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PRIMESOURCE BUILDING PRODUCTS, INC.

[Additional counsel on next page]

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

RICKY HODGENS, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

PRIMESOURCE BUILDING PRODUCTS,
INC., a Delaware corporation; and DOES 1
through 10, inclusive,

Defendants

Case Nos. STK-CV-UOE-2021-0002249 and
STK-CV-UOE-2021-0005433

**STIPULATION OF CLASS AND PAGA
REPRESENTATIVE ACTION
SETTLEMENT**

Complaint Filed: June 15, 2021
Trial: Not Set

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PRIMESOURCE BUILDING PRODUCTS, INC.
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1 This Stipulation of Settlement (“Stipulation” or “Settlement”) is made and entered into, as
2 of the date set forth below, between Plaintiff Ricky Hodges, as an individual and as representative
3 of the proposed Class described herein and as representative of the State of California
4 (“Plaintiff”), and Defendant PrimeSource Building Products, Inc. (“Defendant”) who are parties
5 to the above-captioned litigation (together, the “Parties”).

6 **1. THE CONDITIONAL NATURE OF THIS STIPULATION**

7 1.1 This Stipulation and all associated exhibits or attachments are made for the sole
8 purpose of settling the above-captioned action. This Stipulation and the Settlement it evidences
9 are made in compromise of disputed claims. Because this action is being settled as a class and
10 PAGA representative action, this Settlement must receive preliminary and final approval by the
11 Court. Accordingly, the Parties enter into this Stipulation and associated Settlement on a
12 conditional basis. If the Court does not enter the Order of Final Approval, the proposed Judgment
13 does not become a Final Judgment for any reason, and/or the Effective Date does not occur, this
14 Stipulation shall be deemed null and void *ab initio*; it shall be of no force or effect whatsoever; it
15 shall not be referred to or utilized for any purpose whatsoever; and the negotiation, terms and
16 entry of the Stipulation shall remain subject to the provisions of California Evidence Code
17 sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence
18 that are applicable.

19 1.2 Defendant denies all claims as to liability, damages, penalties, interest, fees,
20 restitution, injunctive relief and all other forms of relief, as well as denies the class and
21 representative action allegations asserted in the Action and PAGA Action. Defendant has agreed
22 to resolve the Action via this Stipulation, but to the extent this Stipulation is deemed void or the
23 Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights
24 to challenge all such claims and allegations in the Action and PAGA Action upon all procedural,
25 merit, and factual grounds, including, without limitation, the ability to challenge class and
26 representative action treatment on any grounds, as well as asserting any and all other privileges
27 and potential defenses. Plaintiff and Class Counsel (as defined below) agree that Defendant
28 retains and reserves these rights, and Plaintiff and Class Counsel agree not to argue or present any

1 argument, and hereby waive any argument, that based on this Stipulation, Defendant cannot
2 contest class certification or representative action treatment on any grounds whatsoever, or assert
3 any and all other privileges or potential defenses if the Action or PAGA Action were to proceed.

4 **2. DEFINITIONS**

5 The following terms, when used in this Joint Stipulation of Settlement, shall have the
6 following meanings:

7 2.1 “Action” means the above captioned action, *Ricky Hodgens, individually, and on*
8 *behalf of all others similarly situated v. PrimeSource Building Products, Inc.*, San Joaquin
9 Superior Court Case No. STK-CV-UOE-2021-0002249.

10 2.2 “Class Counsel” means Kane Moon, Allen Feghali and Brett M. Gunther of Moon
11 & Yang, APC.

12 2.3 “Class Data” means a confidential spreadsheet that includes, for each Settlement
13 Class Member, their name, last known address, social security number, and number of Eligible
14 Workweeks and Eligible Pay Periods or data sufficient for the Settlement Administrator to
15 determine Eligible Workweeks and Eligible Pay Periods. The Class Data shall be based on
16 Defendant’s personnel and payroll records and provided in a format acceptable to the Settlement
17 Administrator. Nothing in this provision as to the confidentiality of the Class Data shall work to
18 inhibit or preclude Class Counsel from performing their fiduciary duties to the Class.

19 2.4 “Class Settlement Period” means the time period from March 15, 2017, through
20 the date of Preliminary Approval of the Settlement, subject to section 7.2.2.

21 2.5 “Class Representative” or “Plaintiff” means Plaintiff Ricky Hodges.

22 2.6 “Class Representative’s Released Claims” means any and all claims, obligations,
23 demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever
24 kind and nature, character, and description, whether in law or equity, whether sounding in tort,
25 contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other
26 source of law or contract, whether known or unknown, and whether anticipated or unanticipated,
27 including all unknown claims covered by California Civil Code Section 1542, by the Class
28 Representative, arising at any time up to and including the date on which the Court enters the

1 Order of Final Approval, for any type of relief, including without limitation claims for wages,
2 premium and other forms of pay, unpaid/unreimbursed costs, penalties (including waiting time
3 penalties), general damages, compensatory damages, liquidated damages, punitive damages,
4 interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and
5 declaratory relief. The Class Representative's Released Claims also include, but are not limited
6 to, the Released Claims as well as any other claims under any provision of the Fair Labor
7 Standards Act ("FLSA"), the California Labor Code, any applicable California Industrial Welfare
8 Commission Wage Orders, any city or county Living Wage Ordinances, and claims under state or
9 federal discrimination statutes, including, without limitation, the California Government Code;
10 the Unruh Civil Rights Act, California Civil Code; the California Constitution; the California
11 Business and Professions Code, including but not limited to Sections 17200 *et seq.*; the United
12 States Constitution; the Age Discrimination in Employment Act ("ADEA") and the Older
13 Workers Benefit Protection Act; the Uniformed Services Employment and Reemployment Rights
14 Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 *et seq.*; the Civil Rights Act of
15 1991; the Family and Medical Leave Act, to the extent not prohibited by law; the Americans with
16 Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement Income Security Act of
17 1974, 29 U.S.C. § 1001 *et seq.*; the Equal Pay Act; the Fair Credit Reporting Act; the Employee
18 Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification
19 Act; the Sarbanes-Oxley Act of 2002; the California Family Rights Act; and all of their
20 implementing regulations and interpretive guidelines; any and all claims for monetary recovery
21 and personal or individual relief, except as prohibited by law; and any premiums, penalties,
22 interest, punitive damages, costs, attorneys' fees, injunctive relief, declaratory relief, or
23 accounting based on any of the foregoing claims. For the avoidance of doubt, this is a complete
24 and general release to the maximum extent by law. Notwithstanding the foregoing, the release of
25 the Class Representative's Released Claims do not include (i) any claim or right for workers'
26 compensation benefits; or (ii) any claim or right that is not waivable as a matter of law.

27 2.7 "Court" means the Superior Court of the State of California, County of San
28 Joaquin.

1 2.8 “Defendant’s Counsel” means Melinda Riechert, Sarah Zenewicz and Taylor Horn
2 of Morgan, Lewis & Bockius LLP.

3 2.9 “Effective Date” means the date on which the Judgment becomes a Final
4 Judgment.

5 2.10 “Eligible Workweeks” shall mean the workweeks that each Settlement Class
6 Member worked for Defendant in California during the Class Settlement Period.

7 2.11 “Eligible Pay Periods” shall mean the pay periods that each PAGA Member
8 worked for Defendant in California during the PAGA Settlement Period.

9 2.12 “Enhancement Award” means the amount approved by the Court to be paid to the
10 Class Representative, in recognition of his efforts in coming forward as Class Representative and
11 as consideration for a full, general, and comprehensive release of the Class Representative’s
12 Released Claims, which shall be in addition to his portion of the Net Settlement Amount.

13 2.13 “Final Approval Date” means the date on which the Court enters the Order of
14 Final Approval.

15 2.14 “Final Approval Hearing” means a hearing set by the Court, to take place on a date
16 established by the Court, for the purpose of (i) determining the fairness, adequacy, and
17 reasonableness of the Stipulation terms and associated Settlement pursuant to class action
18 procedures and requirements; (ii) determining the amount of the award of attorneys’ fees and
19 costs to Class Counsel; (iii) determining the amounts of the Enhancement Award to the Class
20 Representative; and (iv) entering the Judgment.

21 2.15 “Final Judgment” means the latest of the following dates: (i) if no Settlement
22 Class Member files an objection to the Settlement, then the date the Court enters a judgment
23 dismissing the Action and an Order of Final Approval of the Settlement; (ii) if a Settlement Class
24 Member files an objection to the Settlement, then after the applicable date for seeking appellate
25 review of the Court’s final approval of the Settlement has passed, assuming no appeal or request
26 for review is filed; or (iii) if an appeal is filed, the final resolution of that appeal (including any
27 requests for rehearing and/or petitions for writ of certiorari) resulting in the final judicial approval
28 of the Settlement.

1 2.16 “Gross Settlement Amount” shall mean the \$332,500 Defendant will pay in
2 settlement of this matter, subject to section 7.2.2, below. The Gross Settlement Amount includes
3 all awards of attorneys’ fees and costs to Class Counsel, Settlement Administration Costs,
4 Plaintiff Enhancement Awards, the PAGA Settlement Payment (paid to the PAGA Members and
5 the LWDA), and payments to the Participating Class Members.

6 2.17 “Individual PAGA Payment” means the individual amounts paid from the PAGA
7 Payment to the individual PAGA Members for settlement of claims for civil penalties under
8 PAGA.

9 2.18 “Individual Settlement Payment” means the settlement amount due each
10 Participating Class Member from the Net Settlement Amount.

11 2.19 “Judgment” means the judgment to be executed and filed by the Court pursuant to
12 this Stipulation following the Final Approval Hearing.

13 2.20 “LWDA” means the California Labor and Workforce Development Agency.

14 2.21 “LWDA Payment” means the payment to the LWDA from the PAGA Payment for
15 settlement of claims for civil penalties under PAGA.

16 2.22 “Net Settlement Amount” is the portion of the Gross Settlement Amount available
17 for distribution to the Participating Class Members, which shall equal the Gross Settlement
18 Amount less PAGA Payment, Court-approved attorneys’ fees and costs award to Class Counsel,
19 Settlement Administration Costs, and the Court-approved Class Representative Enhancement
20 Award.

21 2.23 “Notice of Settlement” means the document provided to Settlement Class
22 Members to notify them of the settlement, a copy of which is attached hereto as Exhibit 1.

23 2.24 “PAGA Action” means *Ricky Hodgens, individually, and on behalf of all others*
24 *similarly situated v. PrimeSource Building Products, Inc.*, San Joaquin Superior Court Case No.
25 STK-CV-UOE-2021-0005433.

26 2.25 “PAGA Members” means all current and former California non-exempt employees
27 of Defendant during the PAGA Settlement Period.

28 2.26 “PAGA Payment” means the payment in settlement of all claims for PAGA

1 penalties, 75% of which will be distributed as the LWDA Payment and 25% of which will be
2 distributed as Individual PAGA Payments to the PAGA Members.

3 2.27 “PAGA Settlement Period” means all means the period from March 11, 2020,
4 through the date of Preliminary Approval of the Settlement, subject to section 7.2.2.

5 2.28 “Participating Class Members” means the Settlement Class Members who do not
6 timely request to be excluded from the class portion of the settlement. No claim form is required
7 for a Settlement Class Member to become a Participating Class Member.

8 2.29 “Parties” means Defendant and Plaintiff collectively.

9 2.30 “Preliminary Approval Date” means the date the Court enters the Order approving
10 the Stipulation of Settlement, and the exhibit thereto, and providing for notice to the Class, an
11 opportunity to opt out of the class portion of the Settlement, an opportunity to submit objections
12 to the settlement, and setting the Final Approval Hearing.

13 2.31 “Qualified Settlement Fund” means the Qualified Settlement Fund (“QSF”)
14 created under Internal Revenue Code Section 468B, to be overseen by the Settlement
15 Administrator.

16 2.32 “Released Class Claims” means all federal, state and local law claims, rights,
17 demands, liabilities, and causes of action, asserted in any of the complaints filed in the Action,
18 and all claims that could have been asserted in the Action arising from the same alleged facts
19 and/or primary rights alleged to have been invaded in the complaints filed in the Action or the
20 PAGA Action, or alleged in any PAGA letter sent by Plaintiff to the LWDA, including causes of
21 action for (1) failure to pay minimum wages for all hours worked; (2) failure to pay overtime
22 compensation; (3) failure to provide meal periods; (4) failure to authorize and permit rest breaks;
23 (5) failure to indemnify necessary business expenses; (6) failure to timely pay all final wages; (7)
24 failure to provide accurate itemized wage statements; (8) unfair and unlawful competition based
25 on the Labor Code violations alleged in (1)-(7); and all claims for attorneys’ fees and costs based
26 on the foregoing.

27 2.33 “Released PAGA Claims” means all claims for civil penalties under PAGA
28 asserted in any of the complaints filed in the Action or PAGA Action, and all claims that could

1 have been asserted in the Action or PAGA Action based on the same alleged facts in the
2 complaints or in any PAGA letter sent by Plaintiff to the LWDA, including claims for violations
3 of the California Labor Code for (1) unpaid minimum wages; (2) unpaid overtime wages; (3)
4 unpaid meal period premiums; (4) unpaid rest period premiums; (5) inaccurate wage statements;
5 (6) failure to keep accurate records; (7) failure to indemnify for all necessary business expenses;
6 and (8) failure to timely pay wages during employment or at termination.

7 2.34 “Released Parties” means Defendant and any parent, subsidiary, affiliated or
8 related entities (including any companies, corporations, partnerships, alter egos, joint venturers,
9 and actual or alleged joint employers), and each of their respective past, present and future agents,
10 employees, servants, officers, directors, partners, members, trustees, fiduciaries, representatives,
11 shareholders, stockholders, attorneys, equity sponsors, (defined as a company/corporation and/or
12 partnership that is, directly or indirectly, under common control with that Defendant or any of its
13 parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, and consultants.

14 2.35 “Response Deadline” means forty-five (45) days after the Settlement
15 Administrator mails the Notice of Settlement to Settlement Class Members. It shall be the last
16 date on which Settlement Class Members may: (a) postmark any Opt-Out Request from the class
17 portion of the Settlement, (b) postmark any written objection to the Settlement, and (c) postmark
18 any Workweek Dispute pertaining to the Eligible Workweeks for a Participating Class Member.
19 The Response Deadline for Settlement Class Members to whom the Notice of Settlement is
20 remailed after having been returned as undeliverable to the Settlement Administrator shall be
21 fifty-five (55) calendar days after the Settlement Administrator’s initial mailing of the Notice of
22 Settlement to Settlement Class Members, or fourteen (14) days after the re-mailing, whichever is
23 later.

24 2.36 “Settlement Administration Costs” means the costs payable from the Gross
25 Settlement Amount to the Settlement Administrator for administering this Settlement in
26 accordance with the Settlement Administrator’s responsibilities outlined in this Settlement
27 Agreement.

28 2.37 “Settlement Administrator” means ILYM Group, Inc., who shall be responsible for

1 the administration of the Settlement, distribution of any amounts owed under this Settlement, and
2 matters necessarily related thereto, pursuant to the terms of this Settlement, and subject to
3 appointment by the Court.

4 2.38 “Settlement Class” or “Settlement Class Members” means all current and former
5 California non-exempt employees of Defendant during the Class Settlement Period.

6 2.39 “Stipulation of Settlement” or “Stipulation” or “Settlement” shall mean this Joint
7 Stipulation of Settlement, signed by counsel for all of the Parties.

8 **3. DESCRIPTION OF THE LITIGATION**

9 3.1 On March 15, 2021, Plaintiff filed a putative wage and hour class action against
10 Defendant in the California Superior Court, County of San Joaquin, captioned *Ricky Hodgins v.*
11 *PrimeSource Building Products, Inc.*, Case No. STK-CV-UOE-2021-0002249. The complaint
12 alleges claims for (1) failure to pay minimum wages, (2) failure to pay overtime compensation,
13 (3) failure to provide meal periods, (4) failure to authorize and permit rest breaks, (5) failure to
14 indemnify necessary business expenses, (6) failure to timely pay final wages at termination, (7)
15 failure to provide accurate itemized wage statements, and (8) unfair business practices on behalf
16 of a putative class of non-exempt employees. On April 20, 2021, Defendant filed its Answer to
17 the Complaint, which includes a general denial and affirmative defenses. On April 23, 2021,
18 Defendant removed the action to the Eastern District of California, Case No. 2:21-cv-00716-
19 KJM-JDP.

20 3.2 On April 15, 2021, Plaintiff filed a separate action against Defendant asserting a
21 claim for civil penalties under PAGA in the California Superior Court, County of San Joaquin,
22 captioned *Ricky Hodgins v. PrimeSource Building Products, Inc.*, Case No. STK-CV-UOE-2021-
23 0005433. On April 20, 2021, Defendant filed its Answer to the First Amended Complaint, which
24 includes a general denial and affirmative defenses.

25 3.3 Through substantial and extensive informal discovery, Defendant provided Class
26 Counsel with written policies and data reflecting the Settlement Class Members’ time worked,
27 pay, workweeks, meal premiums paid, and employment status during the Class Settlement Period.

28 3.4 The Parties participated in a private mediation with experienced wage and hour

mediator Jeffrey A. Ross regarding the claims and defenses in the Action and the PAGA Action and the data provided for the Settlement Class and eventually reached an agreement on settlement. All of the terms of the settlement are contained within this Stipulation of Settlement. At all times, the Parties' settlement negotiations have been non-collusive, adversarial, and at arm's length.

3.5 Discussions between counsel for the Parties, informal discovery, as well as the respective investigation and evaluation of Plaintiff's claims and Defendant's defenses by the Parties, have permitted each side to assess the relative merits of the claims and the defenses to those claims. The Parties agree that the above-described investigation and evaluation, as well as informal discovery and the information exchanged during the settlement negotiations, are sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.

4. CONDITIONS PRECEDENT TO STIPULATION TAKING EFFECT

4.1 The Parties enter into this Stipulation and the Settlement on a conditional basis. This Stipulation and Settlement will become final and effective only upon the occurrence of all of the following events:

4.1.1 Plaintiff will first file a First Amended Complaint in the Action that will consolidate all claims alleged in the Action and PAGA Action into the Action and will dismiss the pending PAGA action, which Defendant stipulates to the filing of.

4.1.2 The Court enters an order granting preliminary approval of the Settlement consistent with the material terms of the Parties Stipulation and Settlement;

4.1.3 The Court enters an order granting final approval consistent with the material terms of the Parties Stipulation and Settlement; and

4.1.4 The Effective Date occurs, and any challenge to the Settlement, whether by objection or appeal, is resolved in favor of enforcement of the Settlement.

4.2 Unless the Court orders otherwise or as agreed to in writing by the Parties, this Stipulation shall be deemed null and void *ab initio* upon the failure of any one of these four (4) conditions to occur.

1 **5. BENEFITS OF THE SETTLEMENT TO THE PARTIES**

2 4.1 Based on their own independent investigations and evaluations, Class Counsel is of
3 the opinion that the Settlement with Defendant for the consideration and terms set forth herein,
4 considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate
5 in light of all known facts and circumstances, and is in the best interests of the Settlement Class.
6 Class Counsel is also of the opinion that the total consideration and payment set forth in this
7 Stipulation of Settlement is adequate in light of the uncertainties surrounding the risk of further
8 litigation, the possibility of losing class certification, that the PAGA claim could be deemed
9 unmanageable, and the defenses that Defendant has asserted and/or could assert as to the
10 substantive merit of the claims.

11 4.2 Class Counsel has weighed the monetary benefit under the Settlement to the
12 Settlement Class against the expenses and length of continued proceedings that would be necessary
13 to prosecute the Action and PAGA Action against Defendant through class certification, through
14 manageability motions, summary judgment, trial and possible appeals. Class Counsel has also
15 taken into account the uncertain outcome and risk of any litigation, especially in complex actions
16 such as class and representative actions, as well as the difficulties and delay inherent in such
17 litigation. As a result, Class Counsel has determined that the settlement set forth in this Stipulation
18 of Settlement is in the best interests of the Settlement Class.

19 **6. DEFENDANT'S POSITION**

20 6.1 Defendant and the Released Parties specifically and generally deny any and all
21 liability or wrongdoing of any sort with regard to the claims alleged, make no concessions or
22 admissions of liability of any sort, and contend that for any purpose other than Settlement, the
23 Action and PAGA Action are not appropriate for class or representative action treatment.
24 Nonetheless, Defendant has concluded that further conduct of the Action and PAGA Action
25 would be protracted, distracting, and expensive, and that it is desirable that the Action and PAGA
26 Action be fully and finally settled in the manner and upon the terms and conditions set forth in
27 this Stipulation. Defendant has also taken into account the uncertainty and risks inherent in any
28 litigation. Defendant has therefore determined that it is desirable and beneficial to it to settle the

1 Action and PAGA Action in the manner and upon the terms and conditions set forth in this
2 Stipulation.

3 6.2 Neither this Stipulation of Settlement, nor any document referred to in it, nor any
4 actions taken pursuant to this Stipulation of Settlement, is or should be construed as an admission
5 by Defendant of any fault, wrongdoing, or liability whatsoever. Nor should the Stipulation of
6 Settlement be construed as an admission that Plaintiff could meet any of the class action
7 requirements or that any PAGA claim would be manageable. There has been no final
8 determination by any court as to the merits of the claims asserted by Plaintiff against Defendant,
9 as to whether a class action should be certified, or that any PAGA claim is manageable.

10 6.3 Defendant has concluded that it is desirable that the Action and the PAGA Action
11 be settled in a manner and upon such terms and conditions set forth herein in order to avoid
12 further expense, inconvenience and distraction of further legal proceedings, and the risk of the
13 outcome of the Action and PAGA Action. Therefore, Defendant has determined that it is
14 desirable and beneficial to resolve the claims in the Action and PAGA Action.

15 **7. OPERATIVE TERMS OF SETTLEMENT**

16 The Parties agree as follows:

17 **7.1 Conditional Class Certification**

18 7.1.1 The Parties stipulate, for settlement purposes only, to the certification by the
19 Court of the Settlement Class.

20 7.1.2 If, for any reason, the Court does not approve this Stipulation, fails to enter
21 the Judgment, or if this Stipulation is terminated for any other reason, the Settlement Class will be
22 decertified and Defendant shall, and hereby do, retain the right to dispute the appropriateness of
23 class certification.

24 **7.2 Gross Settlement Amount**

25 7.2.1 Defendant shall pay a non-reversionary amount not to exceed Three
26 Hundred, Thirty-Two Thousand and Five Hundred Dollars and Zero Cents (\$332,500.00) as the
27 Gross Settlement Amount to resolve the Action on a class and representative basis, subject to
28 section 7.2.2. The Gross Settlement Amount shall be used to pay, as approved by the Court,

1 Class Counsel's attorneys' fees and costs, Enhancement Award to Plaintiff, Settlement
2 Administration Costs; the PAGA Payment to the LWDA and the PAGA Members, and the
3 Individual Settlement Payments to the Participating Class Members. Notwithstanding the
4 foregoing, in addition to the Gross Settlement Amount, Defendant will pay the employer's
5 portion of payroll taxes, including FICA and FUTA, on the portion of each Individual Settlement
6 Payment allocated as unpaid wages.

7 7.2.2 Defendant has identified approximately 19,000 workweeks in the period
8 from March 15, 2017, to the August 29, 2022 mediation. In the event that the actual number of
9 workweeks in the Class Settlement Period exceeds 19,000 by more than 10% (i.e., more than
10 20,900), then at Defendant's option, either (a) the Gross Settlement Amount shall increase by the
11 same number of percentage points above 10% the actual number of workweeks exceeds the
12 19,000 estimate (i.e., if the workweeks during the Class Settlement Period are 21,090, which is
13 11% greater than the estimate at mediation, then the Gross Settlement Amount increases by 1% to
14 \$335,825); or (b) the Class Settlement Period and the PAGA Settlement Period shall end as of the
15 date the workweeks during the Class Settlement Period reach 20,900 workweeks.

16 7.3 Class Representative Enhancement Award

17 7.3.1 The Class Representative's Enhancement Award, which is in addition to his
18 Individual Settlement Payment from the Net Settlement Amount and Individual PAGA Payment
19 as a PAGA Member will, subject to Court approval, be paid out of the Gross Settlement Amount
20 and will not exceed \$7,500 for the Class Representative's services and assistance to the Class.
21 For purposes of tax withholding, the Enhancement Award will be treated as 100% attributable to
22 interest and penalties, for which an IRS Form 1099 shall be issued. Class Representative shall be
23 solely and legally responsible for paying any and all applicable taxes on his Enhancement Award
24 and shall indemnify, defend, and hold the Released Parties harmless from any claim or liability
25 for taxes, penalties or interest arising as a result of the Enhancement Award. Any amount of the
26 Class Representative Enhancement Award that is not awarded by the Court shall be added to the
27 Net Settlement Amount.

28 7.4 Attorneys' Fees and Costs

1 7.4.1 Class Counsel may apply to the Court for an award of reasonable attorneys'
2 fees not to exceed 35% of the Gross Settlement Amount, \$116,375.00, and will seek an award of
3 costs for reimbursement of Class Counsel's out-of-pocket costs incurred up to an additional
4 \$20,000.00, to be paid out of the Gross Settlement Amount. Defendant reserves the right to
5 challenge Class Counsel's requests for fees and costs if the requests exceed the parameters
6 established by this Settlement Agreement. The Settlement Administrator shall issue IRS Forms
7 1099 to Class Counsel for the payments made pursuant to this section. Class Counsel shall be
8 solely and legally responsible for paying any and all applicable taxes on their fees and costs
9 award. Any amount of Class Counsel's requested fees and costs that is not awarded by the Court
10 shall be added to the Net Settlement Amount.

11 7.5 Settlement Administrator

12 7.5.1 The Settlement Administration Costs incurred by the Settlement
13 Administrator as a result of the procedures and processes expressly required by this Stipulation
14 shall be paid out of the Gross Settlement Amount and are estimated not to exceed \$20,000.
15 Under no circumstances will Defendant be required to contribute additional funds, above and in
16 addition to the Gross Settlement Amount, to cover any unexpected Settlement Administration
17 Costs. The Settlement Administration Costs shall include: all costs of administering the
18 Settlement, including all tax document preparation, custodial fees, and accounting fees incurred
19 by the Settlement Administrator; all costs and fees associated with establishing and maintaining a
20 Qualified Settlement Fund; all costs and fees associated with preparing, issuing and mailing the
21 Notice of Settlement and other correspondence to Settlement Class Members; all costs and fees
22 associated with communicating with Settlement Class Members, Class Counsel, and Defendant's
23 Counsel; all costs and fees associated with computing, processing, reviewing, and paying the
24 payments due under this Stipulation, and resolving disputed claims; all costs and fees associated
25 with calculating tax withholdings and payroll taxes, making related payment to federal and state
26 tax authorities, and issuing tax forms relating to payments made under the Settlement; all costs
27 and fees associated with preparing any tax returns and any other filings required by any
28 governmental taxing authority or agency; all costs and fees associated with preparing any other

1 notices, reports, or filings to be prepared in the course of administering payments due under this
2 Stipulation; and any other costs and fees incurred and/or charged by the Settlement Administrator
3 in connection with the execution of its duties under this Stipulation.

4 7.5.2 The actions of the Settlement Administrator shall be governed by the terms
5 of this Stipulation and any Orders from the Court and any agreement by Class Counsel and
6 Defendant's Counsel regarding communications with the Settlement Administrator.

7 7.5.3 In the event that either Defendant's Counsel or Class Counsel take the
8 position that the Settlement Administrator is not acting in accordance with the terms of the
9 Stipulation, such party shall meet and confer first with opposing counsel and/or, if necessary, with
10 the Settlement Administrator or the Court to attempt to resolve the issue.

11 7.6 Calculation of Individual Settlement Payments

12 7.6.1 Each Participating Class Member will be entitled to receive an Individual
13 Settlement Payment, which will be paid out of the Net Settlement Amount. The amount of each
14 Individual Settlement Payment will be calculated on a pro rata basis, based on the Eligible
15 Workweeks each Participating Class Member worked during the Class Settlement Period. There
16 is no need for a Participating Settlement Class Member to submit a claim form in order to be
17 eligible for and to receive an Individual Settlement Payment.

18 7.6.2 To determine each Settlement Class Member's estimated "Individual
19 Settlement Payment," the Settlement Administrator will use the following formula: estimated
20 Individual Settlement Payment = individual Eligible Workweeks ÷ all Settlement Class Member
21 Eligible Workweeks × Net Settlement Amount.

22 7.6.3 The Parties recognize that the Individual Settlement Payments to be paid to
23 Participating Class Members reflect settlement of a dispute over claimed wages, interest,
24 penalties, and other alleged damages.

25 7.6.4 All Individual Settlement Payments to Participating Class Members shall be
26 allocated as follows for tax purposes: 25% of each Individual Settlement Payment reflects
27 compromise of a claim for alleged unpaid wages; 75% of each Individual Settlement Payment
28 reflects compromise of a claim for alleged interest and penalties. The portion of the Individual

1 Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable
2 payroll and income tax withholdings (for the employee portion only), and will be reported on an
3 IRS Form W-2. Participating Class Members will each indemnify and hold harmless the
4 Released Parties for any taxes due or owing by them with respect such payments and/or any
5 penalties and interest owed by the Released Parties for the failure to withhold with respect to such
6 payments. The Settlement Administrator shall make appropriate tax withholdings from the
7 portion of each Individual Settlement Payment designated as unpaid wages, and shall pay the
8 employer portion of payroll taxes with funds separate from the Gross Settlement Amount to be
9 furnished by Defendant. Participating Class Members will be responsible for paying all other
10 taxes due on their Individual Settlement Payments. Other than as set forth above, the Settlement
11 Administrator will not make any deductions, withholdings, or additional payments, including
12 without limitation, medical or other insurance payments or premiums, employee 401(k)
13 contributions or matching employer contributions, wage garnishments to the extent permitted by
14 law, or charity withholdings, from or with respect to the Individual Settlement Payments, and
15 entry of the Order of Final Approval by the Court shall be deemed authority not to make any such
16 deductions, withholdings, or additional payments.

17 7.7 PAGA Payment

18 7.7.1 A total amount of \$30,000 from the Gross Settlement Amount will be
19 allocated as the PAGA Payment to be paid as penalties under PAGA, seventy-five percent (75%)
20 of this amount (\$22,500) will be the LWDA Payment to paid to the LWDA and the remaining
21 twenty-five (25%) of this amount (\$7,500) shall be distributed to the PAGA Members as
22 Individual PAGA Payments. Any portion of the PAGA Payment not approved by the Court shall
23 be added to the Net Settlement Amount and any additional amount ordered by the Court shall be
24 paid from the Gross Settlement Amount.

25 7.7.2 The 25% of the PAGA Payment to be distributed to the PAGA Members as
26 Individual PAGA Payments and shall be distributed based on a pro rata share based on the
27 number of Eligible Pay Periods each PAGA Member worked during the PAGA Settlement
28 Period.

1 7.7.3 All Individual PAGA Payments shall be allocated as 100% penalties, for
2 which a 1099 will be issued if required. PAGA Members will be responsible for paying all other
3 taxes due on their Individual PAGA Payments. PAGA Members will be responsible for paying
4 all taxes due on their Individual PAGA Payments. The Settlement Administrator will not make
5 any deductions, withholdings, or additional payments, including without limitation, medical or
6 other insurance payments or premiums, employee 401(k) contributions or matching employer
7 contributions, wage garnishments to the extent permitted by law, or charity withholdings, from or
8 with respect to the Individual PAGA Payments.

9 7.8 Circular 230 Disclaimer

10 7.8.1 Each Party to this Stipulation (for purposes of this section, the
11 “acknowledging party” and each Party to this Stipulation other than the acknowledging party, an
12 “other party”) acknowledges and agrees that (1) no provision of this Stipulation, and no written
13 communication or disclosure between or among the Parties or their attorneys and other advisers,
14 is or was intended to be, nor shall any such communication or disclosure constitute or be
15 construed or be relied upon as, tax advice within the meaning of United States Treasury
16 Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has
17 relied exclusively upon his, her, or its own, independent legal and tax counsel for advice
18 (including tax advice) in connection with this Agreement, (b) has not entered into this Stipulation
19 based upon the recommendation of any other party or any attorney or advisor to any other party,
20 and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to
21 any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3)
22 no attorney or advisor to any other party has imposed any limitation that protects the
23 confidentiality of any such attorney’s or adviser’s tax strategies (regardless of whether such
24 limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or
25 tax structure of any transaction, including any transaction contemplated by this Stipulation.

26 7.9 No Effect on Employee Benefits

27 7.9.1 Neither the Settlement nor any amounts paid under the Settlement will
28 modify any previously credited hours or service under any employee benefit plan, policy, or

bonus program sponsored by the Released Parties. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under the Released Parties' sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of the Released Parties' benefit plans, policies, or bonus programs. The Released Parties retain the right to modify the language of their benefit plans, policies and bonus programs to effectuate this intent, and to make clear that any amounts paid pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Stipulation of Settlement.

7.10 Releases

7.10.1 Class Representative Release. Upon Final Approval, the Class Representative shall be deemed to have fully, finally, and forever released the Released Parties from all Class Representative's Released Claims through the Final Approval Date. The Class Representative may hereafter discover claims or facts in addition to, or different from, those which they now know or believe to exist, but Class Representative expressly agrees to fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at the time of execution of this Agreement. The Class Representative shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits they may otherwise have had relating to the Class Representative's Released Claims pursuant to Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

1 7.10.2 Participating Class Member Release. As of the Effective Date, all
2 Participating Class Members fully and finally release the Released Parties from the Released
3 Claims that arose during the Class Settlement Period.

4 7.10.3 PAGA Member Release. As of the date of the Effective Date, Plaintiff, as a
5 representative of the State of California and on behalf of the LWDA and as a representative of the
6 PAGA Members, fully and finally release the Released Parties from the PAGA Released Claims
7 for the PAGA Settlement Period.

8 **8. NOTICE TO CLASS**

9 8.1 Preliminary Approval

10 8.1.1 Class Counsel and Defendant's Counsel shall jointly submit to the Court
11 this Stipulation of Settlement and exhibits thereto for preliminary approval by the Court. Class
12 Counsel will prepare and file the motion for preliminary approval and supporting papers for the
13 Court, subject to Defendant's prior review and approval. The Court's preliminary approval of
14 this Settlement shall be embodied in an order certifying the Class for settlement purposes only,
15 preliminarily approving the Settlement and providing for Notice of Settlement to be mailed to the
16 Class in materially the same format attached hereto as Exhibit 1, and which will also set the date
17 for the Final Approval Hearing.

18 8.2 Notice

19 8.2.1 No later than twenty-one (21) calendar days after the Court issues the order
20 granting preliminary approval, Defendant shall provide the Class Data to the Settlement
21 Administrator. The Settlement Administrator shall maintain the Class Data, and all data
22 contained within the Class Data, as private and confidential and shall not disclose such data to
23 any persons or entities, unless otherwise required by law. The confidentiality provision of this
24 Paragraph shall not operate to preclude Class Counsel from performing their fiduciary duties to
25 the Class Members. To the extent the Settlement Administrator receives inquiries from
26 individual Settlement Class Members, the Settlement Administrator will apprise the Parties of the
27 fact of the inquiry. The Settlement Administrator will attempt to resolve any such inquiry and
28 may involve the Parties' respective counsel to the extent necessary. In the event that the inquiry

1 cannot be resolved adequately by the Settlement Administrator and, if necessary, the Parties, the
2 Parties shall meet and confer in good faith regarding resolution of the inquiry. If Class Counsel is
3 contacted by a Settlement Class Member regarding his/her data, the Settlement Administrator
4 shall identify and disclose that specific Settlement Class Member's data upon the request of Class
5 Counsel. The information in the Class Data is being supplied solely for purposes of the
6 administration of the settlement and cannot be used by the Settlement Administrator or any agent
7 or representative of the Settlement Administrator for any purpose other than to administer the
8 Settlement. Upon receipt of the Class Data, the Settlement Administrator shall check with the
9 U.S. Postal Service National Change of Address Database and update any addresses for the
10 Settlement Class Members.

11 8.2.2 Within thirty (30) calendar days of the Preliminary Approval Date, the
12 Settlement Administrator will send via United States first class mail the Notice of Settlement to
13 the Settlement Class Members. The Notice of Settlement shall advise Settlement Class Members
14 of their options, which include: filing an Opt-Out Request to the class settlement; filing an
15 objection to the Settlement and receiving an Individual Settlement Payment and an Individual
16 PAGA Payment (if applicable); or taking no action and receiving an Individual Settlement
17 Payment and an Individual PAGA Payment (if applicable).

18 8.2.3 If any Notice of Settlement is returned to the Settlement Administrator as
19 undeliverable, the Settlement Administrator shall run a skip-trace using that Settlement Class
20 Member's social security number in an effort to attempt to ascertain the current address of the
21 Settlement Class Member. If such an address(es) is ascertained, the Settlement Administrator
22 shall re-mail the Notice of Settlement within ten (10) calendar days. If alternative addresses are
23 obtained for a Settlement Class Member, the Settlement Administrator shall send the Notice of
24 Settlement to up to two (2) alternative addresses.

25 8.3 Opt-Out Requests

26 8.3.1 Settlement Class Members, except for the Class Representative, will have
27 until the Response Deadline within which to opt-out of the class portion of this Settlement;
28 however, exercising this option has no effect on the PAGA portion of this settlement, PAGA

1 Members will be mailed an Individual PAGA Payment and be bound by the release of the
2 Released PAGA Claims regardless of whether they opt out of the class settlement. Settlement
3 Class Members who want to opt-out must timely submit a signed and dated written request to be
4 excluded from the class portion of the Settlement to the Settlement Administrator ("Opt-Out
5 Request"). The Opt-Out Request must be postmarked on or before the Response Deadline,
6 include the case name, case number, the Settlement Class Member's name, address, and last four
7 of their social security number, must be signed by the Settlement Class Member, and must
8 reasonably communicate the Settlement Class Member's election to be excluded from the class
9 Settlement.

10 8.3.2 Settlement Class Members who do not timely submit an executed Opt-Out
11 Request shall be deemed a Participating Class Member and bound by this Settlement including
12 the Class Member Release. Settlement Class Members who timely submit an executed Opt-Out
13 Request will not be bound by the Class Member Release and will not receive an Individual
14 Settlement Payment. The Notice of Settlement shall advise Settlement Class Members of their
15 ability to opt-out of the class portion of the Settlement and of the consequences thereof, and
16 further inform them that they cannot opt out of the PAGA settlement. Neither the Parties nor any
17 of their counsel will solicit any Settlement Class Member to submit an Opt-Out Request.

18 8.3.3 If a Settlement Class Member submits both an Opt-Out Request and an
19 Objection within the Response Deadline, then the Opt-Out Request will be deemed valid and the
20 Objection invalid and the individual will not be deemed a Participating Class Member.

21 8.4 Objections

22 8.4.1 Participating Class Members, except for the Class Representative, may
23 object to the Settlement in person at the Final Approval Hearing and/or in writing. Participating
24 Class Members, except for the Class Representative, will have until the Response to mail a
25 written objection to the Settlement and a notice of intention to appear at the Final Approval
26 Hearing, which must be mailed to the Settlement Administrator. Only Settlement Class Members
27 who have not filed an Opt-Out Request (Participating Class Members) may object to the
28 Settlement. The written objection should state the Participating Class Member's name and

1 address and describe the reason(s) why the Participating Class Member objects to the Settlement
2 and include or attach any documents upon which the objection is based. The Parties and their
3 counsel agree that they will not solicit, encourage, counsel or advise any individual to object to
4 the Settlement.

5 8.4.2 If five percent (5%) or more of the total number of Settlement Class
6 Members submit timely and valid Opt-Out Requests, then Defendant shall have the option, in its
7 sole and exclusive discretion, to void the Settlement. To exercise this option, Defendant must
8 send written notification to Class Counsel within ten (10) calendar days of receiving the report
9 from the Settlement Administrator stating the total number of timely and valid Opt-Out Requests.
10 If Defendant chooses to exercise this option, the effect will be precisely the same as if Final
11 Approval did not occur, as discussed herein. No party to the Lawsuits or counsel to any party to
12 the Lawsuits may solicit Settlement Class members to opt-out of the Settlement

13 8.5 Eligible Workweeks and Eligible Pay Periods Disputes

14 8.5.1 Participating Class Members and PAGA Employees may dispute their
15 Eligible Workweeks and Eligible Pay Periods if they believe they were employed for more
16 Eligible Workweeks or Eligible Pay Periods in the Class Settlement Period or PAGA Settlement
17 Period than stated on their Notice of Settlement. Participating Class Members and PAGA
18 Members may do this by submitting information to the Settlement Administrator in writing no
19 later than the Response Deadline. The Settlement Administrator will jointly work with Class
20 Counsel and Defendant's Counsel to resolve the dispute in good faith. If the Parties cannot agree
21 on the Eligible Workweeks or Eligible Pay Periods to be credited to that Participating Class
22 Member or PAGA Member, the Court shall make the final decision based on the information
23 presented by the individual and the Parties.

24 8.6 Certification Reports by the Settlement Administrator

25 8.6.1 The Settlement Administrator will, on a weekly basis during and for a
26 reasonable period following distribution of the Notice of Settlement, provide updates to Class
27 Counsel and Defendant's Counsel as to the number of persons in the Settlement Class who
28 submitted (i) valid Opt-Out Requests; (ii) written Objections, and (iii) Eligible Workweeks or

1 Eligible Pay Period disputes. All written objections shall be provided to the Parties' counsel
2 within 2 days of receipt by the Settlement Administrator. To the extent practicable, the weekly
3 updates shall also provide updated data on the extent of Notices of Settlement that are returned
4 undeliverable and any re-mailing efforts.

5 8.6.2 Within seven (7) calendar days the Response Deadline, the Settlement
6 Administrator shall provide to Class Counsel and Defendant's Counsel a status report setting
7 forth the number of Notices of Settlement returned as undeliverable, the number of Opt-Out
8 Requests and the number of objections, if any.

9 8.7 Final Approval

10 8.7.1 Prior to the Final Approval Hearing, Plaintiff will move the Court for entry
11 of an "Order of Final Approval" (and associated entry of Judgment): (a) certifying the Settlement
12 Class for Settlement purposes only, (b) finding the Settlement fair, reasonable, adequate, and in
13 the best interests of the Participating Class Members, (c) approving the PAGA Payment to the
14 LWDA and the PAGA Members; (d) approving Class Counsel's application for an award of
15 attorneys' fees and costs, (e) approving Class Representative's application for an Enhancement
16 Award, (f) approving the payment of reasonable Settlement Administration Costs, and (g)
17 dismissing the Action and the PAGA Action and releasing and barring any further Released Class
18 Claims by Settlement Class Members and Released PAGA Claims by or on behalf of the PAGA
19 Members. The Parties and their respective counsel shall make all reasonable efforts to secure
20 entry of the Order of Final Approval. The proposed Order of Final Approval (and the associated
21 proposed Judgment) shall be filed with the Court with the motion for final approval, or as
22 otherwise directed by the Court.

23 8.7.2 Class Representative and Class Counsel agree that they shall be responsible
24 for justifying the amount of the Enhancement Award and attorneys' fees and costs to the Court,
25 and they agree to submit, as appropriate, the necessary materials to justify these payments. If the
26 Court (or any appellate court) awards less than the amount requested for attorneys' fees and/or
27 costs, or less than the amount requested for the Enhancement Award for the Class Representative,
28 only the awarded amounts shall be paid and shall constitute satisfaction of the obligations of

1 Defendant under this Stipulation.

2 8.7.3 Defendant shall have the sole right to void and withdraw from this
3 Agreement if at any time prior to the Final Approval Date: (a) five percent (5%) or more of all
4 Settlement Class Members opt out of the Settlement; or (b) the Settlement is construed in such a
5 fashion that Defendant would be required to pay more than the Gross Settlement Amount,
6 exclusive of Defendant's share of the employer payroll taxes; or (c) the Court does not certify the
7 Settlement Class, or does not certify a class releasing all of the Released Class Claims defined in
8 this Agreement, or does not approve the PAGA settlement, or otherwise makes an order
9 inconsistent with any of the material terms (as determined by Defendant) of this Agreement; (d)
10 any pending litigation or litigation filed prior to the Final Approval Date in any way prevents this
11 Agreement from resolving all claims identified in the Class Representative's Released Claims and
12 Released Class Claims and Released PAGA Claims, as defined herein; or (e) Plaintiff or Class
13 Counsel materially breach this Agreement.

14 8.7.4 If an appeal results in an order materially modifying, setting aside, or
15 vacating any portion of the Stipulation, with the exception of any modification of the amount of
16 attorneys' fees or costs to be paid to Class Counsel, or the amount of the Enhancement Award
17 paid to the Class Representative, each party adversely impacted by the order shall have the
18 absolute right, at its sole discretion, to treat such order as an event preventing Final Approval. To
19 exercise this right, the party must inform the other party and the Settlement Administrator, in
20 writing, of the exercise of this right, within ten (10) calendar days of receiving notice of any order
21 modifying, setting aside, or vacating any portion of the Stipulation. Before either Party elects to
22 exercise its right to treat such order as an event permanently preventing Final Approval, that Party
23 must meet and confer in good faith with the other Party to determine if an agreement can be
24 reached modifying this Settlement to the mutual satisfaction of the Parties.

25 8.7.5 If the Final Approval or Final Judgment does not occur, or if this Stipulation
26 is terminated or canceled pursuant to its terms, the Parties to this Stipulation shall be deemed to
27 have reverted to their respective status as of the date and time immediately prior to the execution
28 of this Stipulation. In such an event, if the Stipulation is not approved by the Court substantially

in the form agreed to by the Parties, or if the Settlement set forth in the Stipulation is terminated, cancelled, declared void, or fails to become effective in accordance with its terms, or if the Judgment does not become a Final Judgment, or if the Final Approval Date does not occur, this Stipulation (except for those provisions relating to non-admission, denial of liability set forth herein, and the confidentiality agreements entered into by the Parties) shall be deemed null and void, its terms and provisions shall have no further force and effect and shall not be used in this Action or in any other proceeding for any purpose, and any Judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. Notwithstanding any other provision of this Stipulation, no order of the Court, or modification or reversal on appeal of any order of the Court, reducing the amount of any attorneys' fees or costs to be paid by Defendant to Class Counsel, or reducing the amount of any Enhancement Award paid to the Class Representative, shall constitute grounds for cancellation or termination of the Stipulation, or grounds for limiting any other provision of the Judgment.

8.8 Funding and Distribution of the Settlement Proceeds

8.8.1 Within fifteen (15) calendar days after the Effective Date, Defendant shall pay the Gross Settlement Amount into the Qualified Settlement Fund set up, held, and controlled by the Settlement Administrator.

8.8.2 Within thirty (30) calendar days of the Effective Date, the Settlement Administrator shall issue Individual Settlement Payments to Participating Class Members and the Individual PAGA Payments to the PAGA Members.

8.8.3 After one hundred and eighty (180) calendar days of issuance, funds from undeposited Individual Settlement Payment and Individual PAGA Payment checks will be held by the Settlement Administrator; if the Participating Class Member or PAGA Member to whom the undeposited check is issued does not contact Class Counsel or the Settlement Administrator concerning his or her settlement payment check(s) within one-hundred eighty (180) calendar days of issuance, the Stipulation of Settlement, including its release, will be binding on that Participating Class Member or PAGA Member, and the amount of that uncashed settlement payment shall be transmitted to the State of California, to be held and disposed of by the

1 Controller in accordance with California's Unclaimed Property Law for the benefit of those
 2 Participating Class Members and PAGA Employees who did not cash their checks until such time
 3 that they claim their property. The Parties agree that this disposition results in no "unpaid
 4 residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will
 5 be paid out to Participating Class Members, whether or not they all cash their Individual
 6 Settlement Payments.

7 8.8.4 Within thirty (30) calendar days of the Effective Date, the Settlement
 8 Administrator shall issue the LWDA Payment to the LWDA.

9 8.8.5 Within thirty (30) calendar days of the Effective Date, the Settlement
 10 Administrator shall pay the Court-approved attorneys' fees and costs to Class Counsel. Class
 11 Counsel shall provide to the Settlement Administrator, with a copy to Defendant, the pertinent
 12 taxpayer identification number and IRS Form W-9 within ten (10) calendar days after the Final
 13 Approval Date.

14 8.8.6 Within thirty (30) calendar days of the Effective Date, the Settlement
 15 Administrator shall send a check by mail for the Court-approved Enhancement Award to the
 16 Class Representative.

17 **9. MISCELLANEOUS PROVISIONS**

18 9.1 Neither the acceptance nor the performance by Defendant of the terms of this
 19 Stipulation, nor any of the related negotiations or proceedings, is or shall be claimed to be,
 20 construed as, or deemed to be, an admission by Defendant of the truth of any of the allegations in
 21 the Complaint, the representative character of the Action, the validity of any of the claims that
 22 were or could have been asserted by Plaintiff, Settlement Class Members and/or PAGA Members
 23 in the Action, or of any liability or guilt of Defendant or the Released Parties in the Action.
 24 Nothing in this Stipulation shall be construed to be or deemed an admission by Defendant of any
 25 liability, culpability, negligence, or wrongdoing toward Plaintiff, the Settlement Class Members,
 26 or any other person, and Defendant specifically disclaims any liability, culpability, negligence, or
 27 wrongdoing toward Plaintiff, the Settlement Class Members, PAGA Members and any other
 28 person. Each of the Parties has entered into this Stipulation with the intention to avoid further

1 disputes and litigation with the attendant inconvenience, expenses, and contingencies.

2 9.2 The Parties agree to cooperate fully with one another to accomplish and implement
3 the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of
4 such other documents and the taking of such other action as may reasonably be necessary to
5 fulfill the terms of this Settlement. The Parties to this Settlement shall exercise reasonable
6 efforts, including all efforts contemplated by this Settlement and any other efforts that may
7 become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set
8 forth herein.

9 9.3 Unless otherwise specifically provided herein, all notices, demands, or other
10 communications given hereunder shall be in writing and shall be deemed to have been duly given
11 as of the third business day after mailing by United States certified mail, return receipt requested,
12 addressed as follows:

13 To the Class Counsel:

14 Kane Moon
15 Allen Feghali
16 Brett M. Gunther
17 MOON & YANG, APC
18 1055 W. Seventh St., Suite 1880
19 Los Angeles, California 90017

20 To Defendant:

21 Melinda Riechert
22 Sarah Zenewicz
23 Taylor D. Horn
24 Morgan, Lewis & Bockius LLP
25 One Market, Spear Street Tower
26 San Francisco, California 94105-1126

27 9.4 The Parties hereto agree that the terms and conditions of this Stipulation of
28 Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and
that this Stipulation shall not be construed in favor of or against any party by reason of the extent
to which any party or its counsel participated in the drafting of this Stipulation.

 9.5 Neither Plaintiff nor Class Counsel shall issue any press release or announcement
of any kind related in any way to the settlement. Plaintiff and Class Counsel agree that, prior to
seeking preliminary approval of the settlement, they will keep the terms of the settlement

1 confidential. From and after preliminary approval of the settlement, Plaintiff's and Class Counsel
2 may: (1) as required by law; (2) as required under the terms of the settlement; or (3) as required
3 under counsel's duties and responsibilities as class counsel, comment regarding the specific terms
4 of the settlement. In all other cases, Plaintiff and Class Counsel agrees to limit their statements
5 regarding the terms of the settlement, whether oral, written or electronic (including the world
6 wide web), to say the Action and PAGA Action have been resolved and that Plaintiff and Class
7 Counsel are satisfied with the settlement terms. Nothing in this Paragraph is intended to interfere
8 with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel,
9 including but not limited to, communicating with Settlement Class Members regarding the
10 settlement, and nothing shall prohibit Class Counsel from referring to the settlement in adequacy
11 of counsel declarations or related court filings.

12 9.6 The Class Representative, by signing this Stipulation, is bound by the terms herein
13 and further agrees not to request to be excluded from the Settlement and not to object to any
14 terms of this Stipulation. Any such request for exclusion or objection shall therefore be void and
15 of no force or effect. Defendant, Class Counsel, and the Class Representative waive their rights
16 to file an appeal, writ, or any challenge whatsoever to the terms of this Stipulation, except either
17 Party may appeal in the event an objector's objection is upheld by the trial court.

18 9.7 Neither Class Counsel nor any other attorneys acting for, or purporting to act for,
19 the Settlement Class, Settlement Class Members, or Plaintiff, may recover or seek to recover any
20 amounts for fees, costs, or disbursements from the Defendant or the Released Parties except as
21 expressly provided herein.

22 9.8 This Stipulation may not be changed, altered, or modified, except in writing signed
23 by the Parties hereto and approved by the Court. This Stipulation may not be discharged except
24 by performance in accordance with its terms or by a writing used by the Parties hereto.

25 9.9 This Stipulation shall be binding upon and inure to the benefit of the Parties hereto
26 and their respective heirs, trustees, executors, administrators, successors, and assigns.

27 9.10 The Parties agree that it is impossible or impractical to have each Settlement Class
28 Member sign this Stipulation. It is agreed therefore, that for purposes of seeking approval of the

Class Settlement, this Stipulation of Settlement may be executed on behalf of the proposed Class by Class Counsel and the Class Representative.

9.11 This Stipulation shall become effective upon its execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

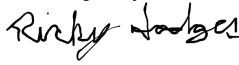
9.12 The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Stipulation, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation. Any action to enforce this Stipulation shall be commenced and maintained only in the Court.

9.13 Paragraph titles or captions contained in the Stipulation are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Stipulation, or any provision thereof.

IN WITNESS WHEREOF, this Stipulation of Settlement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

AGREED AND UNDERSTOOD.

DATED: January 30, 2023

DocuSigned by:

 228BC1B93129428...
 Ricky Hodges

PRIMESOURCE BUILDING PRODUCTS, INC.

DATED: _____, 2023

By: _____

Its: _____

MOON & YANG, APC

Dated: January 30, 2023

By:  _____

Kane Moon
 Allen Feghali
 Brett M. Gunther
 Counsel for Plaintiff

Class Settlement, this Stipulation of Settlement may be executed on behalf of the proposed Class by Class Counsel and the Class Representative.

9.11 This Stipulation shall become effective upon its execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

9.12 The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Stipulation, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation. Any action to enforce this Stipulation shall be commenced and maintained only in the Court.

9.13 Paragraph titles or captions contained in the Stipulation are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Stipulation, or any provision thereof.

IN WITNESS WHEREOF, this Stipulation of Settlement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

AGREED AND UNDERSTOOD.

DATED: _____, 2023

Ricky Hodges

PRIMESOURCE BUILDING PRODUCTS, INC.

February 1, 2023 | 12:23 PM EST

DocuSigned by:

By: _____

Navin Rao

04CF54978AEC4FE...

DATED: _____, 2023

Its: _____
SVP & Chief Legal Officer

MOON & YANG, APC

Dated: _____

By: _____

Kane Moon
Allen Feghali
Brett M. Gunther
Counsel for Plaintiff

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MORGAN, LEWIS & BOCKIUS LLP

February 1, 2023 | 2:04 PM EST

Dated: _____

By: _____

DocuSigned by:
Sarah Zenewicz
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Melinda Riechert
Sarah Zenewicz
Taylor D. Horn
Attorneys for Defendant

EXHIBIT 1

*A court has authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
Your legal rights are affected whether you act or do not act.*

NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

To: All current and former non-exempt PrimeSource Building Products, Inc. (“PrimeSource” or “Defendant”) in the State of California who worked at any time between March 15, 2017 and [INSERT DATE OF PRELIMINARY APPROVAL] (the “Settlement Class”).

SETTLEMENT CLASS MEMBERS ARE ELIGIBLE TO RECEIVE PAYMENT FROM THE CLASS AND PAGA SETTLEMENT DESCRIBED IN THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive a settlement payment, you do not need to do anything. Your payment will be mailed to you, automatically, after the Court grants final approval to the settlement. <i>You must, however, keep a current address on file with the Settlement Administrator to ensure receipt of your check.</i>
CHANGE CONTACT AND ADDRESS INFORMATION	Update your address with the Administrator to ensure your check is sent to the correct address.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do not want to participate in the class settlement, you may exclude yourself (opt out) of the class portion of the settlement. If you exclude yourself from the class settlement, you will not receive any payment from the Net Settlement Amount (defined below). This is the only option that allows you to pursue your own claims (in your own lawsuit) against PrimeSource about the legal claims in this case. However, if you are a PAGA Member (defined below), then even if you exclude yourself from the class settlement, you will still receive a portion of the PAGA settlement and be bound by it.
OBJECT	Write to the Court if you think the settlement is not fair.
GO TO A HEARING	Ask to speak in Court about why you think the settlement is not fair.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **PRIMESOURCE WILL NOT RETALIATE IN ANY MANNER AGAINST ANY SETTLEMENT CLASS MEMBER FOR PARTICIPATING OR NOT PARTICIPATING IN THIS SETTLEMENT.**

BACKGROUND ON THE LAWSUIT

1. **Why did I get this notice?**

You received this notice because PrimeSource's records identify you as someone who worked as a non-exempt employee during the period from March 15, 2017, through [INSERT], making you a "Settlement Class Member" during the "Class Settlement Period." The settlement will resolve Settlement Class Members' claims, which are described below, during the Class Settlement Period. The Settlement will also resolve claims for civil penalties under the California Private Attorneys' General Act ("PAGA"). You may also be a "PAGA Member" if you worked for PrimeSource during the period from March 11, 2020, through [INSERT] (the "PAGA Settlement Period").

The purpose of this notice is to explain the lawsuit, the pending Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Superior Court of the State of California, County of San Joaquin, and the case is known as *Ricky Hodgins v. PrimeSource Building Products, Inc.*, Case No. STK-CV-UOE-2021-5433 ("Action" or "Lawsuit"). The Court held a hearing on [REDACTED], 2023 and the Honorable [INSERT] preliminarily approved this Settlement and directed that you receive this notice. The Court will hold a Final Approval hearing concerning the Settlement on [REDACTED], 2023 at [REDACTED], in Department [INSERT] of the San Joaquin County Superior Court located at 180 E Weber Ave., 2nd Floor, Stockton, CA 95202. The Final Approval Hearing may be continued to another date without further notice.

2. **What is this Class and PAGA Lawsuit about?**

Plaintiff Ricky Hodges ("Plaintiff") filed a putative class action complaint against PrimeSource on March 15, 2021, alleging claims on behalf of current and former California non-exempt employees for (1) failure to pay minimum wages for all hours worked; (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 all final wages; (7) failure to provide accurate itemized wage statements; and (8) unfair and unlawful competition based on the Labor Code violations alleged in (1)-(7).

Plaintiff filed a separate representative action complaint against PrimeSource on June 15, 2021, alleging a single cause of action for civil penalties under PAGA based on the same Labor Code violations alleged in his class action (the "PAGA Action").

On January 24, 2023, Plaintiff filed a consolidated First Amended Complaint, alleging in a single lawsuit claims for (1) failure to pay minimum wages for all hours worked; (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 all final wages; (7) failure to provide accurate itemized wage statements; (8) unfair and unlawful competition based on the Labor Code violations alleged in (1)-(7); and (9) civil penalties under PAGA.

PrimeSource denies all allegations in the Lawsuit and contends that it has fully complied with the California Labor Code. The settlement is not an admission of any wrongdoing by PrimeSource or an indication that any law was violated or that this case was suitable for class or representative treatment. On August 29, 2022, through arms-length negotiations at a mediation with an experienced wage and hour mediator, the Hon. Jeffrey A. Ross, the Parties reached a class and PAGA settlement subject to Court approval.

3. **Why is there a settlement?**

The Court has not decided in favor of Plaintiff or Defendant or made any decision as to whether this case could proceed on a class or representative basis. There was no trial. Instead, both sides agreed to a no-fault settlement of the Lawsuit.

4. Who are the Attorneys for the Parties?

Counsel for Plaintiff and the Settlement Class

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Kane Moon
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Brett Gunther
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Telephone: (213) 232-3128

Counsel for PrimeSource

MORGAN, LEWIS & BOCKIUS LLP
Melinda Riechert
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San Francisco, CA 94105-1596
Telephone: (415) 442-1000

THE TERMS OF THE SETTLEMENT

5. What is the Settlement Amount?

The proposed Settlement provides for a maximum payment of \$332,500.00 (referred to as the “Gross Settlement Amount”). From the Gross Settlement Amount, Class Counsel will apply to the Court for: attorneys’ fees of \$116,375.00 and \$[REDACTED] in costs; a Class Representative enhancement award of \$7,500.00 to Plaintiff for his work and efforts prosecuting this case, for undertaking the risks of payment of costs (in the event of an unsuccessful outcome of this Lawsuit); a \$30,000.00 payment to the California Labor Workforce Development Agency (“LWDA”) and to the PAGA Members as settlement for claims for civil penalties under PAGA (the “PAGA Payment”); and settlement administration expenses to ILYM Group, Inc., estimated at \$[REDACTED]. The exact amount of the attorneys’ fees, litigation costs, class representative enhancement award, and settlement administration expenses will be determined by the Court at the Final Approval hearing. The remaining portion of the Gross Settlement Amount, the “Net Settlement Amount,” is currently estimated to be approximately \$[REDACTED]. The Net Settlement Amount will be apportioned and paid out as Individual Settlement Payments to the Participating Class Members, who are the Settlement Class Members who do not request to be excluded (“opt out”) of the settlement.

6. How will the Individual Settlement Payments to Participating Class Members be calculated?

Participating Class Members will receive Individual Settlement Payments from the Net Settlement Amount. **A claim form is not required to become a Participating Class Member.** Settlement Class Members who opt out of the class settlement will not become Participating Class Members and will not receive Individual Settlement Payments and will not be bound by the class portion of this Settlement.

Each Participating Class Member’s Individual Settlement Payment will be a pro rata share of the Net Settlement Amount based on the number of workweeks that each Participating Class Member worked for PrimeSource during the Class Settlement Period (March 15, 2017 through [INSERT DATE OF PRELIMINARY APPROVAL]) (“Eligible Workweeks”) as a proportion of all Eligible Workweeks for all Participating Class Members.

All Individual Settlement Payments to Participating Class Members shall be allocated as follows for tax purposes: 25% of each Individual Settlement Payment reflects a compromise of a claim for alleged unpaid

wages; 75% of each Individual Settlement Payment reflects compromise of a claim for alleged interest and penalties. The portion of the Individual Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings, and will be reported on an IRS Form W-2. Participating Class Members will receive an IRS Form 1099 for the portion of the Individual Settlement Payment attributable to alleged interest and penalties if required by law. Participating Class Members will be responsible for correctly characterizing the Individual Settlement Payment for tax purposes and paying taxes due, if any.

Your total estimated Eligible Workweeks is _____. Based on that, your anticipated approximate Individual Settlement Payment is _____.

7. How will the PAGA Payment be allocated to the LWDA and PAGA Members?

The Parties will ask the Court to approve the \$30,000.00 PAGA Payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Payment, or \$22,500.00, will be paid to the LWDA. The remaining 25% of the PAGA Payment, or \$7,500.00, will be distributed to the PAGA Members as Individual PAGA Payments.

Not all Settlement Class Members are PAGA Members entitled to an Individual PAGA Payment. If you are a PAGA Member, you are entitled to receive an Individual PAGA Payment; no claim form is required. Because PAGA Members cannot opt out of the PAGA settlement, if you are a PAGA Member and you opt out of the class settlement, you will still receive an Individual PAGA Payment and be bound by the PAGA settlement.

Each PAGA Member's Individual PAGA Payment will be a pro rata share of the 25% of the PAGA Payment to be distributed to PAGA Members. It will be based on the number of pay periods that each PAGA Member worked for PrimeSource during the PAGA Period (March 11, 2020, through [INSERT DATE OF PRELIMINARY APPROVAL]) ("Eligible Pay Periods") as a proportion of all Eligible Pay Periods for all PAGA Members. For tax purposes, 100% of the Individual PAGA Payments will be allocated as penalties for which an IRS Form 1099, if required by law.

Your total estimated Eligible Pay Periods is _____. Based on that, your anticipated approximate Individual PAGA Payment is _____.

HOW TO GET A PAYMENT

8. How can I get a settlement payment?

If you do nothing, you will automatically receive your Individual Settlement Payment and Individual PAGA Payment (if any) after the Court approves the Settlement at a Final Approval Hearing. You must notify the Settlement Administrator of any change in your name, mailing address and/or telephone number if the information shown on this is not correct. **It is your responsibility to keep the Settlement Administrator informed of any change in your address. Settlement payments will be mailed to the last known address the Settlement Administrator has on file for you.** You can contact the Settlement Administrator by U.S. Mail, email or phone at _____ if you need to update contact information.

9. What do I do if I believe my Eligible Workweeks or Eligible Pay Periods are incorrect?

If you believe the Eligible Workweeks and Eligible Pay Periods above are not correct, you may send a letter to the Settlement Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before _____, 2023. [45 days within mailing of Notice]. You should include any documents or other information which supports what you believe support that you worked a different number

of Eligible Workweeks or Pay Periods. The Settlement Administrator will resolve any dispute regarding these issues based on PrimeSource's records and any information you provide.

10. When can I expect to receive a settlement check?

Individual Settlement Payments and Individual PAGA Payments will be mailed to Settlement Class Members and PAGA Members approximately 30 days after the order granting final approval of the Settlement becomes a final order.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Participating Class Member and/or PAGA Member who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT

11. What am I giving up to get an Individual Settlement Payment?

If the Court approves this Settlement, and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be a part of any other lawsuit against PrimeSource concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the claims described below:

Released Class Claims: As of the Effective Date of the Settlement, the Participating Class Members, shall be deemed to have fully, finally, and forever released PrimeSource and any parent, subsidiary, affiliated or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), and each of their respective past, present and future agents, employees, servants, officers, directors, partners, members, trustees, fiduciaries, representatives, shareholders, stockholders, attorneys, equity sponsors, (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with that Defendant or any of its parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, and consultants (the "Released Parties"), from all federal, state and local law claims, rights, demands, liabilities, and causes of action, asserted in any of the complaints filed in the Action, and all claims that could have been asserted in the Action arising from the same alleged facts and/or primary rights alleged to have been invaded in the complaints filed in the Action or the PAGA Action, or alleged in any PAGA letter sent by Plaintiff to the LWDA accrued through the Class Settlement Period including causes of action for (1) failure to pay minimum wages for all hours worked; (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 all final wages; (7) failure to provide accurate itemized wage statements; (8) unfair and unlawful competition based on the Labor Code violations alleged in (1)-(7); and all claims for attorneys' fees and costs based on the foregoing (the "Released Class Claims").

12. What PAGA Claims are released by this Settlement?

If the Court approves this Settlement, then Plaintiff, as a representative of the State of California and on behalf of the LWDA and the PAGA Members, will fully and finally release the Released Parties from all claims for civil penalties under PAGA asserted in any of the complaints filed in the Action or PAGA Action, and all claims that could have been asserted in the Action or PAGA Action based on the same alleged facts in the complaints or in any PAGA letter sent by Plaintiff to the LWDA that accrued through the PAGA Settlement

Period, including claims for violations of the California Labor Code for (1) unpaid minimum wages; (2) unpaid overtime wages; (3) unpaid meal period premiums; (4) unpaid rest period premiums; (5) inaccurate wage statements; (6) failure to keep accurate records; (7) failure to indemnify for all necessary business expenses; and (8) failure to timely pay wages during employment or at termination (the “Released PAGA Claims”).

EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT

13. How do I opt out of the class settlement?

If you wish to pursue your own separate lawsuit against PrimeSource for the claims asserted in the Lawsuit on behalf of the Settlement Class, or if you otherwise wish not to participate in the class settlement for whatever reason, you should exclude yourself from the class settlement (that is, opt out of the class portion of the Settlement). However, you cannot opt out of the PAGA portion of the settlement. Those who opt out of this Settlement and who are also PAGA Members will still be bound by the release of PAGA in this Settlement and will receive an Individual PAGA Payment.

To opt out of the class portion of the Settlement and the Released Class Claims, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded. The letter must include the case name and number, your name, address, and last four of your social security number, must be signed by you, and must reasonably communicate your election to be excluded from the class Settlement. The letter must be postmarked and mailed to the Settlement Administrator at the following address (or in the enclosed envelope) on or before [REDACTED], 2023. [45 days within mailing of Notice] Opt out requests postmarked after the deadline will be invalid.

Ricky Hodgens v. PrimeSource Building Products, Inc.
Settlement Administrator
c/o _____
P. O. Box _____
_____, _____

14. If I don’t exclude myself from the class settlement, can I sue PrimeSource for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Released Parties for the Released Class Claims. If you have a claim or lawsuit already filed against PrimeSource or any of the Released Parties, you should speak to your lawyer in that case immediately.

You cannot exclude yourself from the PAGA portion of the Settlement and you cannot sue the Released Parties for the Released PAGA Claims later if this Settlement is approved.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I don’t like the Settlement?

If you don’t think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing, or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before [REDACTED], 2023, at the following address:

Ricky Hodgens v. PrimeSource Building Products, Inc.

Settlement Administrator

c/o _____

P. O. Box _____

_____, _____

The written objection should state your name, address, and describe all legal and factual reasons that you object to the terms of the settlement. You should also include or attach any documents upon which your objection is based.

THE COURT'S FINAL APPROVAL HEARING

16. When and where will the Court decide whether to grant final approve the settlement?

The Court will hold a Final Approval hearing in Department __ of the Superior Court of California, County of San Joaquin, located at [INSERT ADDRESS] on _____ 2023, at ____ p.m. 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 costs, the Class Representative's service payment, and the Settlement Administrator's fees and expenses.

The Court may reschedule the Final Approval hearing without further notice to Settlement Class Members. However, any Settlement Class Member who has filed a Notice of Intention to Appear at the Final Fairness hearing will be notified by Class Counsel of any rescheduling of the date and time of the Final Fairness hearing.

17. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense. If you timely submit a written objection, you don't have to come to Court to talk about it. You may also hire and pay your own lawyer to attend if you so desire.

GETTING MORE INFORMATION

18. Whom may I contact if I have questions about the settlement?

You may contact Class Counsel at the contact information listed above in Paragraph 5 if you have any questions about the Settlement. You may also contact the court-appointed Settlement Administrator, Simpluris, by calling toll free 1-800_____, or you can write to *Ricky Hodgens v. PrimeSource Building Products, Inc.*, Class Action Settlement Administrator at [ADDRESS].

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR PRIMESOURCE'S MANAGERS, SUPERVISORS, OR ATTORNEYS FOR MORE INFORMATION.