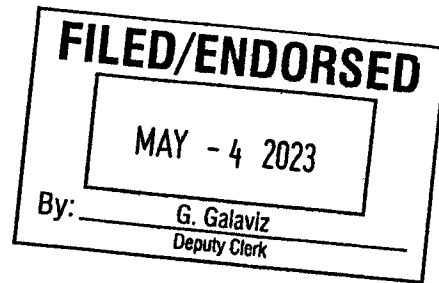


1 Larry W. Lee (State Bar No. 228175)  
lwlee@diversitylaw.com  
2 Max W. Gavron (State Bar No. 291697)  
mgavron@diversitylaw.com  
3 Kwanporn "Mai" Tulyathan (State Bar No. 316704)  
ktulyathan@diversitylaw.com  
4 **DIVERSITY LAW GROUP, P.C.**  
5 515 S. Figueroa St., Suite 1250  
Los Angeles, California 90071  
(213) 488-6555  
6 (213) 488-6554 facsimile



7 Kelsey A. Webber (State Bar No. 303721)  
Kelsey.Webber@WebberLawGroup.com  
8 Shaelyn A. Stewart (State Bar No. 335149)  
Shaelyn.Stewart@webberlawgroup.com  
9 **WEBBER LAW GROUP**  
10 1610 R Street, Suite 300  
Sacramento, CA 95811  
11 Telephone: (916) 588-0683

12 Attorneys for Plaintiff and the Class

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

15 VINCENT RAMSEY JR., individually and on  
16 behalf of all others similarly situated,

17 Plaintiff,

18 vs.

19 PACKAGING CORPORATION OF AMERICA,  
20 et al.,

21 Defendants.

22 VINCENT RAMSEY JR., individually and on  
behalf of all others similarly situated,

23 Plaintiff,

24 vs.

25 PACKAGING CORPORATION OF AMERICA,  
26 et al.,

27 Defendants.  
28

Case No. 34-2021-00313350-CU-OE-GDS  
[Consolidated with 34-2022-00316273-CU-OE-GDS]

**DECLARATION OF MAX W. GAVRON IN  
SUPPORT OF PLAINTIFF'S MOTION FOR  
PRELIMINARY APPROVAL OF CLASS  
ACTION SETTLEMENT**

Date: May 26, 2023

Time: 9:00 a.m.

Dept.: 28

**Reservation No.: 2721493**

Complaint Filed: December 29, 2021

FAC Filed: July 1, 2022

Trial Date: None



1 Michael J. Loeb, Esq.

2 9. In advance of the mediation, Defendants provided Plaintiff's counsel with informal  
3 data and information pertaining to the putative class size and number of applicable wage statements,  
4 as well as sample corrected wage statements. This information allowed Plaintiff to conduct a  
5 damages analysis. The mediation did not result in settlement, however. Thereafter, the Parties  
6 continued settlement discussions over the course of several months and ultimately reached an  
7 agreement to resolve the Action.

8 10. In resolution of Plaintiff's class and PAGA claims, the Parties entered the Stipulation  
9 Re: Settlement of Class and PAGA Action, a true and correct copy of which is attached hereto as  
10 **Exhibit A.**

11 11. The Parties recognize the risk, expense, and delay in continuing litigation with the class  
12 and PAGA claims, and believe the settlement to be fair, reasonable, and adequate.

13 12. Each side has apprised the other of their respective factual contentions, legal theories,  
14 and defenses, resulting in negotiations taking place between the Parties.

15 **THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE**

16 13. Based on the class data provided by Defendants, Plaintiff estimated that Defendants  
17 could face potential liability of up to approximately \$2,894,600.00 for Plaintiff's class claims if  
18 Plaintiff succeeded on all claims at trial. Plaintiff was able to estimate the potential class penalties  
19 based on class data provided by Defendants, which identified 682 putative class members,  
20 approximately 29,287 wage statements reflecting incorrect total hours worked and/or shift  
21 differential wages. From this, Plaintiff estimated the penalties as approximately \$2,894,600.00,  
22 which was based on 29,287 alleged wage statements [(\$100 x 29,287) - (\$50 x 682 class members)].  
23 Lab. Code § 226(e). Plaintiff could have argued at trial to award separate penalties for distinct  
24 violations of the subsections Labor Code § 226, as opposed to a single penalty for a wage statement  
25 that violated the law in any way. However, it is unlikely a Court would interpret the statute in this  
26 way. If the Court awarded separate penalties for different theories of liability, Defendants' exposure  
27 on the class claim would be closer to \$5 million.

28 14. Substantively, Defendants also would have many defenses, including that the violations

1 were not “knowing and intentional” and thus would not warrant Section 226(e) penalties. *See Harris*  
2 *v. Vector Mktg. Corp.*, 656 F. Supp. 2d 1128, 1145-46 (N.D. Cal. 2009) (granting summary judgment  
3 in favor of employer and finding its conduct was not “knowing and intentional”). Defendants would  
4 have also argued that they were entitled to a “good faith” defense on this claim. *See, e.g., Naranjo v.*  
5 *Spectrum Sec. Servs., Inc.*, 88 Cal. App. 5th 937, 947 (2023), *review filed* (Apr. 7, 2023); *Apodaca v.*  
6 *Costco Wholesale Corp.*, 2014 WL 2533427, at \*3 (C.D. Cal. June 5, 2014) (“Where an employer  
7 has a good faith belief that it is not in violation of Section 226, any violation is not knowing and  
8 intentional.”); *Wright v. Adventures Rolling Cross Country, Inc.*, 2013 WL 1758815, at \*9 (N.D. Cal.  
9 Apr. 24, 2013) (same); *Ricaldai v. U.S. Investigations Servs., LLC*, 878 F. Supp. 2d 1038, 1047  
10 (N.D. Cal. 2012) (same); *Dalton v. Lee Publ'ns, Inc.*, 2011 WL 1045107, at \*5 (S.D. Cal. Mar. 22,  
11 2011) (same). Significantly, Defendants indicated that they have revised their wage statements such  
12 that any liability that Plaintiff could seek in this lawsuit would be limited.

13 15. With respect to potential liability of Plaintiff’s PAGA claims, Plaintiff estimated that  
14 Defendants could face civil penalties of up to \$2,928,700.00. This amount is calculated based on the  
15 PAGA’s initial \$100 penalty for each aggrieved employee per pay period, based on the *Gunther v.*  
16 *Alaska Airlines, Inc.*, 72 Cal. App. 5th 334 (2021) decision, in which the Court held that the \$100  
17 penalty applies to PAGA claims. While the PAGA provides for a heightened penalty for a  
18 “subsequent violation,” courts are hesitant to award the heightened penalty absent a showing of a  
19 prior violation. *Amaral v. Cintas Corp. No. 2*, 163 Cal.App.4th 1157, 1209 (2008); *accord*  
20 *Amalgamated Transit Union Local 1309 v. Laidlaw Transit Service, Inc.* 2009 WL 2448430, at \*9  
21 (S.D. Cal. Aug. 10, 2009) (“[u]nder California law, courts have held that employers are not subject  
22 to heightened penalties for subsequent violations unless and until a court or commissioner notifies  
23 the employer that it is in violation of the Labor Code”); *see also Bernstein v. Virgin Am., Inc.*, 3 F.4th  
24 1127, 1144 (9th Cir. 2021) (holding no subsequent penalty unless prior citation or court ruling).

25 16. Even assuming Plaintiff ultimately prevailed on his PAGA claims, the Court still has  
26 discretion to reduce any PAGA penalties. Pursuant to Labor Code § 2699(e)(2), the Court can decline  
27 to award PAGA penalties where “if, based on the facts and circumstances of the particular case, to do  
28 otherwise, would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” Indeed,

1 as shown in the Court of Appeal's decision in *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504  
2 (2018), while the plaintiff prevailed on his PAGA claim upon trial, the trial court reduced the  
3 maximum PAGA penalty amount by 90%, citing the employer's good faith attempt at complying  
4 with the law. *Id.* at p. 517. Upon review, the Court of Appeal found such reduction to be proper. *Id.*  
5 at p. 539.

6 17. Based on the data provided by Defendants, Plaintiff's counsel estimated total damages  
7 and penalties to be as high as \$5,823,300.00, if the Court awarded full penalties on both Plaintiff's  
8 class and PAGA claims. Therefore, Plaintiff's settlement of \$975,000.00 is approximately 16.7% of  
9 the total estimated liability. If the Court were to reduce the maximum PAGA penalties by 90%, as  
10 was done in *Carrington*, the settlement value is an even higher percentage of the potentially available  
11 recovery.

12 18. Although Plaintiff believes that the class can be certified, Plaintiff also believes in the  
13 fairness of the settlement that is based on factoring in the uncertainty and risks to Plaintiff involved  
14 in not prevailing on one or more of the causes of action or theories alleged in the operative  
15 complaint, the possibility of non-certification, and the potential for appeals. These risks on class  
16 certification are compounded by the California Supreme Court's holding in *Duran v. U.S. Bank Nat'l*  
17 *Ass'n*, 59 Cal. 4th 1 (2014). There, the plaintiffs obtained class certification and subsequently  
18 prevailed at trial after eight years of litigation, but the judgment and the certification ruling were  
19 reversed by the California Supreme Court after an additional five years of litigation. The case was  
20 remanded to superior court where class certification was denied and plaintiffs' subsequent appeal  
21 also was denied.

22 19. Pursuant to the Stipulation, the Net Settlement Amount will be apportioned among the  
23 Class Members on a pro rata basis, based on the number of wage statements reflecting payment of  
24 overtime and/or shift differential wages received by each respective Class Member during the Class  
25 Period, as compared to the total number of wage statements reflecting payment of overtime and/or  
26 shift differential wages received by all Class Members during the Class Period. *See* Stipulation ¶  
27 2.2.1.

28 20. Based thereon, on a raw average, each Class Member potentially may recover

1 approximately \$768.33 ( $\$524,000.00 \div 682$  Class Members). The amount actually paid to each  
2 Participating Class Member will increase or decrease depending on the number of applicable wage  
3 statements he or she received during the Class Period and the number of putative class members who  
4 choose not to participate in the settlement.

5 21. Additionally, as part of the settlement of PAGA claims, twenty-five percent (25%) of  
6 the PAGA Penalties, or \$20,000.00, shall be paid to PAGA Members (Class Members who were  
7 employed by Defendants during the PAGA Period of December 21, 2020, through February 18,  
8 2022) on a pro rata basis, based on the number of wage statements reflecting payment of overtime  
9 and/or shift differential wages received by each respective PAGA Member during the PAGA Period,  
10 as compared to the total number of wage statements reflecting payment of overtime and/or shift  
11 differential wages received by all PAGA Members during the PAGA Period. *See* Stipulation ¶¶ 1.26,  
12 1.29, 2.3.2.

13 22. The Stipulation provides for the payment to the Administrator for the administration of  
14 this current settlement. Based on my experience, I believe the quote provided by Phoenix Settlement  
15 Administrators for a fee of \$11,000.00 to administer the settlement is reasonable given the scope of  
16 services requested.

17 23. Finally, uncashed checks (upon the expiration date) shall be sent to the *cy pres*  
18 recipient Center for Employment Opportunities, in accordance with California Code of Civil  
19 Procedure § 384. *See* Stipulation ¶ 2.8.2. Class Counsel does not have any relationship with or  
20 connection to said organization that presents a conflict of interest.

21 24. Based on their own independent investigation and evaluation, the Parties and their  
22 respective counsel are of the opinion that settlement for the consideration and on the terms set forth  
23 in the Stipulation is fair, reasonable, and adequate and is in the best interests of the Class and  
24 Defendants in light of all known facts and circumstances and the expenses and risks inherent in  
25 litigation.

26 25. From the inception of the case, Class Counsel have zealously represented the interests  
27 of the Class. Class Counsel have engaged in significant meet and confer discussions with opposing  
28 counsel to obtain informal data and documents and to discuss the merits of the claims on behalf of

1 the Class. The settlement was obtained for the benefit of the Class, as opposed to the individual Class  
2 Representative.

3 26. I have spent significant time researching and pursuing the claims that have been alleged  
4 in this action. The Parties engaged in formal and informal discovery and participated in the exchange  
5 of class data and Defendants' pertinent wage statements. Based on my review of all the documents  
6 and information, and based on my experience in class action litigation, I believe this settlement to be  
7 fair, adequate, and reasonable.

8 27. I was retained based upon a contingency fee arrangement wherein Plaintiff's counsel  
9 agreed to advance all costs and receive no fee unless a recovery was accomplished. Specifically, had  
10 Plaintiff failed to prevail in this case, counsel for Plaintiff would have spent a significant amount of  
11 time, money, and other resources without any benefit or return. In addition, had Plaintiff also failed  
12 to prevail in the present case, Defendants would have been able to seek costs in connection with their  
13 defense of the case. I anticipate the actual costs incurred will be less than the amount allotted for in  
14 the Stipulation in which case the balance will revert to the Net Settlement Amount for distribution  
15 according to the terms of the agreement. Stipulation ¶ 1.21.

16 **ATTORNEY EXPERIENCE**

17 28. I am one of the primary attorneys on this matter. My qualifications are as follows: I  
18 received a full-tuition scholarship, and graduated from Southwestern Law School in 2013, magna  
19 cum laude. I was in the top 5% of my class. During my time at Southwestern, I was a Notes and  
20 Comments Editor on the Southwestern Law Review. I also received awards for achieving the highest  
21 grade in my class in several courses. In 2012, I was a full-time extern, at the United States District  
22 Court for the Central District. Immediately after law school, I taught several courses at Southwestern,  
23 including Principles of Legal Analysis and Legal Methods. I taught those courses for approximately  
24 four years.

25 29. I practiced civil litigation at Haight Brown & Bonesteel LLP from approximately  
26 September 2013, through January 2016. I was third-chair in a federal court jury trial that resulted in a  
27 defense verdict in our client's favor on a \$21 million commercial breach of contract dispute. I also  
28 regularly litigated cases across the civil litigation spectrum, including employment matters.

1           30. From February 2016, through Fall 2017, I practiced at the international law firm of  
2 Arnold & Porter, which had recently merged with Kaye Scholer, LLP. I defended Fortune 50  
3 companies in Multi-District Litigation primarily in the product liability sphere. I also successfully  
4 drafted an appellate brief in the Ninth Circuit resulting in the reversal of a summary judgment  
5 decision regarding trade secret issues, in addition to working in several other practice groups.

6           31. From September 2017, through September 2018, I served as a law clerk to a Judge  
7 sitting on the United States District Court, Central District of California. I regularly prepared bench  
8 memoranda, on cases involving all types of civil litigation, including regularly working on wage and  
9 hour class actions. *See Experian Info. Solutions v. Nationwide Marketing Servs. Inc.*, 893 F.3d 1176  
10 (9th Cir. 2018).

11           32. I am currently an associate at the law firm Diversity Law Group, P.C., an employment  
12 law firm that has handled numerous wage and hour class and individual actions, on both plaintiff and  
13 defense sides. My current practice focuses on employment matters involving both class actions, and  
14 single plaintiffs. The firm currently has cases in the Los Angeles Superior Courts, the Orange County  
15 Superior Courts, the San Diego County Superior Courts, and the United States District Courts for the  
16 Central, Northern, and Eastern Districts of California. I am currently handling, or have handled,  
17 numerous wage and hour class action lawsuits with the firm, including, but not limited to: *Agar v.*  
18 *Sensient Natural Ingredients, LLC* (Case No. CV-19-001906, Stanislaus County Superior Court);  
19 *Cunningham, et al. v. Diverse Business Solutions* (Case No. CIVDS1817095, San Bernardino County  
20 Superior Court); *Heredia v. Eddie Bauer LLC* (Case No. 16CV300475, United States District Court,  
21 Northern District of California); *Parsons v. Estenson Logistics, LLC* (Case No. 34-2019-00252929,  
22 Sacramento County Superior Court); *Wood v. Reeve Trucking Co., Inc.* (Case No. STK-CV-UOE-  
23 2018-0004414, San Joaquin County Superior Court); and *Coronel v. Pinnacle Agriculture* (Case No.  
24 18CV004287, Monterey County Superior Court), *Pevey v. Lumber City Corp.* (Case No.  
25 CIVDS2010240, San Bernardino County Superior Court), and *Weybrew v. BEI Construction, Inc.*  
26 (Case No. FCS055658, Solano County Superior Court), among many others.

27           33. On June 14, 2019, I argued two related cases in front of the Ninth Circuit Court of  
28 Appeals. One of them was *Rodriguez v Nike Retail Service Inc.*, Case No. 17-16866. On June 28,



1 2019, the Ninth Circuit issued a published decision, reversing and remanding in favor of our clients.  
2 *Rodriguez v. Nike Retail Servs., Inc.*, 928 F.3d 810 (9th Cir. 2019).

3 34. I have also assisted the firm in numerous wage and hour class action mediations.

4 35. My co-counsel and I will adequately represent the Class Members in this action.  
5 Plaintiff's counsel have and will zealously represent Plaintiff and the Class and pursue this lawsuit to  
6 its conclusion.

7 36. I have no conflicts with the Class and will adequately represent the Class.

8 **NOTICE TO THE LWDA**

9 37. Concurrently with this the filing of this Motion, I caused the Motion and Stipulation to  
10 be uploaded to the LWDA's website. Attached hereto as **Exhibit B** is the confirmation of  
11 submission.

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

14 Executed on this 4th day of May 2023, at Los Angeles, California.

15   
16 Max W. Gavron

# EXHIBIT A

1 Joshua J. Cliffe, Bar No. 215390  
jcliffe@littler.com  
2 Jo B. Gbujama, Bar No. 340088  
jgbujama@littler.com  
3 LITTLER MENDELSON, P.C.  
333 Bush Street  
34th Floor  
4 San Francisco, California 94104  
Telephone: 415.433.1940  
5 Fax No.: 415.399.8490

6 Attorneys for Defendant

7 Larry W. Lee, Bar No. 228175  
lwlee@diversitylaw.com  
8 Max W. Gavron, Bar No. 291697  
mgavron@diversitylaw.com  
9 Kwanporn "Mai" Tulyathan, Bar No. 316704  
ktulyathan@diversitylaw.com  
10 DIVERSITY LAW GROUP, P.C.  
11 515 S. Figueroa St., Suite 1250  
12 Los Angeles, California 90071  
Telephone: 213.488.6555  
13 Fax No.: 213.488.6554

14 Attorneys for Plaintiff and the Class

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
16 COUNTY OF SACRAMENTO

17 VINCENT RAMSEY JR., individually and on  
18 behalf of all others similarly situated,

19 Plaintiff,

20 vs.

21  
22 PACKAGING CORPORATION OF  
23 AMERICA, a Delaware corporation; PCA  
24 CENTRAL CALIFORNIA CORRUGATED,  
25 LLC, a Delaware Limited Liability Company;  
and DOES 1 through 50, inclusive,

26 Defendants.

Case No. 34-2021-00313350-CU-OE-GDS  
[Consolidated with 34-2022-00316273-CU-  
OE-GDS]

ASSIGNED FOR ALL PURPOSES TO  
JUDGE LAURI DARMELL, DEPT 28

**STIPULATION RE: SETTLEMENT  
OF CLASS AND PAGA ACTION**

Trial Date: Not Set  
Complaint Filed: March 3, 2022

1 IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff VINCENT  
2 RAMSEY JR. (as Class Representative) (“Plaintiff”), on behalf of himself, all others similarly  
3 situated to him, and all allegedly aggrieved employees, as defined below, on the one hand, and  
4 Defendants PACKAGING CORPORATION OF AMERICA and PCA CENTRAL CALIFORNIA  
5 CORRUGATED, LLC (collectively referred to herein as “PCA” or “Defendant”), on the other  
6 hand (Plaintiff and PCA are herein jointly referred to as “Parties”), as follows:

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

8 This Stipulation re: Settlement of Class and PAGA Action, including all associated exhibits  
9 and attachments (herein “Stipulation”), is made for the sole purpose of attempting to consummate  
10 settlement of this action on a class-wide and representative basis. This Stipulation and the  
11 settlement it evidences are made in compromise of disputed claims, and therefore, the Parties agree  
12 that California Labor Code sections 206.5 and 2804 are inapplicable. Because this is a class action,  
13 as well as a PAGA action, this settlement must receive preliminary and final approval from the  
14 Court. Accordingly, the Parties enter into this Stipulation and associated settlement on a  
15 conditional basis. In the event that the Court does not execute and file the Final Approval Order,  
16 the Court does not enter the Judgment, and/or the associated Judgment does not become Final for  
17 any reason, this Stipulation shall be deemed null and void *ab initio*, it shall be of no force or effect  
18 whatsoever, it shall not be referred to or utilized for any purpose whatsoever, and the negotiation,  
19 terms, and entry of it shall remain subject to the provisions of California Evidence Code sections  
20 1119 and 1152.

21 PCA has agreed to resolve this Lawsuit via this Stipulation, but to the extent this Stipulation  
22 is deemed void or does not take effect, PCA does not waive, but rather expressly reserves, all rights  
23 to challenge all claims and allegations in the Lawsuit upon all procedural and factual grounds,  
24 including, without limitation, the ability to challenge class or representative treatment on any  
25 grounds or to assert any and all defenses and privileges. Plaintiff and Class Counsel agree that  
26 PCA retains and reserves these rights, and agree not to take a position to the contrary; specifically,  
27 Plaintiff and Class Counsel waive, and agree not to argue or present, any argument that PCA could  
28

1 not contest class certification or representative status on the grounds that PCA entered into this  
2 Stipulation should this Lawsuit proceed. In particular, Plaintiff and Class Counsel waive, and  
3 agree not to argue or present, any argument that PCA would be estopped from asserting that  
4 Plaintiff's claims must be litigated on an individual basis or in any other way contesting class  
5 certification or the litigation of the Lawsuit on a representative basis because it has entered this  
6 Stipulation. In addition, the Settling Parties have agreed to certification for settlement purposes  
7 only.

8 **2. THE PARTIES TO THIS STIPULATION.**

9 This Stipulation (with the associated exhibits) is made and entered into by and among the  
10 following Settling Parties: (i) Plaintiff Vincent Ramsey, Jr. (on behalf of himself and each of the  
11 Class Members and PAGA Members), with the assistance and approval of Class Counsel; and (ii)  
12 PCA, with the assistance of its counsel of record in the Lawsuit. The Stipulation is intended by  
13 the Settling Parties to result in the final Judgment and to fully, finally, and forever resolve,  
14 discharge, and settle the Released Claims upon and subject to the terms and conditions herein.

15 **3. THE LAWSUIT.**

16 Plaintiff Vincent Ramsey, Jr. filed a class action lawsuit against PCA on December 21,  
17 2021, in the Superior Court of California, County of Sacramento, alleging wage statement claims  
18 under California Labor Code Section 226. Plaintiff later filed a lawsuit alleging identical wage  
19 statement claims under Labor Code section 2698, *et seq.* ("PAGA") on March 3, 2022, in the  
20 Superior Court of California, County of Sacramento, seeking the recovery of penalties for the  
21 alleged wage statement violations. Pursuant to stipulation, Plaintiff filed a motion to consolidate  
22 the two lawsuits that was granted on June 10, 2022. Plaintiff filed a First Amended Complaint on  
23 July 1, 2022, alleging wage statements claims under Labor Code section 226 and PAGA. Plaintiff  
24 is represented by Diversity Law Group, P.C. and Webber Law Group. On behalf of himself, others  
25 similarly situated to him, and other allegedly aggrieved employees, Plaintiff has alleged in the  
26 Lawsuit that PCA violated Class Members' and PAGA Members' (as defined herein) rights to  
27 accurate itemized wage statements under California Labor Code Section 226 during the Class  
28

1 Period and PAGA Period (as defined herein). PCA denies all material allegations made by Plaintiff  
2 in connection with the Lawsuit.

3 Counsel for the Parties attended a mediation session before professional mediator Michael  
4 J. Loeb, Esq. on September 28, 2022. In preparation for the mediation, PCA provided Plaintiff  
5 and his counsel with relevant documents, in addition to data relating to the calculation and payment  
6 of wages to putative class members, the contents of wage statements, the number of relevant wage  
7 statements, and the number of putative Class and PAGA Members. In sum, Plaintiff and his  
8 counsel had sufficient information to assess this matter. While the matter did not settle at the  
9 September 28 mediation session, the Parties continued discussions regarding settlement, and  
10 Mediator Loeb assisted in those discussions. As a result of the September 28 mediation session  
11 and subsequent settlement discussions, the Parties have now reached a class-wide and PAGA  
12 settlement agreement. PCA, however, maintains that it properly compensated employees and  
13 provided employees with accurate and legally compliant wage statements and all other records as  
14 mandated by law, and it has otherwise complied with federal and California law in all aspects.

15 **4. DEFENDANT’S DENIAL OF WRONGDOING OR LIABILITY.**

16 PCA denies all claims and contentions alleged by the Class Representative in the Lawsuit.  
17 Nonetheless, PCA has concluded that further litigation would be protracted and expensive, and  
18 that it is desirable that the Lawsuit be fully and finally settled in the manner and upon the terms  
19 and conditions set forth in this Stipulation. PCA has also taken into account the uncertainty and  
20 risks inherent in any litigation, especially in putative class actions and PAGA actions like this  
21 Lawsuit. PCA has therefore determined that it is desirable and beneficial to PCA that the Lawsuit  
22 be settled in the manner and upon the terms and conditions set forth in this Stipulation.

23 **5. CLAIMS OF PLAINTIFF AND BENEFITS OF SETTLEMENT.**

24 Plaintiff believes that the claims asserted in the Lawsuit have merit and that evidence  
25 developed to date supports the claims. Nonetheless, Plaintiff and Class Counsel recognize and  
26 acknowledge the expense and length of the type of continued proceedings necessary to prosecute  
27 the Lawsuit against PCA through trial and appeals. Plaintiff and Class Counsel have also taken  
28

1 into account the uncertain outcome and the risk of any litigation, especially in putative class actions  
2 and PAGA actions such as this Lawsuit, as well as the difficulties and delays inherent in such  
3 litigation. Plaintiff and Class Counsel believe that the settlement set forth in the Stipulation confers  
4 substantial benefits upon the Class and is fair and equitable. Based upon their evaluation, Plaintiff  
5 and Class Counsel have determined that the settlement set forth in the Stipulation is in the best  
6 interests of Plaintiff and the Class and PAGA Members.

7 **6. TERMS OF THE STIPULATION AND SETTLEMENT AGREEMENT.**

8 NOW, THEREFORE, IT IS HEREBY FURTHER STIPULATED AND AGREED by and  
9 between Plaintiff (for himself, the Class Members, and the PAGA Members) and PCA, with the  
10 assistance of their respective counsel of record, that, as among the Settling Parties, including all  
11 Class and PAGA Members, the Lawsuit and the Released Claims shall be finally and fully  
12 compromised, settled, and released, and the Lawsuit shall be resolved as to all Settling Parties,  
13 upon and subject to the terms and conditions of the Stipulation and the Judgment.

14 **1. Definitions.**

15 As used in all parts of this Stipulation (including the exhibits, which are part of the  
16 Stipulation), the following terms have the meanings specified below:

17 1.1 “PCA” means Packaging Corporation of America and PCA Central  
18 California Corrugated LLC, collectively.

19 1.2 “PCA Releasees” means Packaging Corporation of America and its  
20 affiliated companies, parents, members, subsidiaries (including, but not limited to, Packaging  
21 Corporation of America Central California Corrugated, LLC), related companies, and business  
22 concerns, past and present, and each of them, as well as each of their insurers, partners, trustees,  
23 directors, shareholders, officers, agents, attorneys, servants, and employees, past and present, and  
24 each of them.

25 1.3 “Administrator” means the third-party settlement administration  
26 firm of Phoenix Class Action Administration Solutions.

27 1.4 “Administrator Costs” means actual Administrator costs approved  
28

1 by the Court for providing Class Notice up to, but not to exceed, Eleven Thousand Dollars and  
2 Zero Cents (\$11,000.00). Administrator Costs shall be paid to the Administrator from the Gross  
3 Settlement Amount.

4 1.5 “Attorneys’ Costs” means reasonable attorneys’ costs approved by  
5 the Court for Class Counsel’s litigation and resolution of the Lawsuit incurred and to be incurred  
6 by Class Counsel in the Lawsuit up to, but not to exceed, Twenty-Five Thousand Dollars and No  
7 Cents (\$25,000). Attorneys’ Costs shall be paid to Class Counsel from the Gross Settlement  
8 Amount.

9 1.6 “Attorneys’ Fees” means the attorneys’ fees agreed upon by the  
10 Parties and approved by the Court for Class Counsel’s litigation and resolution of the Lawsuit up  
11 to, but not to exceed, thirty-three and one third percent (33 1/3%) of the Gross Settlement Amount.  
12 The Attorneys’ Fees shall be paid to Class Counsel from the Gross Settlement Amount. This shall  
13 be the sole payment for attorneys’ fees in connection with the Lawsuit and the settlement of the  
14 Lawsuit.

15 1.7 “Class”, “Class Members” or “Settlement Class” mean the  
16 approximately 682 non-exempt employees who worked for Defendant in California and who were  
17 paid overtime and/or shift differential wages during the Class Period.

18 1.8 “Class Counsel” means Diversity Law Group and Webber Law  
19 Group.

20 1.9 “Class Data” means the Name, Last Known Address, Social  
21 Security Number, and number of Wage Statements reflecting payment for overtime and/or shift  
22 differential by each Class Member during the Class Period.

23 1.10 “Class Period” means the period from December 21, 2020, through  
24 February 18, 2022.

25 1.11 “Class Representative” means Vincent Ramsey, Jr. in his capacity  
26 as the representative of the Class.

27 1.12 “Class Representative Service Award” means an award of up to, but  
28



1 not to exceed, Ten Thousand Dollars (\$10,000) to Class Representative in recognition of his effort  
2 and work in prosecuting the Lawsuit on behalf of Class Members. The Class Representative  
3 Service Award shall be paid from the Gross Settlement Amount.

4 1.13 “Court” means the Superior Court of the State of California for the  
5 County of Sacramento.

6 1.14 “Effective Date” means the latest of the following dates: (a) if no  
7 objections to the settlement are filed, the date the Judgment is entered by the Court; (b) if objections  
8 to the settlement are filed, five business days following the expiration of the time for the filing of  
9 an appeal of the Judgment if no such appeal is filed; or (c) if any appeals of the Judgment are filed,  
10 the date on which any such appeals are dismissed or otherwise resolved in a manner that upholds  
11 the settlement in its entirety.

12 1.15 “Final Approval Order” shall mean an order to be entered by the  
13 Court granting final approval of this Settlement.

14 1.16 “Gross Settlement Amount” shall mean the maximum total amount  
15 of Nine Hundred Seventy Five Thousand Dollars and Zero Cents (\$975,000.00) paid and/or  
16 payable by PCA pursuant to this Stipulation. No payment will be made by PCA prior to 30  
17 calendar days after the Effective Date. And, in the event an appeal, writ, motion challenging the  
18 final judgment, or other collateral attack is made, the funds shall not be distributed until the  
19 challenge is resolved in a manner that upholds the settlement in its entirety.

20 1.17 “Judgment” means the judgment to be rendered by the Court  
21 pursuant to this Stipulation. This Judgment shall be a judgment for purposes of California Rule of  
22 Court 3.771(a).

23 1.18 “Last Known Address” means the most recently recorded mailing  
24 address for a Class or PAGA Member as contained in the personnel records maintained by PCA.

25 1.19 “Lawsuit” means the lawsuit entitled *Vincent Ramsey, Jr. v.*  
26 *Packaging Corporation of America and PCA Central California Corrugated, LLC*, Case No. 34-  
27 2021-00313350-CU-OE-GDS (which was consolidated with Case No. 34-2022-00316273-CU-  
28

1 OE-GDS), Superior Court of the State of California, County of Sacramento.

2 1.20 “LWDA Payment” means the seventy-five percent (75%) portion of  
3 the PAGA Penalties to be paid to the California Labor and Workforce Development Agency  
4 pursuant to PAGA.

5 1.21 “Net Settlement Amount” shall mean the Gross Settlement Amount  
6 minus (a) Attorneys’ Fees, (b) Attorneys’ Costs, (c) the Class Representative Service Award, (d)  
7 Administrator Costs, and (e) the PAGA Penalties. Any sums not awarded for attorneys’ fees, costs,  
8 a class representative service award, settlement administration expenses, and/or the LWDA  
9 Payment shall be added to the Net Settlement Amount at the time of distribution.

10 1.22 “Notice to Class” and “Class Notice” mean a notice and associated  
11 forms entitled “Notice To Class Members Re: Pendency of a Class Action and Notice of Hearing  
12 On Proposed Settlement” to be approved by the Court, substantially in the form attached hereto as  
13 Exhibit A. The Class Notice shall include information on how a Class Member may opt out of or  
14 object to the settlement and how a Class Member can dispute the information upon which his or  
15 her Individual Settlement Sum and PAGA Payment is based. The Class Notice will also provide  
16 information required to satisfy existing legal standards, will include the scope of the released  
17 Settled Claims and Settled PAGA Claims, and will include information describing the facts and  
18 methods based on which Individual Settlement Sums and PAGA Payments were calculated. This  
19 Class Notice shall constitute the class notice pursuant to California Rule of Court 3.769(f) and,  
20 once approved by the Court, shall be deemed compliant with California Rule of Court 3.766(d).

21 1.23 “Notice Mailing Deadline” means the deadline for the Administrator  
22 to mail the Class Notice, which shall be fifteen (15) calendar days after PCA provides the  
23 Administrator with the information identified in section 2.6.3.

24 1.24 “Notice Response Deadline” means the deadline for all Class  
25 Members to respond to the Class Notice, which shall be forty-five (45) days after the Class Notice  
26 is mailed.

27 1.25 “Opt Outs” means written and signed requests by Class Members to  
28

1 be excluded from the Class, which are submitted in the manner specified in the Class Notice,  
2 postmarked no later than the Notice Response Deadline.

3 1.26 “PAGA Member” means any Class Member who was employed or  
4 has been employed by PCA at any time during the PAGA Period. “PAGA Member” also refers  
5 to any individual referred to as an “Aggrieved Employee” in the Lawsuit.

6 1.27 “PAGA Payments” shall mean the twenty-five percent (25%)  
7 portion of the PAGA Penalties to be paid to PAGA Class Members in the manner set forth below.

8 1.28 “PAGA Penalties” means civil penalties under the PAGA agreed  
9 upon by the Parties and approved by the Court up to, but not to exceed, Eighty Thousand Dollars  
10 (\$80,000), seventy-five percent (75%) of which will be the LWDA Payment (\$60,000), and the  
11 remaining twenty-five percent (25%) shall be distributed proportionally to the PAGA Members  
12 (\$20,000).

13 1.29 “PAGA Period” means the period from December 21, 2020 through  
14 February 18, 2022.

15 1.30 “Participating Class Member” means a person who is a member of  
16 the Settlement Class who does not opt out of the Settlement Class by submitting an Opt Out  
17 pursuant to section 2.7.3.

18 1.31 “Preliminary Approval Date” means the date on which the Court  
19 grants preliminary approval of this settlement.

20 1.32 “Preliminary Approval Order” means an order to be executed and  
21 filed by the Court granting preliminary approval of this Settlement.

22 1.33 “Reasonable Address Verification Measure” means the utilization  
23 of the National Change of Address Database maintained by the United States Postal Service to  
24 review the accuracy of and, if possible, update a mailing address.

25 1.34 “Released Parties” means Packaging Corporation of America and  
26 its affiliated companies, parents, members, subsidiaries (including, but not limited to, Packaging  
27 Corporation of America Central California Corrugated, LLC), related companies, and business  
28

1 concerns, past and present, and each of them, as well as each of their insurers, partners, trustees,  
2 directors, shareholders, officers, agents, attorneys, servants, and employees, past and present, and  
3 each of them.

4           1.35       “Settled Claims” means any and all claims for relief, whether  
5 suspected or unsuspected, which Plaintiff or any Participating Class Member has had, now has, or  
6 may discover in the future against the Released Parties or any of them for any or all claims alleged  
7 in the Complaint (as used herein Complaint refers to the operative Complaint or Amended  
8 Complaint, as well as all prior complaints filed in the Lawsuit) or which could have been alleged  
9 in the Complaint based on the allegations, facts, matters, transactions or occurrences alleged in the  
10 Complaint or that could have been alleged in the Complaint, including claims premised on any  
11 duties or rights under Labor Code section 226 and PAGA penalties and/or unfair competition  
12 claims based on the foregoing facts. The release of the foregoing claims extends to all theories of  
13 relief and direct or derivative claims that can be brought, regardless of whether the claim is, was  
14 or could have been alleged as separate claims, causes of action, lawsuits or based on other theories  
15 of relief, whether under federal law, state law or common law (including, without limitation, as  
16 violations of the California Labor Code, the Wage Orders, applicable regulations, California’s  
17 Business and Professions Code section 17200 or under California’s Private Attorney General  
18 Act). “Settled Claims” includes all types of relief available for the above-referenced claims,  
19 including, without limitation, any claims for damages, restitution, losses, penalties, fines, liens,  
20 attorneys’ fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated  
21 damages. The Final Judgment shall expressly provide that it covers and bars each and every  
22 Participating Class Member from asserting any Settled Claims in the future.

23           1.36       “Settled PAGA Claims” means all claims for penalties under the  
24 Private Attorneys General Act (“PAGA”) based upon the alleged failure to furnish accurate,  
25 itemized wage statements under California Labor Code §§ 226 and 226.3 and all applicable  
26 Industrial Welfare Commission Wage Orders.

27           1.37       “Settlement Hearing” means a hearing set by the Court: (i)  
28

1 determining the fairness, adequacy and reasonableness of the Stipulation and associated settlement  
2 pursuant to class action procedures and requirements; (ii) determining the good faith of the  
3 Stipulation and associated settlement; and (iii) entering Judgment. The “Approval Date” means  
4 the date on which the Court enters the Judgment. This Settlement Hearing is intended to be the  
5 settlement hearing or final approval hearing required under California Rule of Court 3.769(a).

6 1.38 “Individual Settlement Sum” means the total amount due to a  
7 Participating Class Member, which shall be determined by dividing the number of wage statements  
8 received by a Participating Settlement Class Member during the Class Period with overtime and/or  
9 a shift differential reflected on the wage statement by the total number of wage statements with  
10 overtime and/or a shift differential reflected on the wage statement received during the Class  
11 Period by all Participating Settlement Class Members, then multiplying that figure by the Net  
12 Settlement Amount to determine the Individual Settlement Sum for each Participating Settlement  
13 Class Member. The number of wage statements shall be determined by PCA’s records and may  
14 be rebutted by Participating Settlement Class Members, as detailed below.

15 1.39 “Settling Parties” means PCA and Class Representative Vincent  
16 Ramsey, Jr., on behalf of himself, all Class Members, and all PAGA Members.

17 1.40 “Stipulation” means this agreement, the Stipulation Re: Settlement  
18 of Class and PAGA Action, and all of its attachments and exhibits, which the Settling Parties  
19 understand and agree sets forth all material terms and conditions of the settlement between them,  
20 and which is subject to Court approval. It is understood and agreed that PCA’s obligations for  
21 payment under this Stipulation is conditioned on, *inter alia*, the occurrence of the Effective Date.

22 1.41 “Updated Address” means a mailing address that was updated via a  
23 Reasonable Address Verification Measure or via an updated mailing address provided by the  
24 United States Postal Service or a Class Member or PAGA Member.

25 **2. The Settlement.**

26 2.1 *Payment and Other Obligations of PCA.*

27 2.1.1 PCA, through the Administrator and according to the terms,  
28

1 conditions, and procedures set forth in this Stipulation, shall pay the Gross Settlement Amount of  
2 Nine Hundred Seventy-Five Thousand Dollars and Zero Cents (\$975,000.00) to be distributed as  
3 set forth herein. The Gross Settlement Amount shall be deposited by PCA into an account  
4 established by the Administrator no later than 30 calendar days after the Effective Date. This  
5 payment provides consideration for the release of all class and PAGA claims asserted in the  
6 Lawsuit (including the claims pursuant to Labor Code section 226 and corresponding claims under  
7 California's Private Attorney General Act (Labor Code section 2699, *et seq*)), as well as all Settled  
8 Claims and Settled PAGA Claims, as defined above. The Gross Settlement Amount shall fund all  
9 payments described herein, including, but not limited to, Individual Settlement Sums, PAGA  
10 Penalties, Attorneys' Fees and Attorneys' Costs (both those incurred to date and those to be  
11 incurred), Administrator Costs, and the Class Representative Service Award. The Gross  
12 Settlement Amount will be non-reversionary.

13           2.1.2       As further detailed in sections 2.4.1, 2.4.2, and 2.4.3, and for each  
14 payment made pursuant to this Stipulation, the Administrator will report each payment to  
15 government authorities, including the Internal Revenue Service, as required by law. None of the  
16 payments made pursuant to this Stipulation will be considered for purposes of determining  
17 eligibility for, vesting or participation in, or contributions to any welfare or benefit plans,  
18 including, without limitation, all plans subject to ERISA or any other PCA employee benefits.

19           2.2       *Distribution of the Net Settlement Amount.*

20           2.2.1       The Net Settlement Amount shall be distributed to Participating  
21 Class Members on a pro rata basis by dividing the number of wage statements received by a  
22 Participating Class Member during the Class Period with overtime and/or a shift differential  
23 reflected on the wage statement by the total number of wage statements with overtime and/or a  
24 shift differential reflected on the wage statement received during the Class Period by all  
25 Participating Class Members, then multiplying that figure by the Net Settlement Amount to  
26 determine the Individual Settlement Sum for each Participating Class Member. The number of  
27 wage statements referenced above shall be determined by Defendant's records and may be rebutted  
28

1 by Participating Settlement Class Members, as detailed below. The Administrator shall calculate  
2 each Participating Class Member's Individual Settlement Sum based on said records and the  
3 formula set forth herein. All Participating Class Members shall be bound by release of Settled  
4 Claims set forth below.

5           2.2.2.       The Individual Settlement Sum checks sent to Participating Class  
6 Members shall contain a statement on the back of the check providing that "By negotiating this  
7 check, I acknowledge the Release of Claims set forth in the Class Notice that I received, and I  
8 agree to be bound by its terms."

9           2.3       *Distribution of the PAGA Penalties.*

10           2.3.1       The Gross Settlement Amount includes PAGA Penalties approved  
11 by the Court up to, but not to exceed, Eighty Thousand Dollars (\$80,000). Seventy-five percent  
12 (75%) of which will be the LWDA Payment (\$60,000). This amount will be paid to the LWDA  
13 by the Administrator and taken from the Gross Settlement Amount. The remaining twenty-five  
14 percent (25%) of the PAGA Penalties (\$20,000) shall be distributed proportionally to the PAGA  
15 Members and shall be referred to as PAGA Payments.

16           2.3.2       The PAGA Payments shall be distributed to PAGA Members on a  
17 pro rata basis by dividing the number of wage statements received by a PAGA Member during the  
18 PAGA Period with overtime and/or a shift differential reflected on the wage statement by the total  
19 number of wage statements with overtime and/or a shift differential reflected on the wage  
20 statement received during the PAGA Period by all PAGA Members, then multiplying that figure  
21 by the amount of the PAGA Payment (\$20,000) to determine the PAGA Payment for each PAGA  
22 Member. The number of wage statements referenced above shall be determined by Defendant's  
23 records and may be rebutted by Participating Settlement Class Members, as detailed below. The  
24 Administrator shall calculate each PAGA Member's PAGA Payment based on said records and  
25 the formula set forth herein. All PAGA Members shall be bound by release of Settled PAGA  
26 Claims set forth below.

27           2.3.3.       The PAGA Payment checks sent to PAGA Members shall contain a  
28

1 statement on the back of the check providing that “By negotiating this check, I acknowledge the  
2 PAGA Release of Claims set forth in the Class Notice that I received, and I agree to be bound by  
3 its terms.”

4           2.4     *Taxes.*

5                   2.4.1       One-Hundred percent (100%) of each Individual Settlement Sum  
6 and PAGA Payment shall be deemed a payment for penalties or interest.

7                   2.4.2       Each Participating Class Member and PAGA Member shall be  
8 issued any applicable IRS Form 1099 in connection with the payments set forth herein.

9                   2.4.3       Except as otherwise set forth herein, Plaintiff, Participating Class  
10 Members, and PAGA Members shall be responsible for the reporting and payment of any federal,  
11 state, and/or local income or other tax or any other withholdings, if any, with respect to any  
12 payments they receive under this Stipulation, and they shall indemnify PCA for any losses incurred  
13 by PCA due to their failure to do so or otherwise arising out of the tax treatment of these payments.  
14 PCA makes no representations, and it is understood and agreed that PCA has made no  
15 representations, as to the taxability of any portions of the payments to any Participating Class  
16 Members, PAGA Members, or Plaintiff. Likewise, PCA makes no representations, and it is  
17 understood and agreed that PCA has made no representations, as to the taxability of any fees, costs,  
18 or service awards made pursuant to this Stipulation.

19           2.5     *Approval of Notice to the Class and Scheduling of a Settlement Hearing.*

20                   2.5.1       The Class Representative and PCA, through their counsel of record,  
21 shall file this Stipulation with the Court and the Class Representative shall move for preliminary  
22 approval of this Stipulation pursuant to California Rule of Court 3.769(c), providing counsel for  
23 PCA with an advance copy and chance to comment prior to filing. Via this submission, and a  
24 supporting motion, the Class Representative shall request that the Court enter the Preliminary  
25 Approval Order thereby scheduling the Settlement Hearing (pursuant to California Rule of Court  
26 3.769(e)) for the purposes of determining the good faith of the settlement, granting final approval  
27 of the settlement, granting final approval of this Stipulation, and obtaining entry of Judgment.



1                   2.5.2       If the Court enters the Preliminary Approval Order, then at the  
2 resulting Settlement Hearing, the Class Representative through Class Counsel, and PCA, through  
3 its counsel of record, shall address any written objections from Class Members or any concerns  
4 from Class Members who attend the Settlement Hearing, as well as any concerns of the Court, and  
5 shall and hereby do, unless provided otherwise in this Stipulation, stipulate to final approval of  
6 this Stipulation and entry of the Judgment by the Court.

7                   2.5.3       The Parties agree to jointly prepare and file a motion for preliminary  
8 approval that complies with the Court's current checklist for preliminary approvals.

9                   2.5.4       Class Counsel will prepare and deliver to PCA's counsel all  
10 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the Motion for  
11 Preliminary Approval and memorandum in support and a request for approval of the PAGA  
12 Settlement under Labor Code Section 2699, subd. (f)(2); (ii) a draft proposed Order Granting  
13 Preliminary Approval and Approval of PAGA Settlement; and (iii) a draft proposed Class Notice.

14                  2.5.5       Class Counsel is responsible for finalizing and filing the Motion for  
15 Preliminary Approval after the full execution of this Stipulation; obtaining a prompt hearing date  
16 for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the  
17 Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's  
18 Preliminary Approval Order to the Administrator.

19                  2.5.6       If the Parties disagree on any aspect of the proposed Motion for  
20 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and  
21 PCA's counsel will work together on behalf of the Parties by meeting in person or by telephone to  
22 resolve the disagreement. If the Court does not grant Preliminary Approval or conditions  
23 Preliminary Approval on any material change to this Stipulation, Class Counsel and PCA's counsel  
24 will expeditiously work together on behalf of the Parties by meeting in person or by telephone in  
25 an attempt to modify the Stipulation and otherwise satisfy the Court's concerns.

26           2.6    *Notice to Class Members.*

27                  2.6.1       If, by entering the Preliminary Approval Order, the Court provides  
28

1 authorization to send the Class Notice, the Administrator will facilitate its mailing to all Class  
2 Members at their Last Known Addresses via first class mail through the United States Postal  
3 Service.

4           2.6.2       The Class Notice and its envelope or covering shall be marked to  
5 denote the return address of the Administrator stated on the Class Notice.

6           2.6.3       PCA shall prepare the name and Last Known Address, Social  
7 Security Number, and number of wage statements received by each Class Member during the Class  
8 Period for the Administrator so that the Administrator can engage in the processing and mailing  
9 of each Class Notice and the associated claims process. This list shall be provided to the  
10 Administrator within twenty-one (21) days after the Preliminary Approval Order is entered by the  
11 Court. This list shall not be provided to Class Counsel.

12           2.6.4       Prior to mailing the Class Notice to each Class Member, the  
13 Administrator shall undertake a Reasonable Address Verification Measure to ascertain the current  
14 accuracy of the Last Known Address of each Class Member. To the extent this process yields an  
15 Updated Address, that Updated Address shall replace the Last Known Address and be treated as  
16 the new Last Known Address for purposes of this Stipulation and for subsequent mailings.

17           2.6.5       Each of the Class Notices shall be mailed to the Last Known  
18 Addresses of the Class Members no later than the Notice Mailing Deadline.

19           2.6.6       The Class Notice shall be deemed mailed and received by the Class  
20 Member to whom it was sent as of the postmarked date of mailing. In the event that subsequent  
21 to the first mailing of a Class Notice and prior to the Notice Response Deadline, that Class Notice  
22 is returned to the Administrator by the United States Postal Service with a forwarding address for  
23 the recipient, the Administrator shall promptly re-mail the Class Notice to that address, and the  
24 forwarding address shall be deemed the Updated Address for that Class Member. In the event that  
25 subsequent to the first mailing of a Class Notice and prior to the Notice Response Deadline, that  
26 Class Notice is returned to the Claims Administrator by the United States Postal Service because  
27 the address of the recipient is no longer valid, *i.e.*, the envelope is marked "Return to Sender," the  
28

1 Claims Administrator shall undertake another Reasonable Address Verification Measure to  
2 attempt to ascertain the current address of the particular Class Member in question and, if such an  
3 address is ascertained, the Claims Administrator will re-send the Class Notice within three (3) days  
4 of receiving such information. If the Class Notice is re-mailed due to a previously defective  
5 address, the respective Class Member's Notice Response Deadline shall be extended by fifteen  
6 (15) days.

7           2.7     *Responses to the Class Notice; Motion for Final Approval.*

8                   2.7.1       Pursuant to California Rule of Court 3.766(d)(5), Class Members  
9 have the option to, but are not required to, participate in this Lawsuit at their own expense by  
10 obtaining their own attorney(s). Class Members who choose this option will be responsible for  
11 any attorney fees or costs incurred as a result of this election. The Class Notice will advise Class  
12 Members of this option.

13                   2.7.2       Class Members may also object to the Stipulation by submitting  
14 written objections to the Administrator no later than the Notice Response Deadline. The Class  
15 Notice will advise Class Members of this option. To be valid, the written objection must: (1)  
16 contain the Class Member's name, address, and telephone number; (2) if represented by counsel,  
17 the attorney's name and contact information; (3) all factual and legal grounds for objection; and  
18 (4) be signed by the Class Member and/or his/her counsel. The Administrator shall provide any  
19 such objections to the Settling Parties to submit to the Court, if necessary. Alternatively, Class  
20 Members who do not opt out of the Settlement Class may appear at the Settlement Hearing to state  
21 their objection.

22                   2.7.3       Class Members may elect to "opt out" of the Settlement Class and  
23 thus exclude themselves from the settlement of the non-PAGA claims. Class Members who wish  
24 to exercise this option must submit a letter to the Administrator postmarked on or before the Notice  
25 Response Deadline. The letter shall state the Class Member's name, telephone number, mailing  
26 address, last four digits of his or her Social Security Number, and that he or she wishes to exclude  
27 himself or herself from the Class. Class Members who properly submit Opt Outs shall not receive  
28

1 an Individual Settlement Sum, and they shall not be allowed to object to this Stipulation. Such  
2 individuals, however, shall still be considered PAGA Members. If the Administrator receives an  
3 incomplete or defective Opt Out from a Class Member postmarked prior to the Notice Response  
4 Deadline, then the Administrator shall send that Class Member a cure letter advising that person  
5 of the missing information or other defect, and that Class Member shall have fifteen (15) days  
6 from the date the cure letter is mailed to provide a proper Opt Out, even if this extra fifteen-day  
7 period extends beyond the Notice Response Deadline.

8           2.7.4       Class Members who do not opt out of the Class pursuant to section  
9 2.7.3 shall be considered Participating Class Members, will receive an Individual Settlement Sum,  
10 and shall be subject to the terms of this Stipulation and the release contained herein. All  
11 Participating Class Members shall be subject to the Judgment.

12           2.7.5       Participating Class Members and PAGA Members shall have an  
13 opportunity to dispute the number of wage statements they received with overtime and/or a shift  
14 differential during the Class Period that is stated in their Class Notice. To the extent a Participating  
15 Class Member or PAGA Member disputes the number of wage statements with overtime and/or a  
16 shift differential that they received during the Class Period, they may produce evidence to the  
17 Administrator showing that such information is inaccurate. The deadline to submit such a dispute  
18 is the Notice Response Deadline. The dispute must: (i) set forth the name, address, telephone  
19 number, and last four digits of the social security number of the Participating Class Member or  
20 PAGA Member submitting the dispute; (ii) be signed by the Participating Class Member or PAGA  
21 Member; (iii) be timely returned to the Settlement Administrator; (iv) clearly state the reason(s)  
22 that the Participating Class Member or PAGA Member disputes the information contained in the  
23 Class Notice; and (v) be postmarked on or before the Notice Response Deadline. The  
24 Administrator will determine all such disputes after consulting with the Settling Parties regarding  
25 the number of applicable wage statements or other specifics raised by the Participating Class  
26 Member or PAGA Member. The Administrator's determination will be final, binding and non-  
27 appealable. PCA's records shall be presumed correct, but the Administrator shall evaluate the  
28

1 evidence submitted by the Participating Class Member or PAGA Member, as well as any  
2 additional information provided by PCA, and shall make the final decision as to the merits of the  
3 dispute. All disputes shall be decided within fifteen (15) business days of the Notice Response  
4 Deadline.

5           2.7.6       Following the Notice Response Deadline, the Class Representative  
6 shall move the Court for entry of the Order of Final Approval and entry of Judgment. The Settling  
7 Parties shall take all reasonable efforts to secure entry of the Order of Final Approval and  
8 Judgment. If the Court rejects the Stipulation, fails to approve or enter the Notice of Final  
9 Approval, or fails to enter the Judgment, this Stipulation shall be void *ab initio*, and PCA shall  
10 have no obligation to make any payments under the Stipulation, except for an equal share of any  
11 Administrator costs incurred to date.

12           2.8       *Timing of Payment to Class Members and Notice of Final Approval.*

13           2.8.1       PCA shall transfer the funds necessary to satisfy its payment  
14 obligations pursuant to this Stipulation within thirty (30) calendar days after the Effective Date.

15           2.8.2       Within twenty-one (21) calendar days after receipt of the funds  
16 identified in section 2.8.1, the Administrator will mail all Individual Settlement Sums pursuant to  
17 this Stipulation to each Participating Class Member's Last Known Address (or Updated Address).  
18 Checks issued pursuant to this Stipulation shall remain negotiable for a period of at least one-  
19 hundred eighty (180) days from the date of mailing. Any funds associated with any checks that are  
20 not properly or timely negotiated shall be paid to Center for Employment Opportunities, as a cy-  
21 pres recipient, pursuant to California Code of Civil Procedure § 384. Participating Class Members  
22 who fail to negotiate their settlement checks in a timely fashion shall remain subject to the terms  
23 of the Judgment, including the release of claims.

24           2.8.3       Following the mailing of the payments to Participating Class  
25 Members as set forth in section 2.8.2, the Administrator shall provide counsel for the Settling  
26 Parties with a written confirmation of this mailing.

27           2.9       *Releases.*

1                   2.9.1       Upon the Effective Date and funding of the Gross Settlement  
2 Amount, Plaintiff and each of the Participating Class Members shall be deemed to have, and by  
3 operation of the Judgment shall have, fully, finally, and forever released, relinquished, and  
4 discharged all Settled Claims against the Released Parties for the duration of the Class Period and  
5 extending through February 28, 2022. All Participating Class Members are bound by the release  
6 of Settled Claims set forth herein, regardless of whether they cash and/or otherwise negotiate their  
7 Individual Settlement Sum payment.

8                   2.9.2       Upon the Effective Date and funding of the Gross Settlement  
9 Amount, Plaintiff and each of the PAGA Members shall be deemed to have, and by operation of  
10 the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all  
11 Settled PAGA Claims against the Released Parties. It is understood that PAGA Members will not  
12 have the opportunity to opt out of, or object to, the settlement of the PAGA claims asserted in the  
13 Lawsuit. Further, all PAGA Members are bound by the release of Settled PAGA Claims set forth  
14 herein, regardless of whether they cash and/or otherwise negotiate their Individual PAGA  
15 Payment.

16                   2.9.3       The Settling Parties agree for settlement purposes only that, because  
17 the Class Members and PAGA Members are so numerous, it is impossible or impracticable to have  
18 each Class Member and each PAGA Member execute this Stipulation. Accordingly, the Class  
19 Notices will advise all Class Members and PAGA Members of the binding nature of the release of  
20 claims set forth herein and such notices shall have the same force and effect as if the Stipulation  
21 were executed by each Class Member who does not opt out of the settlement and each PAGA  
22 Member.

23                   2.9.4       In addition to discharging the Settled Claims and PAGA Settled  
24 Claims as set forth above, as of the date the Final Approval Order is entered by the Court and  
25 except as to such rights or claims as may be created by this Stipulation, to the maximum extent  
26 allowed by law, the Class Representative will be deemed to have released claims as follows:  
27  
28

1 Class Representative Vincent Ramsey, Jr. hereby generally, fully, and finally  
2 releases and discharges the Released Parties from any and all claims, charges, complaints, liens,  
3 demands, causes of action, obligations, damages and liabilities, known or unknown, suspected or  
4 unsuspected, that the Class Representative had, now has, or may hereafter claim to have against  
5 the Released Parties, arising or accruing from the beginning of time up through the date of the  
6 Final Approval Hearing (“Class Representative’s Released Claims”). The Class Representative’s  
7 Released Claims include, but are not limited to, claims arising from or dependent on the California  
8 Labor Code, the Wage Orders of the California Industrial Welfare Commission, California  
9 Business and Professions Code Section 17200, *et. seq.*, California Labor Code Private Attorneys  
10 General Act of 2004, Labor Code § 2699, *et seq.*, the California Fair Employment and Housing  
11 Act, Cal. Gov’t Code Section 12900 *et seq.*, the California common law of contract and tort, Title  
12 VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, 42 U.S.C. Section 12101  
13 *et seq.*, the Employee Retirement Income Security Act of 1974, 29 U.S.C. Section 1001 *et seq.*,  
14 the Fair Labor Standards Act, 29 U.S.C. Section 201 *et seq.*, the Portal to Portal Act, 29 U.S.C.  
15 Section 251, *et seq.*, and all other claims and causes of action, except for such claims that cannot  
16 be released by law, including any claims for workers’ compensation benefits.

17 In this regard, the Class Representative waives California Civil Code Section 1542,  
18 which provides:

**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.**

22 2.10 *Costs, Attorneys’ Fees, and Class Representative Enhancement.*

23 2.10.1 Class Counsel shall be entitled to seek attorneys’ fees up to one-  
24 third of the Gross Settlement Amount and litigation costs of up to Twenty-Five Thousand Dollars  
25 and No Cents (\$25,000.00), subject to the approval of the Court and the occurrence of the Effective  
26 Date, both of which shall be paid from the Gross Settlement Amount. Class Counsel and the Class  
27 Representative will not seek to recover any other fees, costs, or expenses incurred in this Lawsuit.  
28

1 PCA will not oppose an award that is consistent with this section 2.10.1. Class Representative and  
2 Class Counsel shall be responsible for the reporting and payment of any federal, state, and/or local  
3 income or other form of tax on any payments made pursuant to this paragraph. The payments  
4 awarded and made pursuant to this paragraph shall constitute full satisfaction of any claim for fees  
5 or costs or any other expenses from PCA and the Released Parties. The Class Representative and  
6 Class Counsel, on behalf of himself and all Class and PAGA Members, agree that they shall neither  
7 seek nor be entitled to any additional attorney's fees or costs under any theory nor shall they seek  
8 an award in excess of the amount specified herein against PCA. If, however, any third party files  
9 an appeal from any Judgment or order issued with respect to the settlement, the Class  
10 Representative and Class Counsel may seek to recover fees and costs from any party who files  
11 such an appeal. Not more than twenty-one (21) calendar days after receipt of the funds identified  
12 in section 2.8.1, and only in the event that the Effective Date occurs, the Administrator shall pay  
13 from the Gross Settlement Amount funds equivalent to the fee and cost awards approved by the  
14 Court pursuant to this section 2.10.1 directly to Class Counsel. Other than as provided in this  
15 section 2.10.1 for the limited purpose discussed herein, no party shall be deemed the prevailing  
16 party for any other purposes of the Lawsuit, and all parties shall bear their own attorneys' fees and  
17 costs. The Administrator will report attorneys' fees and costs via a Form 1099, and Class Counsel  
18 agrees to take full responsibility for the payment of any taxes due on account of the payment.

19                   2.10.2     PCA agrees not to oppose a Class Representative Service Award of  
20 up to Ten Thousand Dollars and No Cents (\$10,000.00) for Plaintiff's services as Class  
21 Representative and for his execution of the general release as described herein. Not more than  
22 twenty-one (21) calendar days after receipt of the funds identified in section 2.8.1, and only in the  
23 event that the Effective Date occurs, the Administrator shall pay from the Gross Settlement  
24 Amount the Class Representative Service Award approved by the Court. The Class Representative  
25 Service Award shall be reported to the Internal Revenue Service as non-wage income to the Class  
26 Representative in the year of payment. This reporting shall be done by the Administrator via a  
27 Form 1099, and the Class Representative will agree to take full responsibility for the payment of  
28



1 any taxes due on account of the payment.

2           2.10.3     Unless otherwise expressly provided herein, PCA shall have no  
3 responsibility for, and no liability whatsoever with respect to, the allocation among the Class  
4 Representative, Class Counsel, and/or any other person who may assert some claim thereto, of any  
5 award or payment issued or made in the Lawsuit or pursuant to this Stipulation.

6           2.11     *Administrator.*

7           2.11.1     Based on current estimates and for purposes of setting the Net  
8 Settlement Amount, the Settling Parties anticipate that the Administrator Costs will be \$11,000.00,  
9 which shall be paid from the Gross Settlement Amount.

10          2.11.2     The actions of the Administrator shall be governed by the terms of  
11 this Stipulation and any orders of the Court. PCA may provide relevant information and logistical  
12 instructions needed by the Administrator pursuant to this Stipulation and engage in related  
13 communications with the Administrator without notice or copies to Class Counsel, any Class or  
14 PAGA Members, or the Court. This provision shall not be read to preclude Class Counsel from  
15 communicating with the Administrator.

16          2.11.3     The Administrator will (i) calculate Individual Settlement Sums; (ii)  
17 issue all notices required by this Stipulation and any orders of the Court; (iii) translate any such  
18 notices to Spanish; (iv) distribute any payments called for by this Stipulation and any orders of the  
19 Court; (v) report all such payments to all required taxing and other authorities and issue IRS 1099  
20 forms; (vi) establish a Qualified Settlement Fund (“QSF”) for the purpose of administering the  
21 settlement; and (vii) take such other actions as mutually directed by the Settling Parties and/or the  
22 Court. The Administrator shall represent and warrant that it will: (i) provide reasonable and  
23 appropriate administrative, physical, and technical safeguards for the Class Data; (ii) not disclose  
24 the Class Data to Class Counsel or third parties without PCA’s consent; (iii) keep the Class Data  
25 confidential; (iv) not disclose or otherwise use the Class Data other than to carry out its duties as  
26 set forth herein; and (v) promptly provide PCA with notice if it becomes aware that the Class Data  
27 was subject to unauthorized access, use, or disclosure.

1                   2.11.4     The Settling Parties agree that the QSF will qualify as a settlement  
2 fund pursuant to the requirements of section 468(B)(g) of the Internal Revenue Code of 1986, as  
3 amended, and section 1.468B-1, *et seq.* of the income tax regulations. Furthermore, the  
4 Administrator is hereby designated as the “Administrator” of the qualified settlement funds for  
5 purposes of section 1.46B-2(k) of the income tax regulations. As such, all taxes imposed on the  
6 gross income of the Gross Settlement Amount and any tax-related expenses arising from any  
7 income tax return or other reporting document that may be required by the Internal Revenue  
8 Service or any state or local taxing body will be paid from the Gross Settlement Amount.

9                   2.11.5     In the event that any of the Settling Parties take the position that the  
10 Administrator has not acted in accordance with the terms of the Stipulation, that Party’s counsel  
11 shall meet and confer with counsel for the other Settling Parties prior to raising any such issue with  
12 the Court.

13                   2.12     *Escalator Clause and Termination of Settlement.*

14                   2.12.1     The Gross Settlement Amount was negotiated based on PCA’s  
15 representation that no more than 29,287 wage statements including overtime and/or shift  
16 differential wages were distributed to the Settlement Class during the Class Period and PAGA  
17 Period. If it is determined following receipt of the Class Data by the Administrator and prior to  
18 the mailing of Class Notice that the number of total number of wage statements distributed to the  
19 Settlement Class during the Class Period increased from that figure, PCA shall increase the Gross  
20 Settlement Amount by a proportional amount (for instance, if the total number of wage statements  
21 distributed to the Settlement Class during the Class Period increases 10% (i.e. by 2,929 wage  
22 statements, the Gross Settlement Amount shall also increase by 10% (i.e. by \$93,718.40)).

23                   2.12.2     If an increase under this section 2.12 increases the Gross Settlement  
24 Amount to more than One Million Dollars and No Cents (\$1,000,000.00), PCA shall have the right  
25 to withdraw from the settlement. If PCA does so, this Stipulation shall be null and void. PCA  
26 shall be solely responsible for all administrator fees/costs incurred to date if it withdraws from the  
27 settlement pursuant to this provision.

1                   2.12.3     PCA also has the option to withdraw from the settlement if the  
2 number of Opt Outs exceeds five percent (5%) of the Settlement Class. If PCA elects to do so,  
3 this Stipulation shall be null and void, and PCA shall be solely responsible for all administrator  
4 fees/costs if it withdraws from the settlement pursuant to this provision.

5                   2.12.4     The Settling Parties and their counsel agree that they shall not seek  
6 to solicit or otherwise encourage Class Members to submit an Opt-Out request or an objection to  
7 the settlement or to appeal from the Preliminary Approval Order, Final Approval Order, or  
8 Judgment.

9                   2.13     *Miscellaneous Provisions.*

10                  2.13.1     The Settling Parties, Class Counsel, and PCA’s counsel will keep  
11 the settlement confidential through the entry of a Preliminary Approval Order. Thereafter, the  
12 Settling Parties will agree to make no comments to the media or otherwise publicize the terms of  
13 the settlement. Class Counsel may post on its firm website: “The Firm settled an employment  
14 class action with manufacturing company for \$975,000.00.” This provision shall not restrict Class  
15 Counsel from responding to inquiries posed by Class Members and PAGA Members. Class  
16 Counsel warrants that, as of the signing of this Stipulation, Class Counsel has not been retained as  
17 counsel by any other individuals with respect to claims against the Released Parties.

18                  2.13.2     No person shall have any claim against Class Counsel, PCA’s  
19 counsel, the Administrator, or any of the Released Parties based on the payments made or other  
20 actions taken substantially in accordance with the Stipulation, the settlement contained therein, or  
21 any orders of the Court.

22                  2.13.3     Any denial or modification by the Court of the requested amount for  
23 Attorneys’ Fees, Attorneys’ Costs, the Class Representative Service Award, Administrator Costs,  
24 and/or PAGA Penalties will not invalidate the settlement, subject to Class Counsel’s right to appeal  
25 any reduction of the Attorneys’ Fees award. Any reduced or increased amounts shall be added to  
26 or subtracted from the Net Settlement Amount. The Court may allocate less to the Administrator  
27 than indicated herein, provided the actual amount spent by the Administrator is less than the  
28

1 maximum set forth herein. Except for the provisions set forth in the three preceding sentences, in  
2 the event that any of the terms or conditions of this Stipulation are not fully and completely  
3 approved by the Court and satisfied, this Stipulation shall terminate at the option of either Settling  
4 Party, or both, and all terms of the Stipulation, including those requiring any payments by PCA,  
5 shall be null and void.

6           2.13.4     This Stipulation is contingent upon a final judgment approving the  
7 settlement; discharge of the Released Parties from liability for the Settled Claims and Settled  
8 PAGA Claims by the Settlement Class and PAGA Members; release of the Settled Claims and  
9 Settled PAGA Claims against the Released Parties by Plaintiff, the State of California,  
10 Participating Class Members, and PAGA Members; and submission of the final judgment by Class  
11 Counsel to the LWDA.

12           2.13.5     In the event that the Stipulation is not substantially approved by the  
13 Court; if the settlement set forth in the Stipulation is terminated, cancelled, declared void, or fails  
14 to become effective in accordance with its terms; if the Judgment does not become Final; or to the  
15 extent cancellation is otherwise provided for in this Stipulation, the Settling Parties shall resume  
16 the Lawsuit at that time as if no Stipulation had been entered. In such event, the terms and  
17 provisions of the Stipulation shall have no further force and effect with respect to the Settling  
18 Parties and shall not be used in this Lawsuit or in any other proceeding for any purpose, and any  
19 Judgment or order entered by the Court in accordance with the terms of the Stipulation shall be  
20 treated as vacated, *nunc pro tunc*.

21           2.13.6     The Settling Parties: (a) acknowledge that it is their intent to  
22 consummate the agreement reflected by this Stipulation; (b) agree to cooperate to effectuate and  
23 implement all terms and conditions of the Stipulation and to exercise their best efforts to  
24 accomplish the foregoing terms and conditions of the Stipulation; and (c) agree to seek and to  
25 attempt to obtain Court approval for the Stipulation.

26           2.13.7     The Settling Parties agree that the settlement does not include  
27 injunctive relief.

1                   2.13.8     Plaintiff, as well as Class Members who do not timely submit an  
2 objection to the settlement, waive their right to appeal from any order or judgment entered by the  
3 Court in connection with the settlement, with the exception of any reduction of Class Counsel's  
4 fee award.

5                   2.13.9     The Stipulation resolves claims that were contested and the subject  
6 of a good faith dispute, and it shall not be deemed an admission by any of the Settling Parties as  
7 to the merits of any claim or defense. The Settling Parties agree that the amounts paid in Settlement  
8 and the other terms of the settlement were negotiated at arm's length and in good faith with  
9 sufficient information by the Settling Parties and reflect a settlement that was reached voluntarily  
10 after consultation with competent legal counsel.

11                  2.13.10    Neither the Stipulation nor the settlement, nor any act performed or  
12 document executed pursuant to, or in furtherance of, the Stipulation or the settlement: (a) is or may  
13 be deemed to be or may be used as an admission of, or evidence of, the validity of any Settled  
14 Claim, or of any wrongdoing or liability of the Released Parties, or any of them; or (b) is or may  
15 be deemed to be or may be used as an admission of, or evidence of, any fault or omission of the  
16 Released Parties, or any of them, in any civil, criminal, or administrative proceeding in any court,  
17 administrative agency, or other tribunal.

18                  2.13.11    All of the exhibits to the Stipulation are material and integral parts  
19 hereof and are fully incorporated herein by reference.

20                  2.13.12    The Settling Parties agree, covenant, and represent that each and  
21 every provision of this Stipulation shall be deemed to be contractual, and that they shall not be  
22 treated as mere recitals at any time or for any purpose. Therefore, the Settling Parties further agree,  
23 covenant, and represent that each and every provision of this Stipulation shall be considered  
24 severable, except for the release provisions of section 2.9 of this Stipulation. If a court of  
25 competent jurisdiction finds any provision, other than the release provisions described above, or  
26 part thereof, to be invalid or unenforceable for any reason, that provision, or part thereof, shall be  
27 severed from the Stipulation, and all of the remaining provisions of this Stipulation shall remain  
28

1 in full force and effect. If the release provisions of section 2.9 of this Stipulation are deemed by  
2 the Court to be unenforceable, then this Stipulation shall be null and void.

3           2.13.13    The Stipulation may be amended or modified only by a written  
4 instrument signed by the Settling Parties, their counsel, or their respective successors-in-interest  
5 and approved by the Court.

6           2.13.14    The Stipulation constitutes the entire agreement among the Settling  
7 Parties hereto and fully supersedes any and all prior agreements and understandings, written or  
8 oral, between the Settling Parties pertaining to the subject matter hereof. No representations,  
9 warranties, or inducements have been made to any party concerning the Stipulation or its exhibits  
10 other than the representations, warranties, and covenants contained and memorialized in such  
11 documents. The Settling Parties represent and acknowledge that in executing this Stipulation they  
12 do not rely upon and have not relied upon any representation or statement made by any of the  
13 Parties or by any of the Parties' agents, attorneys, representatives, or other third parties with regard  
14 to the subject matter or effect of this Stipulation or otherwise, other than those specifically stated  
15 in this written Stipulation. Except as otherwise provided herein, each party shall bear its own fees  
16 and costs.

17           2.13.15    Class Counsel, on behalf of the Settlement Class, are expressly  
18 authorized by the Class Representative to take all appropriate action required or permitted to be  
19 taken by Class Counsel pursuant to the Stipulation to effect its terms and also are expressly  
20 authorized to enter into any modifications or amendments to the Stipulation on behalf of the  
21 Settlement Class which they deem appropriate.

22           2.13.16    Each counsel or other person executing the Stipulation or any of its  
23 exhibits on behalf of any party hereto hereby warrants that such person has full and express  
24 authority to do so.

25           2.13.17    Plaintiff and Class Counsel represent, covenant, and warrant that  
26 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,  
27 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,  
28

1 cause of action, or rights herein released and discharged, except as set forth herein.

2           2.13.18    The Stipulation may be executed in one or more counterparts and by  
3 DocuSign. All executed counterparts and each of them shall be deemed to be one and the same  
4 instrument. A complete set of executed counterparts shall be filed with the Court.

5           2.13.19    The Stipulation shall be binding upon, and inure to the benefit of,  
6 the successors and assigns of the parties hereto, however, this Stipulation is not designed to and  
7 does not create any third-party beneficiaries unless otherwise specifically provided herein.

8           2.13.20    The Court shall retain jurisdiction with respect to the  
9 implementation and enforcement of the terms of the Stipulation, and all parties hereto submit to  
10 the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied  
11 in the Stipulation. To the extent either Party seeks to enforce the terms of this Stipulation, the  
12 prevailing party to any such enforcement action shall be entitled to recover all reasonable  
13 attorneys' fees and costs incurred in connection with any such enforcement action.

14           2.13.21    The Stipulation and the exhibits hereto shall be considered to have  
15 been negotiated, executed, and delivered, and to have been wholly performed, in the State of  
16 California, and the rights and obligations of the parties to the Stipulation shall be construed and  
17 enforced in accordance with, and governed by, the internal, substantive laws of the State of  
18 California without giving effect to that State's choice of law principles.

19           2.13.22    The Settling Parties explicitly recognize and adopt California Civil  
20 Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a  
21 written agreement is to be construed according to its terms, and may not be varied or contradicted  
22 by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall  
23 modify, vary, or contradict the terms of this Stipulation.

24           2.13.23    Any waiver of any provision of this Stipulation shall not constitute  
25 a waiver of any other provision of this Stipulation unless expressly so indicated.

26           2.13.24    The language of all parts of this Stipulation shall in all cases be  
27 construed as a whole, according to its fair meaning, and not strictly for or against either party. No  
28

1 party shall be deemed the drafter of this Stipulation. The parties acknowledge that the terms of  
2 the Stipulation are contractual and are the product of negotiations between the parties and their  
3 counsel. Each party and their counsel cooperated in the drafting and preparation of the Stipulation.  
4 In any construction to be made of the Stipulation, the Stipulation shall not be construed against  
5 any party and the canon of contract interpretation set forth in California Civil Code section 1654  
6 shall not be applied.

7 2.13.25 If approved by the Court, this Stipulation is intended to and shall be  
8 fully enforceable pursuant to the terms of California Code of Civil Procedure section 664.6. Should  
9 either Party be required to enforce the terms of the Stipulation, the prevailing party shall be entitled  
10 to reasonable attorneys' fees and costs.

11 IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,  
12 and this Stipulation is AGREED TO:

13 Dated: April 27, 2023

*Vincent Ramsey jr*

ID ttDZKPKt7FVnQMY3naWLkYXH

Plaintiff Vincent Ramsey, Jr.

14  
15  
16  
17  
18 Dated: April \_\_, 2023

PACKAGING CORPORATION OF AMERICA

19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
\_\_\_\_\_  
Mark Romaniuk  
Deputy General Counsel – Labor & Employment  
Packaging Corporation of America, Defendant



1 party shall be deemed the drafter of this Stipulation. The parties acknowledge that the terms of  
2 the Stipulation are contractual and are the product of negotiations between the parties and their  
3 counsel. Each party and their counsel cooperated in the drafting and preparation of the Stipulation.  
4 In any construction to be made of the Stipulation, the Stipulation shall not be construed against  
5 any party and the canon of contract interpretation set forth in California Civil Code section 1654  
6 shall not be applied.

7                   2.13.25    If approved by the Court, this Stipulation is intended to and shall be  
8 fully enforceable pursuant to the terms of California Code of Civil Procedure section 664.6. Should  
9 either Party be required to enforce the terms of the Stipulation, the prevailing party shall be entitled  
10 to reasonable attorneys' fees and costs.


11           IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,  
12 and this Stipulation is AGREED TO:

13  
14 Dated: April \_\_, 2023

15 \_\_\_\_\_  
16 Plaintiff Vincent Ramsey, Jr.

17  
18 Dated: April <sup>25</sup> \_\_, 2023

19 \_\_\_\_\_  
20 PACKAGING CORPORATION OF AMERICA

21   
22 Mark Romaniuk  
23 Deputy General Counsel – Labor & Employment  
24 Packaging Corporation of America, Defendant  
25  
26  
27  
28

1 APPROVED AS TO FORM:

2

3

4 Dated: April 27, 2023

DIVERSITY LAW GROUP

5

6

7

By:  \_\_\_\_\_

Larry W. Lee  
Max W. Gavron  
Attorneys for Plaintiff and the Class

8

9

10

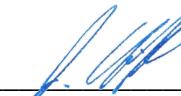
11

12 Dated: April 27, 2023

LITTLER MENDELSON

13

14

By:  \_\_\_\_\_

Joshua Cliffe  
Jo B. Gbujama  
Attorneys for Defendant

15

16

17

18

19

20

21

22

23

24

25

26

27

28

# EXHIBIT A

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

***Ramsey v. Packaging Corporation of America, et al.***

Superior Court of California, County of Sacramento, Case Nos. 34-2021-00313350-CU-OE-GDS; 34-2022-00316273-CU-OE-GDS

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.  
PLEASE READ THIS NOTICE CAREFULLY.  
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

<p><b>To: All current and former non-exempt employees who worked for Packaging Corporation of America and/or PCA Central California Corrugated LLC in California and were paid overtime and/or shift differential wages during the period from December 21, 2020, through February 18, 2022.</b></p>
--

**BASIC INFORMATION**

**1. What is this settlement about?**

A lawsuit was filed by Vincent Ramsey Jr. (“Plaintiff”) against Packaging Corporation of America and PCA Central California Corrugated LLC (“Defendants”) on December 28, 2021. The case is currently pending in the Superior Court of California, County of Sacramento, Case No. 34-2021-00313350-CU-OE-GDS, consolidated with *Ramsey v. Packaging Corporation of America, et al.* (Case No. 34-2022-00316273-CU-OE-GDS).

The lawsuit claims that Defendants violated sections of the California Labor Code entitling Class Members to, *inter alia*, damages and penalties. Specifically, Plaintiff alleges that Defendants did not provide accurate itemized wage statements. The lawsuit also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). Defendants deny all alleged violations and deny that they owe Class Members any remedies, including damages and penalties. The Court has not made a ruling on the merits of the case.

**2. Why is this a class action?**

In a class action, one or more people called the Class Representative sue on behalf of people who appear to have similar claims. All these people are referred to here as Class Members. In a class action one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Sacramento County Superior Court is in charge of this class action.

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

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement which is memorialized in the Stipulation Re: Settlement of Class and PAGA Action (“Stipulation” or “Settlement”). By entering the settlement, Defendants are not admitting that they violated the law in any way. Rather, Defendants agreed to settle the lawsuit to avoid the cost, time investment, and uncertainty stemming from protracted litigation. On [DATE OF PRELIMINARY APPROVAL] the Court granted preliminary approval of the Settlement, appointed Plaintiff

Vincent Ramsey Jr. as the Class Representative, and appointed his attorneys at Diversity Law Group, P.C. and Webber Law Group as counsel for the Class (“Class Counsel”).

## WHO IS IN THE SETTLEMENT?

### 4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you are or were a non-exempt employee who worked for Defendants in California and were paid overtime and/or shift differential wages during the period from December 21, 2020, through February 18, 2022.

## THE SETTLEMENT BENEFITS—WHAT YOU GET

### 5. What does the settlement provide?

The Settlement provides that Defendants will pay a maximum of Nine Hundred Seventy-Five Thousand Dollars (\$975,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed one-third of the Gross Settlement Amount or Three Hundred Twenty-Five Thousand Dollars (\$325,000.00);
- B. **Attorneys’ Costs to Class Counsel** not to exceed Twenty-Five Thousand Dollars (\$25,000.00);
- C. **Class Representative Service Award** in an amount not to exceed Ten Thousand Dollars (\$10,000.00);
- D. **Settlement Administration Costs** which are currently estimated to be Eleven Thousand Dollars (\$11,000.00); and
- E. **PAGA Payment** in the amount of Eighty Thousand Dollars (\$80,000.00) for the settlement of claims arising under the Private Attorneys General Act of 2004 (“PAGA”). Seventy-five percent (75%) of this amount (\$60,000.00) shall be paid to the California Labor and Workforce Development Agency. The remaining twenty-five percent (25%) (\$20,000.00) will be distributed to Class Members who are or were employed by PCA at any time during the period of December 21, 2020, through February 18, 2022, for their release of the Settled PAGA Claims, described below in Section 7.

The amount you are eligible to receive from the Net Settlement Amount, your “Individual Settlement Sum,” will be determined on a *pro rata* basis, based on the number of wage statements reflecting payment of overtime and/or shift differential wages you received from Defendants between December 21, 2020, through February 18, 2022.

The amount you are eligible to receive from the portion of PAGA Penalties allocated to PAGA Members, your “PAGA Payment,” will also be calculated on a *pro rata* basis, based on the number of wage statements reflecting payment of overtime and/or shift differential wages you received from Defendants between December 21, 2020, through February 18, 2022.

The Individual Settlement Sum and PAGA Payment will be apportioned as one hundred percent (100%) penalties or interest that will not be subject to any withholdings and will be reported on an IRS Form 1099.

**You received XXX wage statements with payment of overtime and/or shift differential wages from Defendants during the Class Period. Your Individual Settlement Sum is estimated to be \$XXX.XX. Your PAGA Payment is estimated to be \$XXX.XX. The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, if any.**

These amounts were determined based on Defendants’ records of your employment from December 21, 2020, through February 18, 2022, and is presumed correct. If you dispute the accuracy of Defendants’ records as to the number of wage statements with overtime and/or shift differential payments received during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. All disputes regarding the number of applicable wage statements will be resolved and decided by the Parties or, if the Parties cannot agree, the Court, after you submit evidence to the Settlement Administrator. The Settlement Administrator’s contact information is listed below:

[Settlement Administrator]  
[Address]  
[Telephone No.]  
[Fax No.]

## HOW TO GET A PAYMENT FROM THE SETTLEMENT

### 6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

### 7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Gross Settlement Amount by Defendants and entry of Final Approval Order and Judgment by the Court, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely request for exclusion will release the “Released Parties” from the “Settled Claims” for the “Class Period.”

The “Released Parties” means Packaging Corporation of America and its affiliated companies, parents, members, subsidiaries (including, but not limited to, Packaging Corporation of America Central California Corrugated, LLC), related companies, and business concerns, past and present, and each of them, as well as each of their insurers, partners, trustees, directors, shareholders, officers, agents, attorneys, servants, and employees, past and present, and each of them.

The “Settled Claims” means any and all claims for relief, whether suspected or unsuspected, which Plaintiff or any Participating Class Member has had, now has, or may discover in the future against the Released Parties or any of them for any or all claims alleged in the Complaint (as used herein Complaint refers to the operative Complaint or Amended Complaint, as well as all prior complaints filed in the Lawsuit) or which could have been alleged in the Complaint based on the allegations, facts, matters, transactions or occurrences alleged in the Complaint or that could have been alleged in the Complaint, including claims premised on any duties or rights under Labor Code section 226 and PAGA penalties and/or unfair competition claims based on the foregoing facts. The release of the foregoing claims extends to all theories of relief and direct or derivative claims that can be brought, regardless of whether the claim is, was or could have been alleged as separate claims, causes of action, lawsuits or based on other theories of relief, whether under federal law, state law or common law (including, without limitation, as violations of the California Labor Code, the Wage Orders, applicable regulations, California’s Business and Professions Code section 17200 or under California’s Private Attorney General Act).

This release shall apply to claims arising during the Class Period and extending through February 28, 2022. The “Class Period” is from December 21, 2020, through February 18, 2022.

Upon the funding of the Gross Settlement Amount by Defendants and entry of Final Approval Order and Judgment by the Court, in exchange for the consideration set forth by the Settlement, PAGA Members will release the “Released Parties” from the “Settled PAGA Claims” irrespective of whether a Class Member opts out of the class portion of the settlement.

The “Settled PAGA Claims” means all claims for penalties under the Private Attorneys General Act (“PAGA”) based upon the alleged failure to furnish accurate, itemized wage statements under California Labor Code §§ 226 and 226.3 and all applicable Industrial Welfare Commission Wage Orders.

### **EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS**

If you want to keep the right to sue or continue to sue Released Parties with respect to the Settled Claims (other than those which fall within the definition of the Settled PAGA Claims), then you must opt out of the class portion of the settlement in conformity with the requirements set forth herein. If you exclude yourself, you will not receive an Individual Settlement Sum payment from the Net Settlement Amount. However, if eligible, you will still receive a PAGA Payment in an amount equal to your *pro rata* share of the PAGA Penalties because the ability to Opt Out of the settlement does not apply to this claim.

#### **8. How do I opt out of the Settlement?**

To exclude yourself from the release of Settled Claims you must submit a written request for exclusion. You must include your name, telephone number, mailing address, and last four digits of your Social Security Number. Your request for exclusion must also include a statement that you do not wish to be included in the class portion of the settlement similar to the following: “I wish to exclude myself from the class action settlement reached in the matter of *Ramsey v. Packaging Corporation of America*. I understand that by excluding myself I will not receive money from the class action settlement of my individual claims.”

The written Opt Out must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone.

[Settlement Administrator]

[Address]

[Telephone No.]

[Fax No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You may still receive a portion of the PAGA Penalties if you worked between December 21, 2020, through February 18, 2022, because the Opt Out does not apply to the release of Settled PAGA Claims. You will not be legally bound by the release of Settled Claims; however, you will remain legally bound by the Settled PAGA Claims.

### THE LAWYERS REPRESENTING YOU

#### 9. Do I have a lawyer in this case?

The Court has approved DIVERSITY LAW GROUP, P.C. and WEBBER LAW GROUP as Class Counsel. Their contact information is:

**DIVERSITY LAW GROUP, P.C.**

Larry W. Lee, Esq.  
Max W. Gavron, Esq.  
Kwanporn “Mai” Tulyathan, Esq.  
515 S. Figueroa Street, Suite 1250  
Los Angeles, California 90071  
Telephone: (213) 488-6555

**WEBBER LAW GROUP**

Kelsey A. Webber, Esq.  
Shaelyn A. Stewart, Esq.  
333 University Ave, Suite 200  
Sacramento, California 95825  
Telephone: (916) 588-0683

Class Counsel will ask the Court for attorneys’ fees of up to \$325,000.00 and reimbursement of litigation cost/expenses of up to \$25,000.00. These amounts are subject to Court approval and the Court may award less than these amounts.

### OBJECTING TO THE SETTLEMENT

#### 10. What if I want to object to this Settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your name, address, telephone number, the last four digits of your Social Security Number, the name and contact information of your attorney (if any), your signature or the signature of your attorney, and all factual and legal grounds for your objection. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

#### 11. What is the difference between objecting and excluding?



Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Opting out is telling the Court that you do not want to be part of the Settlement. If you opt out, you have no basis to object because the case no longer affects you.

## THE COURT'S FAIRNESS HEARING

### 12. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend. The Court will hold the Final Approval Hearing at [REDACTED] a.m./p.m. on [REDACTED], 2023] in Department 28 of the Sacramento County Superior Court, located at 720 Ninth Street, Sacramento, California 95814.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

### 13. Do I have to attend the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Further information regarding how to appear remotely can be found here: <https://www.saccourt.ca.gov/civil/motions-hearings-general.aspx#alternatives>. You may also call Class Counsel for more information.

### 14. How will I learn if the settlement was approved?

A notice of final judgment will be posted on the Settlement Administrator website located at [www.\[REDACTED\].com](http://www.[REDACTED].com) You will also receive your portion of the settlement if you choose not to opt out.

## IF YOU DO NOTHING

### 15. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Settled Claims and Settled PAGA Claims, if you are a PAGA Member. You will not be able to participate in any other lawsuit against Defendants or Released Parties about the Settled Claims and/or Settled PAGA Claims. Your Individual Settlement Sum and/or PAGA Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be transferred to the Center for Employment Opportunities, a non-profit organization.

## GETTING MORE INFORMATION

**16. How do I get more information?**

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by contacting the Settlement Administrator or Class Counsel.

**WHAT IF MY INFORMATION CHANGES?****17. What if my contact information changes?**

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE  
LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE**

# EXHIBIT B

## Erika Mejia

---

**From:** DIR PAGA Unit <lwdadonotreply@dir.ca.gov>  
**Sent:** Thursday, May 4, 2023 1:47 PM  
**To:** Erika Mejia  
**Subject:** Thank you for your Proposed Settlement Submission

05/04/2023 01:46:24 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to [pagainfo@dir.ca.gov](mailto:pagainfo@dir.ca.gov).

DIR PAGA Unit on behalf of  
Labor and Workforce Development Agency

Website: [http://labor.ca.gov/Private\\_Attorneys\\_General\\_Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)