

If you worked as a piece-rate insulation installer for PPI (North or South), a class action settlement may affect your rights.

A Court authorized this notice. This is not a solicitation from a lawyer.

- This notice provides information about a proposed settlement of a class action lawsuit brought by four insulation installers (Plaintiffs) against Pacific Partners Insulation North (PPI North), Pacific Partners Insulation South (PPI South), and IBP Corporation Holdings, Inc. (Defendants), claiming that the Defendants failed to properly pay piece-rate insulation installers for rest breaks prior to February 1, 2020.
- Plaintiffs and Defendants (the Parties in the Lawsuit) have reached a proposed settlement and presented it to the Court for approval. Under the Settlement, Defendants have agreed to pay \$775,000 to cover: back wages, interest, and exemplary damages to class members related to unpaid rest breaks; individual payments to the four Plaintiffs; attorneys' fees and costs if approved by the Court, and settlement administrative fees.
- Defendants deny any wrongdoing and deny all the allegations in the Lawsuit.
- You have the option to participate in the Settlement or not.
- **Please read this Notice carefully.**

SUMMARY OF YOUR RIGHTS AND OPTIONS	
DO NOTHING	If you do nothing, you will be eligible to participate in the settlement and receive a payment out of the settlement fund. If you participate, you will give up any rights to sue Defendants separately for wage-related claims.
ASK TO BE EXCLUDED	If you ask to be excluded, you will not share in the settlement funds and you cannot object to any of the terms; however, you will keep any rights you have to sue Defendants separately at your own expense.
OBJECT TO THE SETTLEMENT	If you don't like the settlement or don't want it to be approved, you can file an objection and tell the Court why. If the Court approves the settlement anyway, you will be bound by it.

1. Why am I getting this notice?

You are receiving this notice because employment records show you worked as an insulation installer for PPI North and/or PPI South and were paid on a piece-rate basis.

The Court ordered that this notice be sent to advise you of your rights. You have the choice about whether to participate in this settlement.

If you **want** to participate, you do not need to do anything. You will automatically be a part of the case and will receive a settlement payment. If you **do not want** to participate in the settlement, you must complete and return the Form attached to this notice called a "Request to be Excluded."

2. What is this lawsuit about?

Neri Rivas, Sergio Garcia, Luis Gomez Farias, and Jose Alberto Olivas (Plaintiffs) are four former employees of PPI North and PPI South. Plaintiffs allege that Defendants should have compensated piece-rate installers separately for rest breaks but did not do so until February 1, 2020. Defendants deny all allegations in the lawsuits and deny any wrongdoing.

Based on an agreement between Plaintiffs and Defendants, Judge J. Michael Diaz of the King County Superior Court ordered that Plaintiffs' rest break claims could proceed as a class action and Chief Civil Judge Tanya Thorp joined Plaintiffs' two lawsuits together into one case: *Rivas, et al. v. Pacific Partners Insulation South, et al*, 20-2-14342-1 SEA (the Lawsuit).

3. What is a Class Action and who represents the Class?

A "class action" is a lawsuit where one or more individuals bring claims on behalf of a group of similarly situated "Class Members." In this case, the Court approved the law firms of Schroeter Goldmark & Bender and Mendez Law Group to serve as attorneys for the Class Members, and approved former installation installers, Neri Rivas, Sergio Garcia, and Jose Alberto Olivas, as representatives of the Class.

4. Am I a Class Member?

The following people are Class Members, as agreed by the Parties and ordered by the Court:

- 1) individuals employed by PPI North as insulation installers who were paid on a piece-rate basis at any time since November 20, 2017 through February 1, 2020; and
- 2) individuals employed by PPI South as insulation installers who were paid on a piece-rate basis at any time since September 24, 2017 through February 1, 2020.

5. Who is NOT included in the class?

You are NOT a Class Member if you request to be excluded from this case, or if you were only paid on a **flat rate** basis during your employment with the Company.

6. What are the reasons for the proposed settlement?

The Parties to the Lawsuit exchanged time and pay records, interviewed witnesses, conducted depositions, researched the law, and hired a neutral mediator to engage in settlement discussions.

Plaintiffs and their attorneys have determined that the proposed settlement is fair and reasonable and in the best interests of the Class after having considered many factors, including the expense, uncertainty, and delay of further litigation. Defendants have concluded that further litigation of the case would be burdensome, expensive, and time-consuming. While they do not admit to any wrongdoing, they have agreed to the terms of settlement to fully and resolve the claims against them.

7. What are the terms for the proposed settlement?

The following is a summary of the terms of the proposed Settlement. A complete copy of the Settlement Agreement is on file with the Clerk of the Court at the King County Superior Court, in Seattle, Washington.

Defendants agree to pay a total amount of **\$775,000** (the Settlement Fund) to cover the following:

- **Settlement Class Payments.** Class members will receive an amount equivalent to or more than 100% of wages associated with unpaid rest breaks plus 12% interest. For tax purposes, the amounts paid to class members will be divided equally between (i) back wages, which is subject to payroll taxes, and (ii) interest, which is taxable income, but not subject to payroll taxes.
- **Individual Settlement Payments to Plaintiffs.** The Settlement Fund will also be used to compensate the four individual Plaintiffs (Neri Rivas, Sergio Garcia, Luis Gomez Farias, and Jose Alberto Olivas) for claims they brought against Defendants, totaling \$20,350.
- **Attorneys' Fees and Costs.** If the Court approves it, the Settlement Fund will also be used to pay Class Counsel their fees at 25% of the fund (\$193,750) plus their out-of-pocket costs, which are currently \$20,269.
- **Class Representative Awards.** If the Court approves it, the Settlement Fund will cover incentive awards of \$5,000 each to Plaintiffs Neri Rivas, Sergio Garcia, and Jose Alberto Olivas in recognition for their efforts in serving as Class Representatives.
- **Settlement Administrator Fees.** Finally, if approved, the Settlement Fund will be used to pay \$8,121 to an experienced administrator, Simpluris, Inc. to handle settlement logistics, such as issuing and mailing checks to each Class Member.

8. What is the legal effect of a settlement?

If the Court approves the Settlement, the Judge will enter a final order dismissing the lawsuit, which means the claims will be permanently dismissed. Additionally, Defendants will be “released” from wage-related claims that could have been brought in the Lawsuit, as outlined in provision 2.A of the Parties’ Settlement Agreement. If you choose to participate in the settlement, you will be bound by the terms of this Settlement, including the release of claims against the Defendants.

9. What do I need to do to take part in the settlement?

If you want to participate in the class action settlement, you are not required to do anything. You will receive payment if the Court approves the settlement at a final hearing.

10. Can I exclude myself from the settlement?

Yes. If you **do not** want to participate in the settlement, you can opt out of the case. If you opt out of the case, you will not receive any payment or benefit from the settlement. You will retain your rights under the law and are free to pursue any possible claims on your own at your own expense.

If you want to be excluded, you must communicate your decision by using the “Request for Exclusion” Form (Exhibit A), attached to this notice.

The Form must be sent by mail or email to: *Rivas, et al. v. Pacific Partners Insulation South, et al*
P.O. Box 26170
Santa Ana, CA 92799
Email: Case@Simpluris.com

Your Form must be received or postmarked by **November 25, 2022**

11. Can I participate in the settlement, but object to a term of the settlement?

Yes, you can participate in the settlement, but still object to some aspect or term of the settlement. However, if you wish to do so, you must submit a written objection to the Clerk of the Court by **November 25, 2022**. You must also serve a copy of your written objection to:

Lindsay Halm/Adam Berger
Re: PPI N/S Class Action
Schroeter Goldmark & Bender
401 Union Street, #3400
Seattle, WA 98101
email: dardeau@sgb-law.com; phone: 206-622-8000

Any written objection to the Settlement must contain your name, current address, telephone number, email address, and the substance of your objection(s). If you file a timely objection, you may appear in person at the final hearing (date below) to explain any objection(s). You may hire an attorney at your own expense to represent you at this hearing if you choose. Only Settlement Class Members who object to the proposed Settlement according to these procedures will be permitted to appeal any decision by the Court related to the Settlement. Settlement Class Members who fail to present objections to the proposed Settlement in the manner outlined here shall be deemed to have waived any such objections.

12. Can anyone retaliate against me for participating or excluding myself?

No one is permitted to retaliate against (or punish) you in any way if you choose to participate in or exclude yourself from this class action settlement.

13. When will the Court decide whether to approve the settlement?

On December 22, 2022, at the King County Superior Court in Seattle, Washington, the Court will conduct a hearing to determine whether the proposed Settlement is fair, adequate and reasonable, and should receive final approval. The date and time of the Final Settlement Approval Hearing is subject to change without further notice.

Please note: you are **not** required to appear at any Court hearing to participate as a Settlement Class Member or to receive payment.

14. How can I obtain more information?

DO NOT CONTACT THE COURT, THE JUDGE, OR THE DEFENDANTS' ATTORNEYS WITH INQUIRIES.

Any questions you have concerning this Notice or any changes of name or address may be directed to:

For English-speakers, call or email the settlement administrator: 888-369-3780 or Case@Simpluris.com
For Spanish-speakers, call or email the law firm of Schroeter Goldmark & Bender: 206-622-8004 or dardeau@sgb-law.com

You may also review and copy pleadings and other records in this litigation at any time during regular office hours at the Office of the Clerk, King County Superior Court, 516 Third Avenue, Seattle, WA 98104.