiff and Class Members understand and agree that Plaintiff and Class Members will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiff and any Class Member who receives any payment under this Agreement should consult with their tax advisors concerning the tax consequences of the Individual Settlement Payments they receive under the Settlement.

X. FINAL SETTLEMENT APPROVAL HEARING

- A. This Agreement cannot become effective, and Defendant shall have no obligation to make any settlement payment contemplated by this Agreement, unless and until the Court conducts a Final Settlement Approval Hearing and enters a Final Approval Order and Judgment, as described below, approving all of the material terms of this Agreement.
- B. Class Counsel shall be responsible for ensuring that at least the following documents are filed with the Court in advance of the Final Settlement Approval Hearing so that the Court will have a sufficient basis upon which to evaluate and approve the settlement:
 - 1. A final declaration by the Settlement Administrator listing the following information: (i) attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, the mailing and re-mailing of the Class Notice (as applicable), the Class Notices returned as undelivered and attempts to locate Class Members; (ii) the total number of Requests for Exclusions the Settlement Administrator received (both valid and invalid) and a list of the names (with no other identifying information) of all persons who submitted timely and valid Requests for Exclusion; and (iii) the number of Objections received and attaching copies of the Objections received so the Court can evaluate the merits of the Objections.

2. A duly noticed motion for final approval, accompanying memorandum of points and authorities prepared by Class Counsel, and such other pleadings, evidence or other documents as may be necessary for the Court to determine that the Settlement documented by this Agreement is fair, adequate and reasonable;
3. A Proposed Final Approval Order and Judgment for the Court's signature, approving the material terms of the Settlement documented by this Agreement. The Final Approval Order will include the full text of the class and PAGA releases. The Parties shall jointly prepare the Proposed Final Approval Order and Judgment to be submitted in the form mutually agreed to by the Parties.
4. The Parties will cooperate to finalize the motion for final settlement approval and supporting papers to be prepared by Class Counsel. Class Counsel shall provide a draft of the motion for final settlement approval and supporting papers, and an opportunity to provide comments thereto, to Defendant's counsel at least five business days prior to the filing deadline for the motion. Plaintiff's counsel shall not file a motion for final settlement approval without first confirming with counsel for Defendant that Defendant has no objection to any matters stated within the other final approval papers.
5. The Motion for Final Settlement Approval will include Class Counsel's applications for Attorneys' Fees and Costs and the Enhancement Payment. However, the Court's decision to award less than the amounts requested for Class Counsel's Attorneys' Fees and Costs and/or the Enhancement Payment to Plaintiff does not constitute a material modification to the Agreement and will not terminate this Agreement.

XI. PAYMENT TO CLASS MEMBERS AND PAGA GROUP MEMBERS

- A. **"Effective Date".** The **"Effective Date"** of the settlement shall be the date on which all of the following events described in this paragraph have occurred and all the conditions specified in Section III(A)(1)-(5) and Section X(A)-(F) have been satisfied: (a) the Court has conducted the Final Settlement Approval Hearing and fully and finally approved all material terms of the Settlement Agreement; (b) the Court enters the Final Approval Order granting final approval of the Settlement Agreement, enters an appropriate Judgment, and the time period to appeal the Judgment has been exhausted without any appeals having been filed; (c) to the extent a timely appeal was filed, all such appeals have been voluntarily or involuntarily dismissed, or the appropriate appellate court or the appellate courts have entered a final judgment affirming the Final Approval Order and Judgment without material modification and the final judgment of such appellate court or courts is no longer subject to any further appellate challenge or procedure; or (d) sixty days after the date the Court enters Judgment. .

- B. No later than **fourteen (14) calendar days** after the Effective Date, Defendant shall ensure a wire transfer to a bank account designated by the Settlement Administrator is effectuated for the Gross Settlement Amount plus Defendant's separate portion of the employer-side payroll taxes. No later than **thirty (30) calendar days** after the Effective Date, the Settlement Administrator shall issue payments to Class Members and/or PAGA Group Members pursuant to the terms of this Agreement from the above-mentioned designated bank account and issue all necessary and proper tax forms.
- C. The Settlement Administrator shall mail the Individual Settlement Payments and Individual PAGA Payments by First Class U.S. Mail to each Class Member's and/or PAGA Group Member's last known address, postage prepaid. Checks shall be valid for **180 calendar days** from the date of mailing (the "**Check Cashing Deadline**"), and the face of each check shall prominently state the Check Cashing Deadline, when the check will be voided. Class Members who do not cash their settlement checks within 180 calendar days after mailing by the Settlement Administrator shall still be bound by the Settlement and the release of claims provided therein. It shall be presumed that each Class Member received his, her, or their Individual Settlement Payment (and PAGA Group Member payment, if applicable) on the date the payment was deposited in the United States mail, unless the payment is returned to the Settlement Administrator within the Check Cashing Deadline. Any check returned by the post office with a forwarding address will be re-mailed within **five (5) calendar days** by the Settlement Administrator to that forwarding address via First Class U.S. Mail. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address using all reasonably available sources, methods, and means, including, but not limited to, the "National Change of Address Database", skip traces, and direct contact by the Settlement Administrator with Participating Class Members, and it shall then perform a re-mailing within **7 calendar days** of receiving a returned check. The Settlement Administrator need not take further steps to deliver checks to Participating Class Members whose re-mailed checks are returned as undelivered. The Settlement Administrator shall promptly send a replacement check to any Participating Class Member whose original check was lost or misplaced, requested by the Participating Class Member prior to the void date.
- D. In accordance with California Code of Civil Procedure Section 384, any checks returned to the Settlement Administrator by the post office as undeliverable after the Settlement Administrator takes steps set forth above, and all funds from checks that are not cashed by the Check Cashing Deadline, together with any interest or other amounts received but not disbursed, shall be distributed as follows:
1. The amount of any Individual Settlement Payments and Individual PAGA Payments that remain undeliverable or uncashed 180 calendar days after the postmarked date of the initial mailing of the checks for Individual Settlement Payments and/or Individual PAGA Payments will be paid to the California State Controller's Unclaimed Property Fund in the name of and for the benefit of the individual who did not cash his or her check, thereby

leaving no “unpaid residue” subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). The Participating Class Member and/or PAGA Group Member will nonetheless remain bound by the Settlement. The Parties agree that this disposition results in no “unpaid residue” within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Class Members, whether or not they all cash their Individual Payments.

2. The Settlement Administrator shall notify the Parties’ counsel of the total amount that was actually paid to the Class Members and the amount of funds that are unclaimed.
3. At a date set by the Court for a final accounting in accordance with California Code of Civil Procedure Section 384(b), the Parties shall advise the Court of the total amount that was actually paid to Class Members under this Agreement and the amount of funds that are unclaimed by Class Members and transmitted to the California State Controller’s Unclaimed Property Fund.

XII. PAYMENT OF ATTORNEYS’ FEES AND COSTS TO CLASS COUNSEL; SETTLEMENT ADMINISTRATION EXPENSES; ENHANCEMENT PAYMENT

- A. No later than **thirty (30) calendar days** after the Effective Date, the Settlement Administrator shall transfer the following amounts, as awarded by the Court:
 1. To Class Counsel, the amounts ordered by the Court for all attorneys’ fees and costs incurred in prosecuting the Action;
 2. To the Settlement Administrator, the amounts ordered by the Court for all its expenses;
 3. To Plaintiff, the amount ordered by the Court for the Enhancement Payment; and
 4. To the LWDA, the LWDA Payment.

XIII. PAYMENT OF SETTLEMENT AMOUNTS TO CLASS MEMBERS AS ORDERED BY THE COURT

- A. **Gross Settlement Amount.** The Parties agree that, except as set forth in Section XIII(B) and the employer share of payroll taxes, under no circumstances shall Defendant be obligated to pay any amount that exceeds **two million nine hundred forty thousand dollars (\$2,940,000.00)**.
- B. **Escalator Clause.** Based on its records, Defendant estimated the number of workweeks to be 139,742 through the workweek ending April 28, 2024. If it is later determined that the number of actual Workweeks exceeds 10% of the estimated

Workweeks as of the date of the hearing on the motion for preliminary settlement approval, Defendant has the option of either of the following Section XIII(B)(a) or (b):

- a. increasing the Gross Settlement Amount proportionately by the Workweeks worked by Class Members above the ten percent threshold (for example, if the number of total Class Workweeks increases by 11%, the Gross Settlement Amount shall increase by one percent.) Workweeks shall include only those workweeks where a Class Member rendered actual services to Defendant in California as a nonexempt employee (i.e. excludes any workweeks where a Class Member was on leave or worked in an exempt position or outside of California) OR
 - b. Alternatively, Defendant may elect to change the end date of the release period to be the date at which the number of Workweeks worked by the Class exceeded 153,716.
 - c. Defendant must make an election between options (a) and (b) above prior to the mailing of the Class Notices such that the Class Notice contains a definitive class period and Gross Settlement Amount.
- C. **No Impact On Contributions To Employee Benefit Plans.** None of the payments made pursuant to this Agreement shall be considered to alter the terms or to grant any rights to additional payments under any employee benefit plans. None of the payments made pursuant to this Agreement shall be considered for purposes of determining eligibility for, vesting or participation in, or contributions to any benefit plan, including, without limitation, all plans subject to the Employee Retirement and Income Security Act of 1974 (“ERISA”). Any distribution of payments to Plaintiff or Class Members shall not be considered as a payment of wages or compensation under the terms of any applicable benefit plan and shall not affect participation in, eligibility for, vesting in, the amount of any past or future contribution to, or level of benefits under any applicable benefit plan. Any amounts paid will not impact or modify any previously credited hours of service or compensation taken into account under any bonus or incentive plan, benefit plan sponsored or contributed to by Defendant or any jointly-trusted benefit plan, or for purposes of calculating the regular rate of pay. For purposes of this Agreement, “benefit plan” means each and every “employee benefit plan,” as defined in 29 U.S.C. § 1002(3), and, even if not thereby included, any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or policy.

XIV. INVALIDATION OF AGREEMENT FOR FAILURE TO SATISFY CONDITIONS

- A. In the event the Court fails to enter final judgment approving the Settlement consistent with the terms set forth in this Agreement after the Parties have exhausted all reasonable efforts to amend the Agreement to address the Court’s concerns, or such final judgment is vacated or reversed, the Action shall proceed as if no settlement had been attempted and revert back to its prior procedural posture.

In such event, nothing in this Agreement shall be used, construed or admissible as evidence by or against any Party as a determination, admission, or concession of any issue of law or fact in the Action, or in any other proceeding for any purpose; and the Parties do not waive, and instead expressly reserve, their respective rights to prosecute and defend the Action as if this Agreement never existed.

- B. **Defendant's Right to Withdraw.** If, prior to the Final Settlement Approval Hearing, the number of persons who submit valid and timely Requests for Exclusion exceeds ten percent (10%) of the total number of Class Members, then Defendant shall have the sole and absolute discretion to withdraw from this Agreement. If Defendant elects to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of settlement. If Defendant elects to withdraw from this Agreement pursuant to this paragraph, Defendant shall be solely responsible for any costs of administration that have been incurred by the Settlement Administrator at the time Defendant elects to withdraw from this Agreement.
- C. If this Agreement is terminated for failure to satisfy any of the material terms or conditions, Defendant shall not be obligated to create or maintain any type of settlement fund and shall not be obligated to make any settlement payment to any Class Member, PAGA Group Member, LWDA, Class Counsel, or to Plaintiff.

XV. RELEASES, REPRESENTATIONS AND WARRANTIES

A. Class Member Release

1. Release of Claims by Plaintiff and Class Members. In consideration of the monetary sum provided by Defendant and upon the Effective Date and Defendant's funding of the Gross Settlement Amount, Plaintiff and each of the Participating Class Members shall waive, fully release and forever discharge the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of any kind arising from the alleged violation of any provision of common law, California law and/or federal law which was or could have been raised in any of Plaintiff's complaints filed in the Action (including Plaintiff's complaint, first amended complaint, and second amended complaint), or letter to the LWDA, including but not limited to claims for off-the-clock work, failure to properly compensate for all hours worked, unpaid wages, unpaid overtime wages, failure to pay all wages earned every pay period, underpaid wages based on time rounding, failure to pay all compensation, premiums or sick pay at the regular rate of pay or correct regular rate of pay, failure to provide meal periods or rest periods, unpaid premium wages for meal periods or rest periods, untimely payment of wages, inaccurate wage statements, recordkeeping violations, failure to timely pay all wages due at termination, unfair competition, reimbursement of business expenses, unlawful deductions from wages, failure to pay sick pay, claims based on California Labor Code sections 201, 202, 203, 204, 206.5, 210, 218.5, 218.6, 221, 223, 224, 226, 226.3, 226.7,

227.3, 246, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2751, 2698 et seq., 2800, 2802, California Code of Regulations, Title 8 Section 11000 et seq., the applicable Industrial Welfare Commission (IWC) Wage Orders, Business & Professions Code section 17200-17208 or any related damages, penalties, restitution, disgorgement, interest or attorneys' fees, and that arose at any time between August 31, 2019 and the date of preliminary approval (the "**Settled Claims**"). Plaintiff and Participating Class Members shall be permanently barred and enjoined from the institution or prosecution of any and all Settled Claims against the Released Parties, except as to such rights or claims as may be created by the Settlement. "**Released Parties**" means Simpson Strong-Tie Company, Inc., and its former and present employees, directors, shareholders, officers, owners, attorneys, agents, insurers, agents, successors, assigns, parents, subsidiaries, affiliates, or legal representatives and any individual or entity which could be jointly liable with Defendant and all persons or entities acting by, through, under, or in concert with any of them.

- a) This settlement and the judgment entered thereon shall have res judicata effect precluding Plaintiff and the Participating Class Members from initiating any other proceedings regarding claims released pursuant to this Agreement.

B. PAGA Release of Claims

1. Release of PAGA Claims. For the avoidance of doubt, Class Members and PAGA Group Members have no opt out rights as to the PAGA portion of the Settlement. Accordingly, upon the Effective Date and Defendant's funding of the Gross Settlement Amount, in consideration of the PAGA Settlement Amount, Plaintiff, on behalf of himself and the State of California, and all PAGA Group Members, waive, fully release and forever discharge the Released Parties from any and all claims under PAGA which were or could have been raised in the Action, including PAGA claims based on the Settled Claims and/or California Labor Code sections 201, 202, 203, 204, 206.5, 210, 218.5, 218.6, 221, 223, 224, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2751, 2698 et seq., 2800, 2802, California Code of Regulations, Title 8 Section 11000 et seq., the applicable Industrial Welfare Commission (IWC) Wage Orders, and that arose at any time between September 16, 2021 and the date of preliminary approval.

C. Release by Plaintiff, Representations and Warranties

1. General Release by Plaintiff. In addition to the Class Member Release of Claims and PAGA Group Member release of claims described in this Agreement, Plaintiff shall execute an individual general release of claims, for separate consideration that is not part of the Gross Settlement Amount, including any other wage and hour or non-wage and hour claims he may

have against Simpson or any of the Released Parties, in the form attached as **Exhibit B**.

2. Representations and Warranties. Plaintiff hereby represents, covenants, and warrants that he has 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 action, or rights herein released and discharged. Plaintiff further agrees that he shall not in any way hereafter commence, join, aid, or assist others in pursuing any claim, charge or action against any of the Released Parties for any acts or omissions released under this Agreement.

D. No Misrepresentation

The Parties understand that the facts with respect to which this Agreement is entered into may be materially different from those the Parties now believe to be true. The Parties accept and assume this risk, and agree that this Agreement, including specifically the releases contained herein, shall remain in full force and effect, and legally binding, notwithstanding the discovery or existence of any additional or different facts, or any claims with respect to those facts.

XVI. CONFIDENTIALITY

The Parties and their counsel shall keep confidential all settlement communications regarding the negotiation and drafting of this Agreement. Plaintiff and his counsel agree that they will not make any public statements including any statement to the media regarding the Settlement or its terms prior to the filing of the motion for preliminary approval of the Settlement; provided, however, that the Court may be notified, if necessary prior to the filing of the motion for preliminary approval, that “The Parties have settled the case subject to court approval” while not mentioning the terms. The Parties understand that Plaintiff and Class Counsel reserve the right to report on this Settlement in their law firm website if and when the Settlement becomes a matter of public record (and in no event before the filing of a motion for preliminary approval) but will limit any such communications about the Settlement to stating that the Parties reached a mutually acceptable resolution of the lawsuit, describing the terms of the Settlement, and/or providing their opinions about why the Settlement is fair, reasonable and/or significant. Plaintiff and Class Counsel will not issue a press release or otherwise initiate contact with the media regarding the Settlement, but if asked about the Settlement by the media, Plaintiff and Class Counsel reserve the right to inform the media that the Parties reached a mutually acceptable resolution of the lawsuit, to describe the terms of the Settlement, and/or to provide their opinions about why the Settlement is fair, reasonable and/or significant. Nothing in this paragraph shall restrict the Parties from making any disclosures necessary to seek Court approval or to communicate with the Class Members.

XVII. MISCELLANEOUS PROVISIONS

A. Acknowledgment that the Settlement is Fair and Reasonable

The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action, which was reached after non-collusive, arm’s-length negotiations and mediation and in the context of adversarial litigation, considering all relevant factors, present and potential, including the risk

of continued litigation. The Parties agree, covenant, and represent that this Agreement, together with Plaintiff's separate individual general release agreement, shall constitute a compromise of, and full accord and satisfaction of disputed claims. The Parties further agree, covenant, and represent that neither this Agreement nor any actions undertaken by Defendant in satisfaction of this Agreement shall constitute, or be construed as, an admission of any liability or wrongdoing by Defendant at any time, or as an admission by Defendant that class certification, or litigation on a representative basis is proper in the Action. By entering into this agreement, Defendant does not admit liability in this action. Defendant expressly denies that it has violated any law, breached any agreement or obligation to Plaintiff or the Class Members, or engaged in any wrongdoing with respect to Plaintiff or the Class Members.

B. Representation by Counsel

The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel. Further, Plaintiff warrants and represents that he is fully authorized to enter into this Agreement and the terms and conditions thereof, that there are no liens on the Agreement, and that after entry by the Court of the orders specified in this Agreement, the Settlement Administrator may distribute funds to Class Members, PAGA Group Members, Class Counsel, the LWDA, and Plaintiff as provided by this Agreement.

C. Deadlines Set by this Agreement and Extensions of Time

If any deadline set by this Agreement falls on a Saturday, Sunday, or Court holiday, the deadline shall be deemed to fall on the next day that is not a Saturday, Sunday, or Court holiday. Further, the Parties may, by mutual agreement, agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement, subject to Court approval when required.

D. Notice

All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally, by first class mail, or email to the undersigned persons at their respective addresses as set forth below:

Counsel for Plaintiff and the Class Members:

Kane Moon
Allen Feghali
Julie Oh
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Cindi Ritchey
JONES DAY
4655 Executive Drive, 15th floor
San Diego, California 92
Telephone (858) 314-1200
critchey@jonesday.com

E.

Memorandum of Understanding Superseded by this Agreement

Upon the date that this Agreement becomes fully executed by all Parties, this Agreement shall supersede the Memorandum of Understanding between the Parties that was fully executed on May 3, 2024.

F. **Incorporation by Reference**

The terms of this Agreement include the Recitals and the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. The Exhibits to this Agreement is an integral part of the Parties' settlement.

G. **Captions**

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

H. **Mutual Preparation**

This Agreement has been reviewed by the Parties and their counsel. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, the Parties expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement, and agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

I. **Entire Agreement**

This Agreement and the "Settlement and General Release of Claims Agreement" (Exhibit B) between Plaintiff and Defendant ("**Plaintiff's Individual Settlement**") comprise the Parties'

entire agreement. There are no other agreements, written or oral, express or implied, between the Parties with respect to the subject matter hereof except this Agreement and Plaintiff's Individual Settlement. The Parties acknowledge that no representations, statements or promises made by any other party, or by their respective agents or attorneys, have been relied upon in entering into this Agreement. The Parties explicitly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement.

J. Amendment or Modification

This Agreement may be modified or amended only if such modification or amendment is agreed to in writing and signed by a duly authorized representative of the Parties hereto, which writing shall expressly state the intent of the Parties to modify this Agreement.

K. Severability

The Parties to this Agreement agree, covenant, and represent that each and every provision of this Agreement shall be deemed to be contractual, and that they shall not be treated as mere recitals at any time or for any purpose. Therefore, the Parties further agree, covenant, and represent that each provision of this Agreement shall be considered severable, except for the release provisions of Section XV of this Agreement. If the Court finds the release provisions of this Agreement to be unenforceable or invalid, then this Agreement shall become null and void and Defendant shall have no obligation to make any payments pursuant to this Agreement. If the Court finds any provision other than the release provisions of Section XV, or part thereof, to be invalid or unenforceable for any reason, that provision, or part thereof, shall remain in full force and effect to the extent allowed by law, and all of the remaining provisions of this Agreement shall remain in full force and effect.

L. Waiver

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

M. Execution and Counterparts

This Agreement, and any other documents required or contemplated to be executed to consummate this Agreement, may be executed in one or more counterparts, each of which shall be deemed an original of this Agreement. All counterparts of any such document together shall constitute one and the same instrument. Any party may sign and deliver this Agreement by signing on the designated signature block and transmitting that signature page via facsimile or as an attachment to an e-mail to counsel for the other party. Any signature made and transmitted by facsimile, email, DocuSign, or as an attachment to an e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party who transmits the signature page.

N. Binding on Successors and Assigns

This Agreement shall be binding upon, and shall inure to the benefit of the Parties, including Participating Class Members and PAGA Group Members, as well as their respective heirs, spouses, children, assigns, executors, administrators, successors, beneficiaries, subsidiaries, conservators, representatives, attorneys, estates, divisions and affiliated corporations and partnerships, past and present, and trustees, directors, officers, shareholders, partners, agents and employees, past and present, of the Parties.

O. California Law Governs

All terms of this Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

P. Cooperation in Administration

The Parties agree to fully cooperate with one another to accomplish the terms of this Agreement, including but not limited to, execution of such documents and taking such other action as reasonably may be necessary to implement the terms of this Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order, suggestion, or recommendation of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. The Parties' efforts to continue to cooperate and make all best efforts to obtain approval of this Agreement shall only cease after the Parties have exhausted all opportunities to amend or modify this Agreement, including seeking the assistance of the mediator, and the filing of any motions to obtain approval of this Agreement.

Q. All Terms Subject to Final Court Approval

All amounts and procedures described in this Agreement herein will be subject to final Court approval.

R. Disputes

If the Parties have a dispute with regard to the language of this Agreement, they agree to first attempt to resolve the dispute informally through good-faith negotiations, but if those efforts are unsuccessful, the Court retains full jurisdiction to interpret, construe, and enforce the terms of this Agreement.

S. Judgment and Continued Jurisdiction

The Court shall retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the implementation of this Agreement as well as any and all matters arising out of, or related to, the implementation of this Agreement and Settlement including post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

T. Interim Stay of Proceedings.

The Parties agree to refrain from further litigation, except such proceedings as necessary to seek and obtain preliminary and final settlement approval. If this Agreement is not finally approved, the Parties agree that they will revert to their positions in the lawsuit prior to the time they entered into this Agreement, and no agreements set forth in this Agreement or any documents generated or orders issued related to this Agreement will be admissible in any future proceeding, in the Action or in any other action.

U. Circular 230 Disclaimer

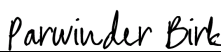
EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT: (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE 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.

THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

PLAINTIFF

Dated: 8/15/2024

DocuSigned by:

 Parwinder Birk 18EBC6679A54C45B...

DEFENDANT

Dated: _____

Name:

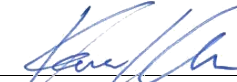
Title:

On behalf of SIMPSON STRONG-TIE
COMPANY INC.

Approved as to form and agrees to be bound by the confidentiality provisions in
the Agreement:

MOON LAW GROUP, PC

Dated: August 16, 2024



Kane Moon

Allen Feghali

Julie Oh

Attorneys for Plaintiff and the Class

JONES DAY

Dated: _____

Aaron Agenbroad

Attorneys for Defendant

DEFENDANT

Dated: 8/14/2024 | 10:07 AM EDT

Signed by:



Name: Cassandra Payton

Title: EVP, General Counsel

On behalf of SIMPSON STRONG-TIE
COMPANY INC.

Approved as to form and agrees to be bound by the confidentiality provisions in
the Agreement:

MOON LAW GROUP, PC

Dated: _____

Kane Moon

Allen Feghali

Julie Oh

Attorneys for Plaintiff and the Class

JONES DAY

Dated: 8/16/24



Aaron Agenbroad

Attorneys for Defendant

Exhibit A

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

Parwinder Birk v. Simpson Strong-Tie Company, Inc.
Alameda Superior Court Case No. 22CV018199

*The Superior Court for the State of California authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
This Notice affects your rights. Please read it carefully.*

NOTICE OF CLASS ACTION SETTLEMENT

To: All individuals who worked for Simpson Strong-Tie Company, Inc. in the state of California in the position of a nonexempt employee at any time between August 31, 2019 through [date of preliminary approval].

If you fit the description above, YOU ARE A CLASS MEMBER AND ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT. If you want to participate in this Class Action Settlement, no action is required. You will be automatically included in the Settlement and will receive a settlement payment, if the Court grants final approval to the Settlement. If you do NOT want to participate in the Settlement, then you must take action by [DATE], as described below.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
You Don't Have To Do Anything To Participate In The Settlement.	If you do nothing, you will be a Participating Class Member, eligible for an Individual Settlement Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the claims against Simpson Strong-Tie Company Inc. that are covered by this Settlement (Released Claims). Your payment will be mailed to you, automatically, after the Court grants final approval to the Settlement and final judgment is entered. [You must, however, keep a current address on file with the Settlement Administrator to ensure delivery of your check to your current address.]
Update Your Contact And Address Information	If necessary, update your address with the Settlement Administrator to ensure your check is sent to the correct address.
You Can Opt Out of the Class Settlement But Not the PAGA Settlement The Opt-Out Deadline is	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 be a Non-Participating Class Member and no longer eligible for an Individual Settlement Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 13 of this Notice. If you want to opt out of the Class Settlement, you must follow the instructions on page 6, section 12 and mail or fax your request to opt out to the Settlement Administrator no later than [DATE]. Untimely opt out requests will be rejected. You cannot opt-out of the PAGA portion of the proposed Settlement. Simpson must pay Individual PAGA Payments to all PAGA Group Members and the PAGA Group Members must give up their rights to pursue PAGA Group Members' Released Claims (defined below).
You Can Object to the Settlement	All Class Members who do not opt out can object to any aspect of the proposed Settlement. Submit a written objection no later than [DATE] if you think the Settlement is not fair. See page 7 section 13 for instructions on how to object.

Written Objections Must be Submitted by [DATE]	
You Can Participate in the Final Approval Hearing Set for [REDACTED]	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. 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 or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section [REDACTED] of this Notice

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **CALIFORNIA LAW STRICTLY PROHIBITS RETALIATION FOR PARTICIPATING OR ELECTING NOT TO PARTICIPATE IN THIS SETTLEMENT. SIMPSON WILL NOT TAKE ANY ADVERSE ACTION AGAINST OR OTHERWISE RETALIATE OR DISCRIMINATE AGAINST ANY CLASS MEMBER BECAUSE OF ANY ACTIONS YOU TAKE WITH RESPECT TO THE PROPOSED SETTLEMENT.**

BASIC INFORMATION

1. Why Did I Get This Notice?

The Settlement covers all individuals who were employed by Simpson as a nonexempt employee and performed work in California at any time during the period beginning on August 31, 2019 through [date of preliminary approval] ("Class Members"). According to Simpson's records, you are a Class Member. The PAGA portion of the Settlement covers Class Members who worked at any time during the PAGA Period, defined as the period beginning on September 16, 2021 through [DATE] ("PAGA Group Members").

A Court authorized this notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve it. This notice explains the lawsuit, the Settlement, your legal rights, the benefits that are available, who is eligible to receive them, and how to get them.

The Honorable Peter Borkon of the Alameda Superior Court ("Court") is overseeing this class action. The case is known as *Parwinder Birk v. Simpson Strong-Tie Company, Inc.*, Alameda Sup. Ct. Case No. 22CV018199 ("Action" or "Lawsuit").

On [DATE], the Court preliminarily approved the Settlement and directed the parties to issue this Notice. The Court will hold a Final Approval hearing on [DATE], at [TIME], in Department 15 of the Court located at Rene C. Davidson Courthouse, Administration Building, 1221 Oak Street, Oakland, CA 94612. The Final Approval Hearing may be continued to another date without further notice.

2. What Is This Lawsuit About?

This Lawsuit was brought by former employee Parwinder Birk. The operative complaint asserts claims that Simpson failed to: properly pay nonexempt employees all hourly and overtime wages earned; pay at least minimum wage for all hours worked; provide compliant meal or rest breaks or compensation in lieu of those breaks at the correct rate of pay; timely pay all wages due during employment and at the termination of employment; reimburse business expenses; provide accurate itemized wage statements; and properly pay sick pay at the correct rate of pay. Plaintiff also alleges that Simpson violated the Unfair Competition Law and contends that he and the aggrieved employees are entitled to recover penalties under the Private Attorneys General Act ("PAGA"), Labor Code § 2698 et seq. A copy of the Second Amended Complaint is available at [www.\[REDACTED\]](http://www.[REDACTED]).

Simpson denies all allegations in the Lawsuit and contends it complied with the California Labor Code and all other applicable laws. The Settlement is not an admission of any wrongdoing by Simpson or an indication any law was violated.

The Court has not ruled on the merits of the claims asserted in the Lawsuit. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial.

3. Why Is There A Settlement?

The Court did not decide in favor of Plaintiff or Simpson. There was no trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, Plaintiff and Simpson have concluded that it is in their respective best interests and the interests of the Class Members to settle the Action on the terms summarized in this Notice.

This Settlement was reached after an exchange of extensive information about the facts and legal arguments in support of, and against, all of the claims raised in the lawsuit. By settling the lawsuit, the parties avoid the burden, expense and uncertainty of litigation.

THE TERMS OF THE SETTLEMENT

4. What is the Settlement Amount?

Simpson will pay \$2,940,000.00 as the Gross Settlement Amount (referred to as the “Gross Settlement Amount” or “GSA”). Simpson has agreed to deposit the GSA into an account controlled by the Administrator of the Settlement. The Settlement Administrator will use the GSA to pay the Individual Settlement Payments, Individual PAGA Payments, Class Representative Enhancement Payment, Class Counsel’s attorney’s fees and expenses, the Settlement Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Simpson will fund the Gross Settlement Amount not more than fourteen days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

Court-Approved Deductions from Gross Settlement Amount:

The Parties agreed to the following deductions from the GSA and will ask the Court to approve them at the Final Approval Hearing. These deductions are subject to Court approval:

- a. Settlement Administration Costs: The Court has approved Simpluris, Inc. to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, up to \$15,000 will be paid from the GSA to pay the Settlement Administration Costs.
- b. Penalties to the California Labor Workforce and Development Agency. \$250,000 of the GSA will be allocated to Plaintiff’s penalty claim under the Private Attorneys General Act of 2004 (“PAGA”). Of this amount, 75% (or \$187,500) will be paid to the California Labor Workforce Development Agency (the “LWDA”) in satisfaction of the claims for penalties under PAGA and the remaining 25% (\$62,500) will be the PAGA Group Payment that will be distributed to the PAGA Group Members.
- c. Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the GSA. Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the GSA, \$980,000, and litigation costs not to exceed \$30,000.
- d. Service Award to the Class Representatives. Class Counsel will ask the Court to award a Class Representative enhancement payment of \$5,000 to Plaintiff Parwinder Birk, as compensation for his work and effort in prosecuting this case, and for undertaking the risks of payment of costs in the event of an unsuccessful outcome of this Lawsuit.

Net Settlement Amount. The exact amount of attorneys’ fees, litigation costs, Class Representative service payment, the LWDA payment, and Settlement administration expenses will be determined by the Court at the Final Approval hearing.

The remaining portion of the GSA, the “Net Settlement Amount” or “NSA,” is estimated to be \$ [REDACTED]. The NSA will be paid entirely to all Class Members who do not request to be excluded (“opt out”) of the Settlement. **A claim form is not required.** Any portion of the NSA associated with a Class Member who chooses to opt out of the Settlement will be paid to Class Members who participate in the Settlement. In other words, the entire amount of the NSA will be paid to Class Members who remain in the Class.

5. How Will The Settlement Payments Be Calculated?

The proposed Settlement has two main parts: (1) a Class Settlement requiring Simpson to fund Individual Settlement Payments, and (2) a PAGA Settlement requiring Simpson to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Individual Settlement Payments

The Settlement Administrator will calculate the total number of each Class Member’s Individual Workweeks, and the total number of Workweeks for all Class Members (“Class Workweeks”). A “Workweek” means a 7-day week, beginning on Monday and ending on Sunday, during which a Class Member employed by Simpson received compensation for regular hours worked as a nonexempt employee for at least one day for work actually performed in California during the Class Period, but shall not include any workweeks for which a Class Member was on a paid or unpaid leave of absence. To determine each Class Member’s Individual Settlement Payment, the Settlement Administrator will use the following formula:

$$\text{Individual Workweeks} \div \text{Class Workweeks} \times \text{Net Settlement Amount.}$$

The Individual Settlement Payments will be reduced by any required deductions or withholdings for each Class Member.

Individual PAGA Payment

Each PAGA Group Member’s individual share of the PAGA Group Payment shall be calculated on a pro rata basis, based on the following formula: The Settlement Administrator will calculate the total number of each PAGA Group Member’s Individual PAGA Pay Periods during the PAGA Period, and the total number of Pay Periods for all PAGA Group Members in the PAGA Period (“**PAGA Group Pay Periods**”). A “Pay Period” means any pay period during the PAGA Period in which a PAGA Group Member employed by Simpson received compensation for regular hours worked as a nonexempt employee for at least one day for work actually performed in California but shall not include any full pay periods for which a PAGA Group Member was on a paid or unpaid leave of absence. To determine each PAGA Group Member’s Individual PAGA Payment, the Settlement Administrator will use the following formula:

$$\text{PAGA Group Payment} \div \text{PAGA Group Pay Periods} \times \text{Individual PAGA Pay Periods.}$$

The individual shares of the PAGA Group Payment constitute penalties from which no deductions or withholdings will be taken.

Taxes Owed on Payments to Class Members. Plaintiff and Simpson are asking the Court to approve an allocation of 15% of each Individual Settlement Payment to taxable wages (“Wage Portion”) and 85% interest and penalties (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Simpson will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Settlement Payments on IRS 1099 Forms.

Although Plaintiff and Simpson have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

6. How much will my Settlement Payment be?

Simpson's records show you were employed from <<strDate>> in California. During the period of August 31, 2019 through [DATE] you were employed <<TotalWorkweeks>> weeks.

During the period of September 16, 2021 through [DATE], you were employed XX pay periods by Simpson in California.

It is estimated that your Individual Settlement Payment will be \$<<TotalEstAmount>> and your Individual PAGA Payment will be \$. The actual amount you receive may be more or less than the estimated amount.

HOW TO GET A PAYMENT

7. How Can I Get My Settlement Payment?

If you do nothing, you will automatically receive your Settlement Payment after the Court grants final approval of the Settlement and judgment becomes final. You must, however, notify the Settlement Administrator of any change in your name, mailing address and/or telephone number if the information shown on this Notice is not correct. **It is your responsibility to keep the Settlement Administrator informed of any change in your address. Your Settlement Payment will be mailed to the last known address the Settlement Administrator has on file for you.**

8. What If My Number Of Workweeks or Pay Periods Is Wrong?

The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Simpson's records, are stated in section 6. You have until to dispute the number of Workweeks and/or Pay Periods credited to you. You can submit your dispute by signing and sending a letter to the Administrator via mail or fax. To be valid, your written dispute must be timely and include: (1) your full name, address, telephone number, and the last four digits of your Social Security number; and (2) a statement of the reason for your dispute, including the number of Workweeks and/or Pay Periods you believe to be correct, along with supporting documentation, if any. To be timely, your written dispute must be mailed or faxed to the Settlement Administrator postmarked on or before DATE. Section of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Simpson's calculation of Workweeks and/or Pay Periods based on Simpson's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Simpson's Counsel..

9. When Can I Expect To Receive My Settlement Payment?

If you do not exclude yourself from the Settlement, your share of the Settlement will be mailed to you within approximately 30 days after final judgment has been entered in this Action and all rights of appeal have expired and/or been exhausted. Your share of the Settlement will be mailed to the address on file for you. If your address is different than the address to which this Notice was mailed, you should call the Settlement Administrator at [phone number]. Please do not telephone or contact the Court for information about this Settlement.

Settlement Payment checks must be cashed within 180 days from the date of mailing. The front of every check issued for Individual Settlement Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be sent to the California State Controller Unclaimed Property Fund to be held in your name. If your check is lost or misplaced, you should immediately contact the Settlement Administrator to request a replacement.

10. What Am I Giving Up To Get A Settlement Payment?

If the Court approves the Settlement, the Court will enter judgment and the Settlement Agreement will bind all Class members who have not timely opted out of the Settlement, and will bar all such class members from bringing certain claims against Simpson as follows:

Participating Class Members’ Release of Claims: In consideration of the monetary sum provided by Defendant and upon the Effective Date and Defendant’s funding of the Gross Settlement Amount, Plaintiff and each of the Participating Class Members shall waive, fully release and forever discharge the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of any kind arising from the alleged violation of any provision of common law, California law and/or federal law which was or could have been raised in any of Plaintiff’s complaints filed in the Action (including Plaintiff’s complaint, first amended complaint, and second amended complaint), or letter to the LWDA, including but not limited to claims for off-the-clock work, failure to properly compensate for all hours worked, unpaid wages, unpaid overtime wages, failure to pay all wages earned every pay period, underpaid wages based on time rounding, failure to pay all compensation, premiums or sick pay at the regular rate of pay or correct regular rate of pay, failure to provide meal periods or rest periods, unpaid premium wages for meal periods or rest periods, untimely payment of wages, inaccurate wage statements, recordkeeping violations, failure to timely pay all wages due at termination, unfair competition, reimbursement of business expenses, unlawful deductions from wages, failure to pay sick pay, claims based on California Labor Code sections 201, 202, 203, 204, 206.5, 210, 218.5, 218.6, 221, 223, 224, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2751, 2698 et seq., 2800, 2802, California Code of Regulations, Title 8 Section 11000 et seq., the applicable Industrial Welfare Commission (IWC) Wage Orders, Business & Professions Code section 17200-17208 or any related damages, penalties, restitution, disgorgement, interest or attorneys’ fees, and that arose at any time between August 31, 2019 and the date of preliminary approval (the “Settled Claims”). Plaintiff and Participating Class Members shall be permanently barred and enjoined from the institution or prosecution of any and all Settled Claims against the Released Parties, except as to such rights or claims as may be created by the Settlement. “Released Parties” means Simpson Strong-Tie Company, Inc., and its former and present employees, directors, shareholders, officers, owners, attorneys, agents, insurers, agents, successors, assigns, parents, subsidiaries, affiliates, or legal representatives and any individual or entity which could be jointly liable with Defendant and all persons or entities acting by, through, under, or in concert with any of them.

PAGA Group Members’ PAGA Release: For the avoidance of doubt, Class Members and PAGA Group Members have no opt out rights as to the PAGA portion of the Settlement. Accordingly, upon the Effective Date and Defendant’s funding of the Gross Settlement Amount, in consideration of the PAGA Settlement Amount, Plaintiff, on behalf of himself and the State of California, and all PAGA Group Members, waive, fully release and forever discharge the Released Parties from any and all claims under PAGA which were or could have been raised in the Action, including PAGA claims based on the Settled Claims and/or California Labor Code sections 201, 202, 203, 204, 206.5, 210, 218.5, 218.6, 221, 223, 224, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2751, 2698 et seq., 2800, 2802, California Code of Regulations, Title 8 Section 11000 et seq., the applicable Industrial Welfare Commission (IWC) Wage Orders, and that arose at any time between September 16, 2021 and the date of preliminary approval.

11. What Happens If The Court Doesn’t Grant Final Approval To The Settlement?

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the conditional settlement will be voided, no money will be paid, and the case will return to litigation.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How Do I Get Out Of The Settlement?

If you do not want to participate in the class Settlement, you should exclude yourself from this case (that is, “opt out” of the Settlement). To opt out and exclude yourself from the class case, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded (“Request for Exclusion”). The letter must state in substance that you request exclusion from the class and do not wish to participate in the class settlement. To be valid, your Request for Exclusion must be timely and include: (1) your full name and last four digits of your Social Security number; (2) a clear statement that you wish to opt out of or be excluded from the Settlement in *Birk v. Simpson Strong-Tie Company, Inc.*, Alameda Superior Court, Case No. 22CV018199; and (3) your signature. To be timely, a Request for Exclusion must be mailed to the Settlement

Administrator at the address listed in section 15 or faxed to [FAX NUMBER], on or before [RESPONSE DEADLINE]. Opt out requests postmarked after this date may be disregarded.

As stated above, a Class Member's right to opt out applies only to the class action portion of the Settlement and no opt out right applies to the settlement of PAGA claims in the Lawsuit. This means that Class Members who successfully submit a request for exclusion will not be entitled to a settlement payment for the class portion of this Settlement, and will not be bound by the class action release of this Agreement. However, Class Members who submit a valid opt out request will nevertheless be bound by the settlement and release of PAGA claims in the Settlement to the extent they are a member of the PAGA Group and will receive a payment for their individual share of the PAGA Group Payment in settlement of PAGA claims.

OBJECTING TO THE SETTLEMENT

13. Procedures for Objecting to the Settlement and/or Notices of Intention to Appear

Only Participating Class Members have the right to object to the Settlement. If you do not opt out but believe that the Court should not approve the settlement for any reason, you may object to the proposed settlement. To object, you must submit a written statement with your full name, current address, phone number, and the last four digits of your Social Security member. The written statement should include the name of this action (*Birk v. Simpson Strong Tie Company Inc.*, Alameda Superior Court Case No. 22CV018199), a statement that you wish to object to the settlement, the reasons that you object to the settlement, and your signature. You should also include a statement indicating whether or not you and/or your legal representative (if any) intend to appear at the Final Settlement Approval Hearing, and include copies of any papers, briefs or other documents upon which the objection is based (if any). You must sign the statement.

You may also appear at the Final Approval Hearing at your expense, either in person, telephonically, or through an attorney, provided you notify the Court of your intention to do so. You do not have to be represented by a lawyer to object. However, if you choose to retain a lawyer to represent you, you will be solely responsible for any attorneys' fees and costs incurred.

All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number (*Birk v. Simpson Strong Tie Company Inc.*, Alameda Superior Court Case No. 22CV018199) and be mailed to the Settlement Administrator at the address listed below in section 15 and be postmarked on or before [REDACTED], 2024.

Though it is preferred that Class Members submit Objections by the Response Deadline, no objecting Class Member shall be denied the ability to object at the Final Settlement Approval Hearing (whether personally or through separate counsel).

THE COURT'S FINAL APPROVAL HEARING

14. When And Where Will The Court Decide Whether To Approve The Settlement?

The Court will hold a Final Approval hearing in Department 15 of the Court located at Rene C. Davidson Courthouse, Administration Building, 1221 Oak Street, Oakland, CA 94612 on [DATE], at [TIME]. At this hearing the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representative enhancement payment, and the Settlement Administrator's fees and expenses.

You can, but don't have to, attend the Final Approval Hearing. You can attend (or hire a lawyer to attend) either personally or by telephone or video via [PLATFORM INFORMATION?] so long as you file a Notice of Intent to Appear with the Court in advance of the Final Approval Hearing. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing without further notice to Class Members. You should check the Administrator's website [REDACTED] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

GETTING MORE INFORMATION

15. Whom May I Contact If I Have Questions About The Settlement?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined online on the Superior Court of California, County of Alameda's Electronic Filing and Service Website at www.eportal.alameda.courts.ca.gov, or you may contact Class Counsel (at the contact information provided below) or the Settlement Administrator.

The Settlement Agreement sets forth everything Simpson and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement or any other Settlement-related documents is to go to the Settlement Administrator's website at [REDACTED], where you will find links to these documents.

Class Counsel Contact Information:	Settlement Administrator Contact Information
Kane Moon Allen Feghali Julie Oh MOON LAW GROUP, PC 725 South Figueroa Street, 31 st Floor Los Angeles, CA 90017 Telephone: (213) 232-3128 E-mail: kmoon@moonlawgroup.com E-mail: afeghali@moonlawgroup.com E-mail: joh@moonlawgroup.com	Simpluris, Inc. [Address] [Telephone Number] [Fax Number]

DO NOT TELEPHONE THE SUPERIOR COURT OR DEFENDANT'S COUNSEL TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

Exhibit B