

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

I. Introduction.

A. **Parties.** This class action settlement agreement (the “Settlement Agreement”) is entered into by and among Defendants Cedar Recycling Inc., Valley Recycling Inc., Burt Gilleland, and Angela Lee (collectively “Defendants”) and the class representatives Travis Worley and Andrew Hamry (collectively “Plaintiffs”), who are acting both individually and in their capacities as the proposed Class Representatives for a proposed Settlement Class defined herein in the matter entitled *Travis Worley et al. v. Cedar Recycling Inc., et al.*, Pierce County Superior Court case 17-2-09587-2 (the “Action”).

B. **Purpose.** Pursuant to the terms set forth herein, Plaintiffs and Defendants enter into this Settlement Agreement to bring about a full, complete, and final resolution of all claims asserted in the Action against Defendants by Plaintiffs on behalf of the Settlement Class. This Settlement Agreement is made for the sole purpose of settling the above Action on a class action basis, and is made in compromise of, disputed claims. Plaintiffs and Class Counsel judge the Settlement Agreement to provide fair, reasonable, and adequate relief to the Settlement Class and to be in the best interests of the Settlement Class. The Parties agree and understand that this settlement must be approved by the Superior Court, and the Settlement Agreement is conditioned upon the Court’s preliminary and final approval and Order Granting Final Approval of the Settlement and Judgment (“Final Approval Order”). If the Court does not execute or enter the Final Approval Order, this Settlement Agreement shall be null and void.

C. **No Admission of Liability.** As noted in Part VI, Defendants deny all allegations and claims, including as to liability, damages, penalties, interest, fees, restitution, and all other forms of relief as well as the class action allegations asserted in the Action. Defendants have agreed to resolve the Action via this Settlement Agreement, but to the extent this Settlement Agreement is disapproved by the Court, deemed void, or does not otherwise take effect, Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and allegations in the Action upon all procedural and factual grounds, including without limitation the ability to challenge class and/or representative action treatment or assert any and all defenses or privileges. Plaintiffs and Class Counsel expressly acknowledge that Defendants retain these rights and agree they will not represent or maintain otherwise.

D. **Class Certification.** Solely for the purposes of this Settlement Agreement, Plaintiffs and Defendants (hereafter, the “Parties”) agree that this Action and its corresponding class should be certified and finally adjudicated as a class action on behalf of the Settlement Class defined herein. Plaintiffs will move for preliminary approval and class certification for all pending claims in the Action.

E. **Investigations and Due Diligence.** The Parties have conducted extensive litigation and discovery and have exhaustively briefed and investigated the facts and analysis of the class claims since 2019. As part of this review and investigation, the Parties

and their counsel have: (A) obtained declarations and testimony from class members; (B) collected and analyzed time records, payroll data, and other information concerning the composition of the Settlement Class and the merits and possible extent of Plaintiffs' claims and Defendants' defenses; (C) amply considered and analyzed their respective claims and defenses; (D) briefed the merits of and defenses to class certification, and obtained appellate review of the trial court's order thereon, and briefed the factual and legal issues arising from the trial court's class certification order to Division II; (E) analyzed the Division II opinion as it relates to the possible outcome(s) of Plaintiffs' claims and Defendants' defenses; and (F) considered Defendants' finances and ability to pay any potential judgment.

F. Mediation and Settlement Negotiations. The Parties engaged in settlement negotiations during a mediation held before the Honorable William Downing (ret.) of JAMS, (the "Mediator"), on October 3, 2022. The mediation was ultimately successful with the parties agreeing to this Settlement Agreement. The mediation conference was conducted in good faith and at arm's length with the Mediator who is a retired King County Superior Court Judge with many years of experience overseeing and helping to resolve class action litigation. Through the Parties' mediation conference, the Parties have reached a class action settlement of this Action that they believe to be fair, adequate, reasonable, and in the best interests of the Plaintiffs and the Class. This Agreement memorializes the terms of the final Settlement agreed to by the Parties as the result of the negotiations just described.

II. Settlement Terms.

A. Definitions.

1. The "Effective Date" means the date on which this Settlement Agreement is finally approved by the Court and the Final Approval Order becomes Final.
2. "Final" means the point at which the Final Approval Order has become final and irreversible because the latest of the following dates has occurred: (i) the date of final mandate on an appeal approving of the Final Approval Order without material modification; (ii) the date of a dismissal of the last pending appeal from the Final Approval Order; or (iii) if no appeal is filed, the expiration date of the time for the filing or noticing of any form of valid appeal from the Final Approval Order. Notwithstanding the foregoing, any proceeding or order, or any appeal pertaining solely to the award of attorneys' fees or costs shall not, by itself, in any way delay or preclude the Final Approval Order from becoming Final.
3. The "Settlement Administrator" means the third-party claims administration firm Simpluris, subject to the Superior Court's approval.

4. Subject to approval by the Superior Court, the “Settlement Class” or “Settlement Class Members” shall include up to one-hundred and ninety (190) current and former hourly, non-managerial employees who worked for Defendants in Washington State from August 20, 2015 through October 6, 2022, exclusive of those who timely opt out of the Settlement Agreement pursuant to the procedures identified below. To date, Defendants have identified one-hundred and ninety (190) potential Settlement Class Members. Regardless of the number of Defendants a Settlement Class Member worked for or allegedly worked for, such a Settlement Class Member shall count as one Settlement Class Member. If, prior to the Final Fairness Hearing, the parties discover that more than one-hundred and ninety (190) potential Settlement Class Members exist, then the Court may at its discretion include these additional individuals as Settlement Class Members in accordance with the terms of this Settlement Agreement.
5. The “Initial Notice Mailing Date” is the date that the Settlement Administrator first mails Notice of Settlement approved by the Court to all Settlement Class Members.
6. The “Notice Deadline” is forty-five (45) days after the Initial Mailing Date.
7. “Class Counsel” means Rekhi & Wolk, P.S., subject to the Superior Court’s approval.

B. **The Settlement Proceeds.** Subject to the Superior Court’s entry of the Final Approval Order and it becomes Final, Defendants agree to pay \$1,000,000 inclusive of attorneys’ fees, expenses, and costs, enhancements to Named Plaintiffs, and for award amounts to Settlement Class Members to settle this case. Defendants agree to pay an additional amount to the Settlement Administrator for its costs to implement its duties under the Settlement Agreement and to the Courts’ orders approving the Settlement Agreement, as outlined in Paragraph II(B)(2) below. These amounts collectively are the “Settlement Proceeds.” Defendants also agree to pay an additional amount for any employer-side taxes they may owe as a result of disbursements to Settlement Class Members (i.e., employers’ portions of unemployment, Medicare, Medicaid, and Social Security). Notwithstanding the above, if more than two hundred (200) people qualify as Settlement Class Members, then an additional \$5,000 per person will be provided by Defendants and added to the Settlement Proceeds.

From the Settlement Proceeds, the following distributions will be made, subject to Superior Court’s approval:

1. Incentive awards to Named Plaintiffs Travis Worley and Andrew Hamry of \$5,000 each for their service as Settlement Class

representatives. If the Court awards anything less than \$5,000 each in relation to the incentive award request, then the difference between the amounts proposed and the amounts received by Named Plaintiffs shall be treated as part of the Class Fund.

2. In addition to the \$1,000,000 set forth above, Defendants shall additionally pay up to \$15,000 to the Settlement Administrator for sending out notices, calculating net award amounts and applicable taxes, distributing award amounts and applicable taxes, and performing all duties as required by this Settlement Agreement and the Court's Orders approving the Settlement Agreement. Any dispute over the reasonableness of the Settlement Administrator's invoice shall be decided by the Court.
3. Attorneys' Fees and Litigation Costs: Class Counsel shall apply to the Superior Court for an award of attorneys' fees not to exceed 1/3rd of the Settlement Proceeds. Class Counsel shall also apply to the Superior Court for reimbursement of Class Counsels' litigation costs through final approval (NTE \$22,500), to be paid out of the Settlement Proceeds.
4. The net Settlement Proceeds after the Incentive Awards and Attorneys' Fees and Litigation Costs, as approved by the Superior Court, shall be paid to the Settlement Class (the "Class Fund"), subject to Superior Court approval. The payment to Settlement Class Members will be distributed to them in accordance with Section II.C.

Within thirty-one (31) calendar days after the Superior Court grants final approval of the Settlement Agreement, Defendants shall pay the Settlement Proceeds to the Settlement Administrator, who shall distribute settlement payments as set forth in this Agreement after its Effective Date. Notwithstanding the foregoing, Defendants will pay the Settlement Administrator its costs as awarded by the Court upon the completion of its duties as set forth herein; however, Defendants agree to pay the Settlement Administrator its fees and costs for mailing notices, in the amount of \$457.56, at the same time the Settlement Proceeds are due as set forth above.

C. Distribution of the Settlement Proceeds. The Settlement Administrator shall distribute the Class Fund to Settlement Class Members as set forth below after the Effective Date:

1. **Class Members' Pro Rata Settlement Awards:** Subject to approval by the Superior Court, the Class Fund shall be distributed to all Settlement Class Members, with each such member being entitled to an individual award representing that member's pro rata share ("Settlement Awards"). Each Settlement Class Member's pro

rata share will be based on employment, payroll information produced by Defendants, declarations signed by Settlement Class Members, and based on interviews of Settlement Class Members by Class Counsel, with a minimum payment of at least \$25.

2. **Calculation of Settlement Awards:** The initial calculations for the Settlement Awards for Settlement Class Members will be based on the damage computations of Class Counsel, with each Settlement Class Member being awarded a proportionate share of the Class Fund. The damage computations will be based on the information provided in the above sub-section 1, including the payroll records provided by Defendants to Plaintiffs, as well as information gained directly by Class Counsel from Plaintiffs and Settlement Class Members concerning their working hours, duties, and potential missed breaks, overtime, and off the clock work..Class Counsel shall provide Defendants and the Settlement Administrator with an electronic report setting forth the results of their calculation of the gross Settlement Awards for Settlement Class Members thirty (30) days prior to the Settlement Administrator's deadline to disburse awards to Settlement Class Members as set forth below.
3. **Allocation and Disbursement of Settlement Awards:** Forty (40) percent of each Settlement Class Member's final Settlement Award will be treated as back wages (the "Wage Awards"), and thus subject to normal employee payroll tax withholdings. The Wage Awards shall be reported to taxing authorities on IRS Form W-2. Subject to Superior Court approval, the Settlement Administrator shall deduct the employee's share of payroll taxes from the Wage Awards to each Settlement Class Member and shall remit that amount to the appropriate taxing authorities. Subject to Superior Court approval and payment by Defendants, the Settlement Administrator shall also be responsible for calculating and paying employer's share of all required state and federal payroll taxes on the Wage Awards of Settlement Class Members (such as employer's share of FICA, FUTA) to the appropriate taxing authorities, which shall be paid by Defendants to the Settlement Administrator as an additional amount over what is designated as the Settlement Proceeds.

The Settlement Administrator shall be responsible for performing all payroll functions reasonably necessary to administer the Settlement in conformity with this Agreement, including, but not limited to, preparing the Wage Award checks to be paid to Settlement Class Members and reporting payment of those Wage Awards to all required taxing and other authorities arising out of or relating to those Wage Awards.

The other sixty (60) percent of each Settlement Class Member's final Settlement Award will be treated as prejudgment interest and exemplary damages (the "Exemplary Awards") as to which there will be no employee payroll tax withholdings. The Settlement Administrator will issue all Exemplary Awards and will report those awards to taxing authorities as necessary on individual IRS Forms 1099.

Unless otherwise expressly provided herein, Defendants shall have no responsibility for, and no liability whatsoever with respect to, the allocation among Class Representatives, Class Counsel, Settlement Class Members, and/or any other individual who may assert some claim thereto, of any award or payment issued or made in the Action or pursuant to this Settlement Agreement, including, but not limited to, any award or payment made pursuant to Paragraph.

D. Class Notice.

1. The Parties agree to request approval of the long form of mailing notice attached hereto as **Exhibit A**. The Settlement Administrator will mail the long form notice to all those Settlement Members for whom it can locate a mailing address. The fact that the Superior Court may require changes in the form of notices does not invalidate this Settlement Agreement if the changes do not materially affect the substance of the Settlement Agreement.
2. The Notices shall provide Settlement Class Members with the opportunity to object to the Settlement. Subject to the Superior Court's approval, Notice of the Settlement shall be provided using the following procedures:
 - (a) No later than ten (10) business days after the later of (a) the entry of an order granting preliminary approval of this Settlement Agreement or (b) receipt from Defendants and/or Class Counsel of last known mailing addresses of the Settlement Class Members, the Settlement Administrator shall issue notice to proposed Settlement Class members in the form and manner approved by the Superior Court. The date on which these notices are sent shall be deemed the "Initial Notice Mailing Date."
 - (b) Defendants shall provide to Class Counsel and the Settlement Administrator a list of the last known mailing addresses of each Settlement Class Member in Excel format within ten (10) business days after executing this Settlement Agreement.

E. Payment Administration.

1. **Settlement Class Member Awards:** Pursuant to approval by the Superior Court, the Settlement Administrator shall prepare a Wage Award and Exemplary Award from the Class Fund for each Settlement Class Member in accordance with II.C above. The Settlement Administrator will mail the checks to the Settlement Class Members within fourteen (14) calendar days after the Effective Date. These award checks will expire after ninety (90) days.
2. **Attorneys' Fees and Litigation Costs:** The Settlement Administrator shall disburse to Class Counsel the amounts of attorneys' fees and costs awarded by the Superior Court within fourteen (14) calendar days after the Effective Date.
3. **Class Notice and Payment Administration Costs:** The Settlement Administrator shall provide Class Counsel with an invoice for services rendered, in an amount not to exceed \$8,400.07 after all work has been performed. Class Counsel shall forward the invoice to Defendants' counsel, and Defendants shall pay the undisputed portion of the invoice within 10 days of receipt of the invoice. Defendants shall file a motion disputing any amounts in the invoice within 10 days of receipt of the invoice.
4. **Class Representative Incentive Awards:** The Settlement Administrator shall disburse to each Named Plaintiff the amount approved and awarded by the Superior Court as an incentive or service award within fourteen (14) calendar days after the Effective Date. These awards do not reflect wages and are therefore not taxable as wages. As such, the Settlement Administrator will issue an IRS Form 1099 to Plaintiffs to reflect the amount of the awards, provided they provide all necessary tax forms.
5. **Second Distribution:** After ninety (90) days from when the checks are mailed by the Settlement Administrator, Class Counsel may authorize a second pro rata distribution of the uncashed funds to those Settlement Class Members who cashed their initial checks, subject to approval by the Superior Court. Within one hundred (100) days from the date initial award checks were mailed, the Settlement Administrator will notify the Parties of the amount of uncashed funds from the initial distribution, as well as the names of those Settlement Class Members who did and did not cash checks. Within ten (10) days of receiving notice from the Settlement Administrator as to the total amount of uncashed funds, Class Counsel will inform

Defendants and the Settlement Administrator whether the Settlement Administrator will issue a second distribution. If Class Counsel choose to effect a second distribution, then within twenty (20) days from receiving the above notice from the Settlement Administrator as to the amount of uncashed funds from the initial distribution, Class Counsel will provide to Defendants and the Settlement Administrator the pro rata gross award calculations for those Settlement Class Members who cashed their initial award checks in accordance with Section II.C.1-2 *infra*. Within thirty (30) days from receiving these calculations from Class Counsel, the Settlement Administrator will determine award amounts and mail the second set of award checks to eligible Settlement Class Members as set forth above, and it will comply with the other provisions set forth in Section II.C.3 *infra*.

6. **Disbursement of Residual Funds:** If any Settlement Award check remains uncashed ninety (90) days after the check is mailed by the Settlement Administrator, the funds associated with that Settlement Award check shall be deemed unclaimed and abandoned. If no second distribution is made as described above, then, no later than 120 days after the checks are mailed by the Settlement Administrator, the Settlement Administrator shall pay the unclaimed and abandoned funds ("Residual Funds") to the Legal Foundation of Washington as the cy pres beneficiary. If a second distribution is made, then no later than 120 days after the second award checks are mailed by the Settlement Administrator, the Settlement Administrator shall the unclaimed and abandoned funds ("Residual Funds") to the Legal Foundation of Washington as the cy pres beneficiary.

F. Objections to the Settlement Agreement.

1. The notice form sent to potential members of the Settlement Class shall inform them of the right to object to this Settlement Agreement. If a Settlement Class Member wishes to have the Court consider such an objection, that Settlement Class Member must file with the Superior Court and mail to counsel for the Parties a written objection, along with any supporting documentation that the person wishes the Court to consider, by no later than thirty days from the Initial Notice Mailing Date. If such objection is submitted and overruled by the Court, the objecting Settlement Class Member shall remain fully bound by the terms of this Settlement Agreement so long as it is granted final approval by the Superior Court.
2. The Parties shall submit any responses to objections no later than ten calendar days after receiving the objection.

3. Neither Party nor their counsel shall encourage any member of the Settlement Class to file an objection to this Settlement Agreement.
4. Any Settlement Class Member who does not appear individually or through counsel and who does not challenge or comment upon the fairness and adequacy of this Settlement Agreement or Class Counsel's petition for attorneys' fees and expenses shall waive and forfeit any and all rights to appear separately or object. All members of the Settlement Class shall be bound by all the terms of this Settlement Agreement and by all proceedings, orders, and judgments in this Action.

III. Release.

The Named Plaintiffs and all members of the Settlement Class, individually and as a Settlement Class, for themselves, their attorneys, spouses, executors, representatives, heirs, successors, and assigns, in consideration of the relief set forth in the Settlement Agreement, shall fully and finally release and forever discharge Defendants Cedar Recycling Inc., Valley Recycling Inc., Burt Gilleland, and Angela Lee, Defendants' current and former parent, subsidiaries, sister companies, and any other affiliated companies, as well as insurers for all forestated (hereinafter collectively referred to as "Released Parties") from all past claims, demands, obligations, actions, causes of action, rights, rights of appeal, damages, costs, losses, expenses and compensation that were made and alleged by the Plaintiffs in the Action through to October 6, 2022.

Without limiting the generality of the foregoing, it is expressly understood and agreed that this Release includes the release of the Released Parties from all claims, loss or damage sustained by the Plaintiffs or the Settlement Class Members as hourly, non-managerial employees of Defendants based on state laws pertaining to unpaid wages, unpaid meal time, unpaid overtime, off the clock work, failure to allow rest and meal periods that comply with WAC 296-126, RCW 49.12, RCW 49.48, RCW 49.46, RCW 49.52, exemplary damages, interest, fees, costs, attorneys' fees, and all other claims and allegations made in the Action through to October 6, 2022.

IV. Preliminary and Final Approval Procedures.

A. No later than ten (10) calendar days after the execution of this Settlement Agreement, Counsel for Plaintiffs shall file a motion with the Superior Court for a preliminary order approving the Settlement Agreement. Class counsel agrees to give reasonable notice of the motion to Defendants' counsel by sharing a copy of the motion within a reasonable period before filing.

B. The final approval hearing will be held on such date as the Superior Court, in its discretion, may order.

C. No later than fourteen (14) calendar days after the Notice Deadline, Class Counsel shall file a motion requesting that the Superior Court grant final approval of the Settlement Agreement, including payment of attorneys' fees and expenses. Class counsel agrees to give reasonable notice of the motion to Defendants' counsel by sharing a copy of the motion within a reasonable period before filing.

D. The Parties agree to inform the Court promptly upon completion of the payments and obligations set forth in the Final Approval Order, so the matter can be dismissed with prejudice.

E. In the event the Settlement Agreement is not given final approval in all material respects and as set forth in this Settlement Agreement, or the Superior Court's final approval order is reversed on appeal, the Settlement Agreement shall become null, void, and unenforceable.

V. Final Approval Order.

The Parties shall cooperate and use their best efforts to secure the Superior Court's issuance of a Final Approval Order. The Final Approval Order shall, among other things:

A. Approve the Settlement Agreement as fair, adequate and reasonable, and consistent and in compliance with the applicable provisions of the law; direct the Parties and their counsel to implement and consummate this Settlement Agreement according to its terms and provisions; and declare this Settlement Agreement to be binding on, and have res judicata and effect in all pending and future lawsuits or other proceedings encompassed by the release set forth in Section III of this Settlement Agreement (the "Release");

C. Find that notice substantially in the form of Exhibit A and the notice procedure implemented pursuant to this Agreement: (i) constitute the best practicable notice; (ii) constitute notice that is reasonably calculated, under the circumstances, to inform Class Members of their right to object to the proposed Settlement Agreement and to appear at the Final Approval Hearing; (iii) are reasonable and constitute due, adequate, and sufficient notice to all persons entitled to receive notice; and (iv) meet all applicable requirements of Washington's Rules of Civil Procedure and Due Process.

D. Dismiss the Action on the merits and with prejudice with respect to Defendants, without fees or costs to any party except as provided in this Settlement Agreement;

E. Incorporate the Release set forth in Section III;

F. Without affecting the finality of the Final Approval Order for the purposes of appeal, retain jurisdiction as to all matters relating to administration, consummation, enforcement, and interpretation of this Settlement Agreement and the Final Approval Order, and for any other necessary purpose; and

G. Incorporate any other provisions as the Superior Court deems necessary and just.

VI. Miscellaneous Provisions.

A. No Admission of Wrongdoing. The Parties hereto acknowledge that the execution of this Settlement Agreement and the consummation of the transactions contemplated herein do not constitute any admission of liability by Defendants under state or federal law, whether or not such claims have been pled in the instant action.

B. Defendants' Communications with Settlement Class Members. Other than letting current employees know that the Parties have reached a tentative agreement that is subject to court approval and that such employees should contact Class Counsel at 206-388-5887 with any questions, Defendants agree not to discuss the litigation or settlement with Class Members. If asked by Class Members about the settlement, Defendants will direct them to contact Class Counsel at 206-388-5887. In their communications with current employees, Defendants are allowed to inform them that if the settlement is approved by the Court, then each hourly nonmanagerial employee who worked for Cedar or Valley between August 20, 2015 and October 6, 2022 and does not opt out of the settlement agreement, should be receiving a check.

C. Dismissal. In connection with the issuance of an Order Granting Final Approval of this Settlement Agreement, the Parties shall present the Court with a final order of dismissal with prejudice as to Defendants and request entry of that order upon completion of the terms and conditions of this Settlement Agreement and the Order Granting Final Approval.

D. Continuing Jurisdiction. The Washington Superior Court in and for Pierce County shall have continuing jurisdiction over this Action for the purpose of implementing this Settlement Agreement and all related matters, including preliminary approval of the Settlement Agreement, final approval of the Settlement Agreement, entry of final dismissal with prejudice as to Defendants, and any other issues related to the Action.

E. Reasonable Best Efforts. The Parties agree to undertake their reasonable best efforts, including, without limitation, all efforts contemplated herein, to carry out the terms of this Settlement Agreement. In addition to the documents and other matters specifically referenced in the Settlement Agreement, the Parties agree to execute and/or deliver, or cause to be executed and/or delivered, such other documents and/or other materials necessary to carry out the terms and conditions of this Settlement Agreement, as may be reasonably necessary to effect the obligations contemplated by the Settlement Agreement.

F. Amendments/Modifications. Subject to any power of the Superior Court to order a modification, this Settlement Agreement may be amended or modified only by a written instrument signed by each of the Parties and their respective counsel of record.

Amendment and modifications may be made without notice to the Settlement Class unless notice is required by law or by the Court.

G. Construction. The terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties. This Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or its counsel participated in the drafting of this Settlement Agreement.

H. Counterparts. This Settlement Agreement may be executed in counterparts and by facsimile, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

I. Tax Consequences: No opinions concerning the tax consequences of the proposed settlement to individual Class Members are given by Defendants, Plaintiffs, or Class Counsel, nor are any representations in this regard made by virtue of this Settlement Agreement. Each Class Member's tax obligations, if any, and the determination thereof, are the sole responsibility of the Class Member, and the tax consequences, if any, depend on the particular circumstances of each individual Class Member.

J. Governing Law: This Settlement Agreement shall be governed by, and interpreted according to, the law of the State of Washington without regard to its choice of law provisions.

K. Parties Bound: This Settlement Agreement shall be binding upon and inure to the benefit of Plaintiffs, the Settlement Class, and Defendants, and the respective heirs, successors, and assigns of each of the foregoing.

L. No Evidence: In no event shall this Settlement Agreement, any of its provisions, or any negotiations, statements, or proceedings relating to it in any way be construed as, offered as, received as, used as, or deemed to be evidence of any kind in the Action, any other action, or in any judicial, administrative, regulatory, or other proceeding, except in a proceeding to enforce this Settlement Agreement or the relief provided herein. Further, neither this Settlement Agreement nor any related negotiations, statements, or proceedings shall be construed as, offered as, used as, or deemed to be evidence or an admission or concession by any person of any matter, including but not limited to any liability or wrongdoing on the part of Defendants or as a waiver by them of any applicable defense.

M. Waiver: The waiver by any Party of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach, whether prior or subsequent to, or contemporaneous with, this Settlement Agreement.

THE PARTIES HEREBY AGREE TO THE ABOVE SETTLEMENT AGREEMENT BY THE FOLLOWING SIGNATURES:

For Plaintiffs and the Settlement Class Members:



Travis Worley

Date: 10 / 21 / 2022



Andrew Hamry

Date: 10 / 25 / 2022

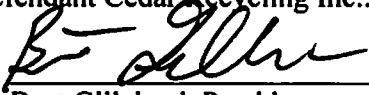
Approved as to form:

REKHI & WOLK, P.S.

By: 

Gregory A. Wolk, WSBA #28946
Attorneys for Plaintiffs

For Defendant Cedar Recycling Inc.:



Burt Gilleland, President

Date: 10 / 21 / 22

For Defendant Valley Recycling Inc.:



Burt Gilleland, President

Date: 10 / 21 / 22



Burt Gilleland (Individually)

Date: 10 / 21 / 22

Angela Lee
Angela Lee (Individually)

Date: 10/21/22

Approved as to form:

Inslee, Best, Doezie & Ryder, P.S.

By: /s/ Curtis J. Chambers
Curtis Chambers, WSBA #42984

Attorneys for Defendants

Exhibit A to Class Action Settlement Agreement

Proposed Notice Form to Settlement Class Members

Worley, et al. v. Cedar Recycling Inc., et al.
Pierce County Superior Court No. 17-2-09587-2

**SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR PIERCE COUNTY**

*Worley, et al. v. Cedar Recycling Inc., et al.
Pierce County Superior Court Civil Case No. 17-2-09587-2*

— NOTICE OF SETTLEMENT —

A court authorized this notice. This is not a solicitation from a lawyer. This is not a lawsuit against you, and you are not being sued. However, your legal rights are affected whether you act or not. Please read this notice carefully.

TO: All Washington residents who worked for Cedar Recycling Inc. and/or Valley Recycling Inc. as hourly, non-managerial employees at any time between August 20, 2015, and October 6, 2022.

- Two former employees brought claims against Cedar Recycling Inc., Valley Recycling Inc., Burt Gilleland, and Angela Lee (“Defendants”) for failing to properly pay for overtime work, provide compliant meal and rest breaks under Washington law, and for other unpaid work. Defendants deny these allegations. The parties have reached a proposed Class Action Settlement.
- The Class Action Settlement includes a settlement payment by Defendants of \$1,000,000.
- To qualify for a share of this payment, you must have worked for Cedar Recycling Inc. and/or Valley Recycling Inc. as an hourly, non-managerial employee at any time between August 20, 2015, to October 6, 2022, and have not excluded yourself from the Class Action Settlement.
- You do not have to do anything to be eligible to receive a share of the settlement payment.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will be eligible to get a payment for your share of the Class Action Settlement. (You may need to provide the Settlement Administrator any updated contact information to ensure you receive a payment). You will give up rights relating to the legal claims in this Case.
ASK TO BE EXCLUDED	Get no payment. This is the only option that allows you to ever be a part of any other lawsuit against Defendants with respect to the legal claims in this Case.
OBJECT	Write to the Court if you do not like the settlement and explain why. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.
GO TO A HEARING	Ask to speak in Court about the fairness of the Class Action Settlement. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court in charge of this Case still has to decide whether to finally approve the Settlement. If the Court approves the Settlement, payments will be made after any appeals are resolved. Please be patient.

1. Why did I get this Notice?

Defendants' records show that you were worked for them between August 15, 2015, and October 6, 2022, and were a non-managerial employee paid on an hourly basis. The Court has allowed this Notice to be sent to you to inform you about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to finally approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Settlement Class Members who do not affirmatively request to be excluded from the Settlement.

This Notice explains the Case, the Class Action Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is the Case about?

The Plaintiffs, former employees Travis Worley and Andrew Hamry, claim that Defendants violated Washington State laws by failing to properly pay for all overtime worked, for all hours worked, and provide meal and rest breaks as required by Washington law. Defendants have denied the Plaintiffs' claims.

The Honorable Stanley J. Rumbaugh of the Superior Court for the State of Washington in and for Pierce County is overseeing this Class Action. The lawsuit is known as *Worley, et al. v. Cedar Recycling, et al.*, Pierce County Superior Court Civil Case No. 17-2-09857-2 (the "Case").

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called "Class Representatives" sue on behalf of other people whom they believe have similar claims. The people together are a "Class" or "Class Members." The employees who sued, and who represent the Class, are called the Plaintiffs.

The people the Plaintiffs sue (in this case Cedar Recycling Inc., Valley Recycling Inc., Burt Gilleland, and Angela Lee) are called the Defendants. In a class action, one court resolves the issues for everyone in the Class—except for those people who choose to exclude themselves from the Class.

4. Why is there a Settlement?

The Court did not decide in favor of the Plaintiffs or Defendants. Instead, both sides agreed to a Settlement. This allows the parties to avoid the cost of a trial, and the people affected will be entitled to compensation. The Class Representatives and their attorneys think the Settlement is best for everyone in the Class.

5. How do I know whether I am part of the Settlement?

As part of the Settlement of the Case, the Pierce County Superior Court has decided that everyone who fits the following description is a Class Member:

All Washington citizens who worked for Defendants Cedar Recycling Inc. and/or Cedar Recycling Inc. as hourly, non-managerial employees at any time from August 20, 2015 to October 6, 2022, excluding Defendants.

If it is approved, the Settlement will cover all Settlement Class Members who have not timely and affirmatively excluded themselves from the Case. To be a part of and receive any money pursuant to the Settlement, Settlement Class Members need do nothing (other than refrain from affirmatively opting out of the Settlement).

6. What claims are covered by the Settlement?

The Settlement will resolve all of the claims Settlement Class Members could have brought against Defendants regarding their alleged failure to pay for all overtime worked, all hours worked and to provide unpaid wages for the meal periods and rest breaks required by Washington law, including any claim for wages attributable to Defendants' alleged failure to provide the meal and rest breaks, as well as any claims for attendant overtime, penalties, interest, fees, costs, attorneys' fees and all other forms of relief that were sought as alleged in the Complaint relating to unpaid work and missed, interrupted or non-compliant meal periods and rest breaks.

7. What are the basic terms of the Settlement?

Subject to Court approval, the essential terms of the Settlement are as follows:

Defendants will pay \$1,000,000 as part of the Settlement, apportioned as follows:

- **Class Fund:** Defendants will pay at least \$634,666.67 as Settlement Awards to Class Members who do not timely opt out of this Settlement.
- **Service Award:** Defendant will pay \$5,000 to each Named Plaintiff and Class Representative Travis Worley and Andrew Hamry as a service award in recognition of their efforts in prosecuting the Case.
- **Attorneys' Fees and Costs Award:** Defendants will pay up to 1/3rd of the total amount to Class Counsel for the attorneys' fees and up to \$22,500 to reimburse the attorneys for the litigation costs they have incurred and will incur through final judgment in representing Plaintiff and the Settlement Class.

In addition to the \$1,000,000 settlement amount, Defendants will also pay up to \$15,000 as a Settlement Administration Expenses Award to the Settlement Administrator for processing the Settlement, including the expenses of providing this notice to Settlement Class Members, handling responses, processing payments to Settlement Class Members, and handling tax reporting requirements.

Monetary Relief: The amount available to the Settlement Class is intended to compensate Settlement Class Members for the wages and other compensation they allegedly lost and damages they are allegedly owed as a result of the practices alleged in the Case.

Distribution of Settlement Fund: Each Settlement Class Member who does not submit a valid and timely request for exclusion will automatically receive a settlement payment. Your settlement payment will be calculated based on an analysis of your time and pay records maintained by Defendants, which includes your hours worked and rates of pay. The calculation of the settlement award for each individual Settlement Class Member will be based on the percentage relationship between the dollar value of the estimated unpaid work and overtime compensation, and missed or interrupted meal periods and rest breaks the employee was entitled to while working for Defendants between August 20, 2015, and October 6, 2022 (the "Class Period") and the aggregate dollar value of all estimated unpaid work and overtime compensation, and missed or interrupted meal periods and rest breaks that all Settlement Class Members were entitled to at Defendants during the Class Period. Checks will be mailed to Settlement Class Members by the Settlement Administrator. If any checks have not been deposited within ninety (90) days after distribution, Class Counsel may order a second distribution to those Settlement Class Members who cashed the initial award checks. If any funds are unclaimed from the second round of checks (or from the initial checks, if no second distribution occurs), then such unclaimed funds will be considered Residual Funds. These Residual Funds will be distributed to the Legal Foundation of Washington. Defendants will not receive funds from any uncashed checks.

Tax Treatment of Settlement Awards: Forty Percent (40%) of each Settlement Class Member's settlement award will be treated as wages and subject to normal tax withholding and shall be reported to the taxing authorities and the Settlement Class Member on an IRS Form W-2. Sixty Percent (60%) of each Settlement Class Member's settlement award will be treated as non-wages on which there will be no tax withholding and for which an IRS Form 1099 (marked "Other Income") shall be issued to the taxing authorities and the Settlement Class Member. In addition to the funds they are contributing to the Settlement Fund described above, Defendants are also paying all required employer-paid taxes incurred as part of the Settlement. Defendants' payment of these employer-paid taxes will not decrease the funds available to Settlement Class Members.

Release of Claims: Upon final approval by the Court, the Settlement Class and each Settlement Class Member who has not submitted a valid and timely written request to be excluded from the Settlement will irrevocably release all claims against Defendants from September 1, 2018 to April 29, 2022 that were brought or that could have been brought based on any facts alleged in the Complaint in this Case. This Release specifically includes any claims for wages, overtime, penalties, interest, fees, costs, attorneys' fees, and all other forms of relief that were sought based on the facts alleged in the Complaint relating to unpaid work and missed, interrupted, or non-compliant meal periods and rest breaks.

Dismissal of Action: Upon final approval, the Court will enter a judgment of dismissal of the Case with prejudice but shall retain jurisdiction to enforce the terms of the settlement.

8. How can I get a payment?

To get a payment, you need do nothing. As long as you do not submit a written request to be excluded from the Settlement, you will be a Settlement Class Member and entitled to payment.

9. When would I get my payment?

The Court will hold a hearing on [HEARING DATE] to decide whether to finally approve the settlement. If the Pierce County Superior Court approves the settlement, the parties will then have to wait to see whether there is an appeal. This will take at least thirty (30) days and, if there is an appeal, can take up to a year of more to resolve. In the event of an appeal, information regarding the appeal's progress will be made available at [WEBSITE]. If there is no appeal, we expect payments will go out in February or March 2022. Please be patient.

10. Do I have a lawyer in this case?

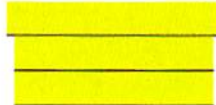
The Court has decided that lawyers from the law firm of Rekhi & Wolk, P.S., are qualified to represent you and all Settlement Class Members. These lawyers are called "Class Counsel." You will not be charged for these lawyers. If you want to be represented by our own lawyer, you may hire one at your own expense.

11. How will the lawyers be paid?

As indicated above, Class Counsel will seek payment of their attorneys' fees and costs not to exceed 1/3rd of the Settlement Proceeds, which must be approved by the Court as part of the final approval of the Settlement. Class Counsel have been working on this case for over five years and have not received any fees or reimbursements for the costs of the lawsuit.

12. How do I exclude myself from the Settlement?

If you fit the definition of a Settlement Class Member and want to exclude yourself from the Settlement, you must request exclusion in writing by [NOTICE DEADLINE]. You may be excluded as a member of the class by submitting a written request stating, "I request that I be excluded from the Class in the case of Worley, et al. v. Cedar Recycling, et al." The request must include your name, address, and signature. You must mail the letter to the Settlement Administrator at the following address postmarked no later than [NOTICE DEADLINE]:



If you exclude yourself from the Settlement (i.e., opt out), you will not receive any payment from the Settlement. You will also not be entitled to object to the Settlement. If you exclude yourself, you will not be bound by the terms of the Settlement, including the Release described in Section 7, above. This means you will retain the right at your own expense to pursue any claims you may have against Defendants.

13. If I don't like the Settlement, how do I tell the Court?

If you are a Settlement Class Member, have not excluded yourself from the Settlement, and do not like the Settlement or the fee request, you can object. You must do so in writing, and you must state the reasons why you think the Court should not approve the Settlement. If you object, be sure to include your name, address, and telephone number, the name of the Case (*Worley, et al. v. Cedar Recycling Inc., et al.*, Pierce County Superior Court Civil Case No. 17-2-09587-2), the reasons you object to the Settlement, and a signature. You must mail a copy of the objection to the following address **postmarked no later than [OBJECTION DEADLINE] to:**

[REDACTED]
[REDACTED]
[REDACTED]

14. When and where will the Court decide to approve the Settlement?

The Court will hold a Fairness Hearing at **[HEARING TIME] on [HEARING DATE]**, at the Pierce County Superior Court at 930 Tacoma Ave. S., Room 334, Tacoma, WA 98402 and/or via video conference.

If there are objections, the Court will consider them. Judge Stanley Rumbaugh will listen to people who will ask to speak at the hearing (*see* Section 16). At or after the hearing, the Court will decide whether to finally approve the Settlement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and Service Award for the named Plaintiffs. We do not know how long that decision will take.

15. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge Stanley Rumbaugh may have, but you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but that is not necessary.

16. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying it is your "Notice of Intention to Appear in *Worley, et al. v. Cedar Recycling, et al.*, Pierce County Superior Court Civil Case No. 17-2-09587-2." Be sure to include your name, address, phone number, and your signature. Your Notice of Intention to Appear must be **postmarked no later than [NOTICE DEADLINE]**, and be sent to the Court, Class Counsel, and Defense Counsel at the three addresses set forth below:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
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Hon. Stanley Rumbaugh Pierce County Superior Court 930 Tacoma Ave., Room 334 Tacoma, WA 98402	Gregory A. Wolk Rekhi & Wolk, P.S. 529 Warren Ave. N., Ste. 201 Seattle, Washington 98109	Curtis Chambers Inslee Best 10900 NE 4 th St, Suite 1500 Bellevue, Washington 98004
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17. What happens if I do nothing at all?

If you do nothing—that is, if you do not mail or deliver a timely written request to exclude yourself from the Settlement—you will be part of the Settlement Class and will be entitled to a share of the Settlement. You will also be bound by the terms of the Settlement, including the Release described in Section 7, above.

18. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting the website **[WEBSITE]**, which has a copy of the Settlement Agreement posted. Plaintiff's motion for final approval of the settlement agreement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and a Service Award for the named Plaintiff will be available for you to review on **[DATE]** at **[WEBSITE URL]**.

Please contact Class Counsel with any questions about the lawsuit. Defendants, including Burt Gilleland, have agreed that all questions regarding this Settlement will be answered by Class Counsel. Defendants have further agreed not to discuss the litigation or settlement with class members except they may inform current employees that Class members who do not opt out should receive a check. If you ask Defendants about the settlement, they are required to direct you to contact Class Counsel at 206-388-5887.

If Defendants have recently discussed the settlement or litigation with you, or if you have any concerns about being retaliated against by Defendants for being part of the Class, please contact Class Counsel immediately.

TITLE	Revised Settlement Agreement
FILE NAME	2022.10.21 Settle...their Counsel.PDF
DOCUMENT ID	8efd20efef7f6dc927644a24c410de090e8ddb43
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

10 / 21 / 2022
12:59:12 UTC-7

Sent for signature to Travis Worley (archer4all@gmail.com), AJ Hamry (andrewhamry@gmail.com) and Greg Wolk (greg@rekhiwolk.com) from emily@rekhiwolk.com
IP: 67.168.126.100



VIEWED

10 / 21 / 2022
14:39:12 UTC-7

Viewed by Travis Worley (archer4all@gmail.com)
IP: 76.135.44.2



SIGNED

10 / 21 / 2022
14:39:50 UTC-7

Signed by Travis Worley (archer4all@gmail.com)
IP: 76.135.44.2



VIEWED

10 / 21 / 2022
15:12:03 UTC-7

Viewed by AJ Hamry (andrewhamry@gmail.com)
IP: 24.18.173.41



SIGNED

10 / 25 / 2022
12:27:01 UTC-7

Signed by AJ Hamry (andrewhamry@gmail.com)
IP: 174.231.141.240

TITLE	Revised Settlement Agreement
FILE NAME	2022.10.21 Settle...their Counsel.PDF
DOCUMENT ID	8efd20efef7f6dc927644a24c410de090e8ddb43
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



10 / 31 / 2022
08:57:01 UTC-7

Viewed by Greg Wolk (greg@rekhiwolk.com)
IP: 174.61.141.2



10 / 31 / 2022
08:59:41 UTC-7

Signed by Greg Wolk (greg@rekhiwolk.com)
IP: 174.61.141.2



10 / 31 / 2022
08:59:41 UTC-7

The document has been completed.