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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

KALUM VAUGHNS, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

BERRY GLOBAL, INC., a Delaware corporation;
and DOES 1 through 50, inclusive,

Defendants.

Case No. CIVSB2129167

**DECLARATION OF TAYLOR MITZNER
WITH RESPECT TO NOTICE AND
SETTLEMENT ADMINISTRATION**

Date: September 20, 2023

Time: 9:00 a.m.

Department: S-26

Complaint Filed: November 24, 2021

1 I, Taylor Mitzner, declare as follows:

2 1. I am a Case Manager at Phoenix Settlement Administrators (“Phoenix”), the Court-
3 appointed Class Action Settlement Administrator for *Vaughns v. Berry Global, Inc.* (the “Action”). I
4 have personal knowledge of the facts stated herein and, if called upon to testify, I could and would testify
5 competently to such facts.

6 1. Phoenix was selected by the Parties to provide notice of the Settlement and perform class
7 administration duties in this Action. Pursuant to the Stipulation of Class Action and PAGA Settlement
8 (“Settlement Agreement” or “Settlement”) for this matter, Phoenix was responsible for: (i) preparing,
9 printing, and mailing the *Notice of Class Action Settlement* (“Notice”); (ii) responding to inquiries from
10 Class Members; (iii) calculating the number of weeks and pay periods each Class Member worked during
11 the period from April 2, 2018 to September 30, 2022; (iv) determining the validity of letters indicating a
12 request to be excluded from the Class Settlement (“Requests for Exclusion”), written objections to the
13 Class Settlement (“Objections”), and/or dispute regarding the number of Workweeks submitted by Class
14 Members; (v) calculating the Net Settlement Amount and the Individual Settlement Shares to Class
15 Members; (vi) calculating and issuing the Individual Settlement Payments and distributing them to
16 Settlement Class Members and Individual PAGA Payments to Aggrieved Employees; (vii) issuing the
17 payment to Class Counsel for attorneys’ fees and costs, the Enhancement Payments to both Plaintiffs, and
18 the employer/employee payroll taxes to the appropriate taxing authorities; and (viii) such other tasks as
19 set forth in the Settlement Agreement or as the Parties mutually agree or as the Court orders.

20 2. On June 12, 2023, Phoenix received a data file from Defense Counsel that contained names,
21 last known mailing addresses, Social Security numbers, dates of employment, and workweeks for each
22 Class Member (“Class List”) during the Class Period. The final mailing list contained one thousand forty-
23 eight (1,048) individuals identified as Class Members.

24 3. On June 14, 2023, Phoenix conducted a National Change of Address (“NCOA”) search in
25 an attempt to update the class list of addresses as accurately as possible. A search of this database provides
26 updated addresses for any individual who has moved in the previous four (4) years and notified the U.S.
27 Postal Service of their change of address.

1 4. On June 27, 2023, Phoenix mailed the Notice via U.S. first class mail to all one thousand
2 forty-eight (1,048) Class Members on the Class List. A true and correct copy of the mailed Notice is
3 attached hereto as **Exhibit A**.

4 5. As of the date of this declaration, fifty-seven (57) Notices have been returned to Phoenix.
5 None were returned with a forwarding address. For the fifty-seven (57) Notices returned from the Post
6 Office without a forwarding address, Phoenix attempted to locate a current mailing address using
7 TransUnion TLOxp, one of the most comprehensive address databases available for skip tracing. Of the
8 fifty-seven (57) Notices that were skip traced, thirty-eight (38) updated addresses were obtained and the
9 Notice was promptly re-mailed to those Class Members via first class mail.

10 6. As of the date of this declaration, nineteen (19) Notices remain undeliverable since an
11 updated address could not be obtained via skip trace.

12 7. As of the date of this declaration, Phoenix has received two (2) timely Requests for
13 Exclusion from Class Members. The deadline to request exclusion from the Class Settlement was August
14 11, 2023. Phoenix also has received one (1) late Request for Exclusion, which the Parties have agreed to
15 honor. As a result, Phoenix has received three (3) Requests for Exclusion from Class Members.

16 8. As of the date of this declaration, Phoenix has received zero (0) Notices of Objection from
17 Class Members. The deadline for objecting to the Class Settlement was August 11, 2023.

18 9. As of the date of this declaration, Phoenix has received one (1) Workweek dispute from a
19 Class Member. The deadline for submitting a dispute was August 11, 2023. Phoenix forwarded the dispute
20 to Defense Counsel for further review. It was determined that the Class Member's weeks were counted at
21 half weight as they were covered by the prior *Miller* settlement, and therefore the original workweek count
22 was correct.

23 10. There are one thousand forty-six (1,045) Class Members who did not submit timely and
24 valid Requests for Exclusion and are therefore deemed Settlement Class Members, representing 99.71%
25 of the Class. Settlement Class Members have worked a collective total of fifty-two thousand five hundred
26 eighty-four and a half (52,632.5) Workweeks during the Class Period. Each Workweek is valued at
27 approximately \$18.04
28

1 11. The Escalator Clause of the Settlement Agreement indicates if the number of Workweeks
2 exceeds seventy-five thousand five hundred sixteen (75,516) by more than 8%, the Gross Settlement
3 Amount shall be increased proportionately on a pro rata basis. The total number of Workweeks was fifty-
4 two thousand six hundred seventy-three (52,673), and therefore the Escalator Clause was not triggered.

5 12. The Net Settlement Amount of \$948,809.62 available to pay Settlement Class Members
6 was determined by subtracting the requested Class Counsel attorneys' fees (\$555,000.00), and Class
7 Counsel costs (\$15,698.35), requested Enhancement Payment to Plaintiff Vaughns (\$10,000.00), the
8 PAGA Amount (\$100,000.00), and the requested Settlement Administration Costs (\$14,500.00) from the
9 Gross Settlement Amount (\$1,665,000.00), as well as an estimated \$20,992.03 for the employer's share
10 of payroll taxes. The estimated \$20,992.03 for the employer's share of payroll taxes was calculated by
11 using the highest potentially applicable rates. Phoenix understands that the employer's share of payroll
12 taxes will be deducted from the Gross Settlement Amount only if the Court approves such payment in the
13 final approval order. Otherwise, Phoenix understands that the employer's share of payroll taxes will be
14 separately funded by Defendant.

15 13. Based upon the calculations stipulated in the Settlement, the highest Individual Settlement
16 Share to be paid is approximately \$2,868.92, the lowest Individual Settlement Share to be paid is
17 approximately \$9.02, while the average Individual Settlement Share to be paid is approximately \$907.95.
18 Settlement Class Members will be issued payment of their Individual Settlement Shares subject to
19 reduction for the employee's share of taxes and withholdings with respect to the wages portion of the
20 Individual Settlement Share (the net payment is their "Individual Settlement Payment").

21 14. Additionally, \$100,000.00 of the Gross Settlement Amount has been allocated toward
22 penalties under the Private Attorneys General Act ("PAGA Amount"), of which 75%, or \$75,000.00, shall
23 be paid to the Labor and Workforce Development Agency ("LWDA"), and 25%, or \$25,000.00, of which
24 shall be paid to all current and former hourly non-exempt individuals who are or were employed by
25 Defendant during the PAGA Period. There are eight hundred ninety-four (894) Aggrieved Employees
26 who worked a total of fifteen thousand two hundred seventy-four (15,274) pay periods during the PAGA
27 Period. The highest Individual PAGA Payment to be paid is approximately \$58.11, and the average
28 Individual PAGA Payment to be paid is approximately \$27.96.

1 15. Phoenix's costs associated with the administration of this matter are \$14,500.00. This
2 includes all costs incurred to date, as well as estimated costs involved in completing the settlement
3 distribution. A true and correct copy of the invoice from Phoenix is attached hereto as **Exhibit B**.

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

6 Executed this 28th day of August 2023, at Orange, California.

7
8 

Taylor Mitzner

Exhibit A

This notice is being sent pursuant to court order. This is not a solicitation from a lawyer.

**NOTICE TO CLASS MEMBERS RE: PENDENCY OF A CLASS ACTION AND
NOTICE OF HEARING ON PROPOSED SETTLEMENT**

Kalum Vaughns v. Berry Global, Inc.,
Superior Court of the State of California for the County of San Bernardino Case No. CIVSB2129167

If you were employed by Berry Global, Inc. in a non-exempt position in the State of California at any time from April 2, 2018, through September 30, 2022, you could receive a payment from a class action settlement (the “Settlement”).*

**If you were a settlement class member in certain prior class action settlements and were employed during weeks covered by such prior class action settlements only, you may not be eligible.*

Read this notice carefully, as your legal rights could be affected whether you act or not.

The Superior Court of the State of California for the County of San Bernardino (the “Court”) has preliminarily approved a Settlement that could affect your rights. The proposed Settlement resolves a class action and Labor Code Private Attorneys General Act of 2004 (“PAGA”) action filed by Plaintiff, Kalum Vaughns, against Defendant, Berry Global, Inc. (“Defendant”), which has been designated Case No. CIVSB2129167 (the “Action”).

- The Action alleges various claims for (i) meal period violations, (ii) rest period violations, (iii) unpaid minimum wages, (iv) unpaid overtime, (v) unpaid sick pay wages, (vi) inaccurate itemized wage statements, (vii) unreimbursed business expenses, (viii) unlawful deductions for wages, (ix) failure to maintain employment records, (x) unfair or unlawful business practices, and (xi) penalties for Labor Code violations.
- Defendant denies Plaintiff’s allegations and maintains it has fully complied with the law. By agreeing to the Settlement, Defendant in no way admits any violation of law or any liability whatsoever to Plaintiff or others and expressly denies all such liability. Both Plaintiff and Defendant have agreed to the Settlement in light of all known facts and circumstances—including the uncertainty associated with litigation.
- If the Court grants final approval of the settlement, it would provide cash payments to Class Members, based on the number of relevant workweeks that they worked during the Class Period.
- Based on Defendant’s records, you worked «Total_Weeks» relevant workweeks during the Class Period. An *estimate* of the amount that could be allocated to you is «Est_Set_Amt». Whether you receive a payment depends on whether the Court grants final approval of the class action settlement, and the amount you ultimately receive depends on the terms the Court finally approves and whether you opt out of the class action settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS CLASS ACTION SETTLEMENT:	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing and the Court grants final approval of the class action settlement, you will remain eligible to automatically receive an Individual Settlement Sum and will be bound by the release provisions of the Settlement.
OPT OUT	You may opt out of the class action settlement by submitting a Request for Exclusion. If you opt out, you may not object to the settlement, will not be eligible to receive an Individual Settlement Sum, and will not be bound by the class action release provisions of the Settlement.
OBJECT	You may object to the class action settlement by submitting a written objection. If you object and the Court grants final approval of the class action settlement despite your objection, you will remain eligible to automatically receive an Individual Settlement Sum and will be bound by the release provisions of the Settlement.

**THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION FROM THE COURT
AS TO THE MERITS OF THE CLAIMS.**

1. Why Did I Receive This Notice?

You are receiving this Notice to Class Members re: Pendency of a Class Action and Notice of Hearing on Proposed Settlement (the “Notice”) because Defendant’s records show that you were a Class Member because you were employed as a non-exempt employee by Defendant in the State of California at some time from April 2, 2018, through September 30, 2022 (the “Class Period”), and did not work only in weeks that were already subject to settlement in (i) *Marco Rendon v. AEP Industries, Inc., et al.*, San Bernardino County Superior Court Case No. CIVDS1621981, prior to May 8, 2018 (the “Excluded Rendon Weeks”), (ii) *Huy Trinh, et al. v. Berry Plastics Corporation*, Orange County Superior Court Case No. 30-2015-00809744-CUOE-CXC, prior to April 1, 2018 (the “Excluded Trinh Weeks”), and (iii) *Gonsales v. Berry Global Films, LLC*, San Bernardino Superior Court Case No. CIVDS1928987, prior to December 20, 2020 (the “Excluded Gonsales Weeks”).

Because the Settlement preliminarily approved by the Court would affect Settlement Class Members’ legal rights, the Court ordered that this Notice be sent to you. This Notice provides a brief description of the Action, informs you of the settlement terms preliminarily approved by the Court, and advises you of your legal rights with respect to the Settlement. If the Court finally approves the Settlement, the Settlement will fully resolve the Action, and your legal rights may be affected by the Settlement.

The Court has preliminarily approved Larry W. Lee and Simon L. Yang of Diversity Law Group, P.C. and David J. Lee of David Lee Law, APC as Class Counsel. Based on their investigation and evaluation, they are of the opinion that the terms of Settlement are fair, reasonable, adequate, and in the best interests of Class Members. The terms of the Settlement are set forth in detail in the Stipulation re: Settlement of Class Action (“Agreement”). You may obtain a copy of the Agreement from Phoenix Settlement Administrators, a neutral third-party appointed by the Court to administer the settlement (the “Administrator”).

2. What Is the Action About?

On November 24, 2021, Plaintiff filed a complaint in Court that alleged claims against Defendant for (i) meal period violations, (ii) rest period violations, (iii) unpaid minimum wages, (iv) unpaid overtime, (v) unpaid sick pay wages, (vi) inaccurate itemized wage statements, (vii) unreimbursed business expenses, (viii) unlawful deductions for wages, (ix) failure to maintain employment records, (x) unfair or unlawful business practices, and (xi) penalties for Labor Code violations. The operative complaint alleges these claims under Labor Code sections 201-204, 218, 221-224, 226(a), 226.7, 246, 510, 512, 1174, 1182.12, 1197, 1198, 1198.5, and 2698 et seq., as well as Business and Professions Code sections 17200 et seq.

Defendant denies and continues to deny (i) all of the allegations made by Plaintiff, (ii) that it violated any applicable laws, or (iii) that it is liable or owes damages, penalties, or other compensation or remedies to anyone with respect to the alleged facts or claims asserted in the Action. Nonetheless, without admitting or conceding any liability or wrongdoing whatsoever, Defendant has agreed to settle the Action, to avoid the burden, expense, and uncertainty of continuing the Action.

3. What Are the Payments Under the Settlement?

Defendant agrees to pay a Gross Settlement Amount of \$1,665,000.00, which is inclusive of any Settlement Administration Costs, Attorneys’ Fees and Costs Award, Class Representative Award, PAGA Penalty Fund, and Individual Settlement Sums awarded by the Court. The Court may approve payment of (i) Settlement Administration Costs to the Administrator for administering the settlement (e.g., printing, distributing, or tracking Notices, distributing payments, etc.); (ii) an Attorneys’ Fees and Costs Award to Class Counsel for litigation and resolution of the Action; (iii) a Class Representative Award to Plaintiff both for his efforts in prosecuting the Action for Class Members and for Plaintiff’s additional general release of claims inapplicable to Class Members; and (iv) a PAGA Penalty Fund.

PAGA Penalty Fund: The Settlement requests that the Court approve a PAGA Penalty Fund of \$100,000.00. Pursuant to Labor Code requirements, 75% of the PAGA Penalty Fund, or \$75,000.00, will be allocated to the LWDA as an LWDA Payment. The remainder of the PAGA Penalty Fund, or \$25,000, will be allocated to aggrieved employees on a pro rata basis. These payments shall be classified for tax reporting purposes as penalties.

Individual Settlement Sums: Individual Settlement Sums shall be distributed to Settlement Class Members, without the need to submit a claim form. Individual Settlement Sums and allocated among Settlement Class Members on a pro rata basis, based on the number of workweeks reported by Defendant for each Settlement Class Member during the Class Period, subject to (i) exclusion of Excluded *Trinh* Weeks, Excluded *Rendon* Weeks, and Excluded *Gonsales* Weeks and (ii) half-weight for workweeks from April 9, 2019, through April 1, 2022, for settlement class members in *Steven Miller v. Berry Global, Inc.*, et al., San Joaquin Superior Court Case No. STK-CV-UOE-2020-6547. 15% of Individual Settlement Sums shall be allocated to wages and subject to IRS Form W-2 reporting; the remainder of Individual Settlement Sums shall be classified for tax reporting purposes as interest and penalties.

Through this settlement, each Class Member shall agree to be solely and legally responsible for paying all other applicable taxes on their respective Individual Settlement Sums and shall indemnify and hold harmless the Parties from any claim or liability for taxes, penalties, or interest arising as a result of the payments.

All uncashed or undeliverable settlement checks will expire 180 days after the postmarked date of their initial mailing. After 180 days, the sum value of all expired checks will be tallied by the Administrator. The Administrator shall direct the principal for any expired checks in accordance with the Final Approval Order. The Parties shall request that the Court order that the principal for any expired checks escheat to the State of California's Unclaimed Property Fund in the name of the Class Member.

Attorneys' Fees and Costs Award: You do not need to individually pay any portion of Class Counsel's attorneys' fees and costs. Any payments for those attorneys' fees and costs will be determined by the Court. Class Counsel intends to request that the Court approve an Attorneys' Fees and Costs Award in the amount of (a) 33⅓% of the Gross Settlement Amount (or \$555,000.00) and (b) litigation costs of up to \$30,000.00.

Class Representative Award: Any Class Representative Award is to be determined by the Court and would be supplemental to Plaintiff's Individual Settlement Sums. Class Counsel intends to request that the Court approve a Class Representative Award of \$10,000.00 for Plaintiff's efforts in prosecuting the Action for Class Members and for Plaintiff's additional general release of claims inapplicable to Class Members.

Administration Costs: Class Counsel intends to request that the Court approve Administration Costs of up to \$14,500.00, payable to the Administrator for administering the settlement, including, but not limited to, printing, distributing, or tracking Notices, providing any required tax forms, processing any required tax payments, or reporting, and calculating and distributing all payments under the Settlement.

All Payments Subject to Court Approval: The above payments will be made if and only if the Court concludes the settlement is reasonable, fair, and adequate for the Class. The Court may adjust the amounts of certain payments.

4. What Do I Release Under the Settlement?

If the Court grants final approval of the class action settlement and concludes it is reasonable, fair, and adequate for Class Members, Settlement Class Members would release Defendant and each of its members and affiliates (including without limitation parents and subsidiaries), predecessors, successors, divisions, investors, joint ventures and assigns, any benefit plan maintained by any of them and the trustees, fiduciaries, and administrators of any such plan, and principals, insurers, co-insurers, re-insurers, shareholders, attorneys, advisors, associates, and legal representatives ("Berry Global Releasees") from any and all claims that were or could have been asserted in the Lawsuit, whether known or unknown, including those in the original and amended Complaint and LWDA Letters, based on the facts alleged therein, as broadly as permitted by law, specifically including without limiting the generality thereof: claims for missed or unpaid meal periods or rest periods; failure to pay all wages owed (including without limitation, failure to pay minimum wages, the regular rate of pay, overtime pay, double time pay, premium pay and/or otherwise properly calculate overtime); any claim for failure to properly pay sick pay; any claim for failure to provide accurate itemized wage statements or to keep accurate records; any claim for failure to timely pay all wages during employment or upon termination; paystub claims; waiting time penalties; any claim for failure to reimburse expenses; and PAGA penalties, and/or unfair competition claims based on the foregoing.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How Do I Object to the Class Action Settlement?

If you want to participate in the Settlement, you do not have to do anything and do not have to appear at the final approval hearing before the Court. You will automatically receive your Individual Settlement Sum if the Court grants final approval of the settlement.

If you want to object to the settlement, you may appear at the final approval hearing to object to the class action settlement. Alternatively, you must take the steps below:

- (1) You must mail a written statement to the Administrator listed below.
- (2) The written statement must include: your name, address, last four digits of your Social Security number, and the basis for your objection.
- (3) If you object, you may but are not required to appear at the final approval hearing either in person or through counsel, paid for at your own expense.
- (4) The written statement must be postmarked by August 11, 2023.

If you object, you will remain bound by the class action settlement if finally approved. If you do not want to be bound by the class action settlement if finally approved, you must opt out of the class action settlement.

The final approval hearing is currently scheduled for September 20, 2023, at 9:00 a.m., in Department S26 of the above-entitled court located at 247 West Third Street, San Bernardino, California 92415.

6. How Do I Opt Out of the Class Action Settlement?

If you do not want to participate in the class action settlement, you may opt out of the class action settlement. If you opt out of the class action settlement, you may not object to the class action settlement, will not receive any Individual Settlement Sum, and will not be bound by the class action release provisions of the Settlement.

In order to opt out, you MUST express your desire to be excluded from the class action settlement by mailing to the Administrator a "Request for Exclusion," which must state "Request for Exclusion," include your name, current address, current telephone number, and last four digits of your social security number. Any such Request for Exclusion must be postmarked by August 11, 2023.

Any Request for Exclusion that does not include all required information or that is not submitted on a timely basis will be deemed null, void, and ineffective. A Request for Exclusion shall be deemed to be submitted as of the postmarked date. If you submit both a Request for Exclusion and an objection, your Request for Exclusion will be valid and be deemed to invalidate the objection.

7. Where Can I Get Additional Information?

This Notice summarizes the Settlement. For more information, please contact the Administrator or Class Counsel:

Administrator: Phoenix Settlement Administrators P.O. Box 7208 Orange, CA 92863 Telephone: (800) 523-5773	Class Counsel: DAVID LEE LAW, APC David J. Lee 515 S. Flower St., Suite 1900 Los Angeles, California 90071 Telephone: (213) 236-3536	DIVERSITY LAW GROUP, P.C. Larry W. Lee Simon L. Yang 515 S. Figueroa St., Suite 1250 Los Angeles, California 90071 Telephone: (213) 488-6555
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PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

Exhibit B



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CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Class Members	1,048
Opt Out Rate	1%
Opt Outs Received	10
Total Class Claimants	1,038
Subtotal Admin Only	\$15,533.49

Not-to-Exceed Total \$14,500.00

For 1048 Members

Pricing Good for Scope of Estimate Only

August 21, 2023

Case: Vaughns v. Berry Global, Inc. INVOICE

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	3	\$300.00
Programming Database & Setup	\$100.00	3	\$300.00
Toll Free Setup*	\$175.00	1	\$175.00
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$300.00	2	\$600.00
Total			\$1,407.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	2	\$200.00
Data Merge & Duplication Scrub	\$0.50	1,048	\$524.00
Notice Packet & Opt-Out Form	\$1.50	1,048	\$1,572.00
Estimated Postage (up to 2 oz.)*	\$0.64	1,048	\$670.72
Static Website	\$250.00	1	\$250.00
Total			\$3,216.72

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



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CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	3	\$165.00
Skip Tracing Undeliverables	\$2.50	57	\$142.50
Remail Notice Packets	\$1.75	57	\$99.75
Estimated Postage	\$0.64	57	\$36.48
Programming Undeliverables	\$50.00	3	\$150.00
Total			\$593.73

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	3	\$405.00
Non Opt-Out Processing	\$200.00	3	\$600.00
Case Associate	\$55.00	4	\$220.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	2	\$20.00
Case Manager	\$85.00	5	\$425.00
Total			\$1,670.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	4	\$540.00
Disbursement Review	\$135.00	4	\$540.00
Programming Manager	\$95.00	4	\$380.00
QSF Bank Account & EIN	\$125.00	2	\$250.00
Check Run Setup & Printing	\$100.00	3	\$300.00
Mail Class Checks *	\$1.25	1,038	\$1,296.90
Estimated Postage	\$0.61	1,038	\$632.89
Total			\$3,939.79

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



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CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$100.00	6	\$600.00
Remail Undeliverable Checks (Postage Included)	\$1.50	208	\$311.26
Case Associate	\$50.00	5	\$250.00
Reconcile Uncashed Checks	\$75.00	5	\$375.00
Conclusion Reports	\$125.00	2	\$250.00
Case Manager Conclusion	\$85.00	2	\$170.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$2,500.00	1	\$2,500.00
Total			\$4,706.26

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$15,533.49



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CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.