

CLASS ACTION SETTLEMENT AGREEMENT

Subject to court approval, this Class Action Settlement Agreement (“Agreement”) is made by and between Plaintiffs Brewster Loomer and Peter Sliman (“Plaintiffs”), individually and on behalf of the Settlement Class, and Defendant Vaagen Bros. Lumber, Inc. (hereinafter, “Vaagen Bros.” or “Defendant”). The Agreement refers to Plaintiffs and Vaagen Bros. collectively as “Parties” or as a “Party.”

I. RECITALS

- A. Plaintiffs were formerly hourly employees of Defendant.
- B. Plaintiffs filed suit on their own behalf and on behalf of similarly-situated employees (the “Class”) on June 17, 2024. Plaintiffs filed their First Amended Complaint on August 29, 2024.
- C. Plaintiffs alleged that Defendant denied them rest and meal breaks under Washington law, failed to properly pay overtime at the regular rate under federal and Washington law, and failed to adhere to other state-related wage and hour laws and regulations in the matter formerly known as *Brewster Loomer and Peter Sliman, individually and on behalf of all others similarly situated v. Vaagen Bros. Lumber, Inc.*, Case No. 2:24-cv-00206-TOR (E.D. WA).
- D. The Defendant answered and denied Plaintiffs’ allegations and any wrongdoing.
- E. The Parties, through their Counsel, are familiar with the facts of these claims and the legal issues they raise. The Parties agreed to and did attend a mediation with Cliff Freed, a respected mediator familiar with complex wage and hour class action litigation.
- F. Prior to the Mediation, the Parties exchanged information, data, and documents necessary to fully and fairly evaluate the Plaintiffs’ claims and damages as well as those of the Class. Thus, the Parties’ respective Counsel had sufficient information to fully analyze the claims and defenses at issue in the action. The parties reached a settlement during the mediation and agreed to the terms of a settlement of all class claims.
- G. This final settlement agreement incorporates the terms of that settlement. This Agreement is entered into to avoid the expense, inconvenience, and uncertainty of litigation and to achieve a full and complete settlement and compromise of all disputes and controversies existing between the Plaintiffs, the Class and the Defendant as further defined herein.
- H. Plaintiffs’ Counsel has diligently investigated the facts of this case and researched the legal issues involved and believes that the settlement set forth in this agreement is fair and reasonable and will serve the best interests the Plaintiffs and Class. While Plaintiffs’ Counsel believes the claims asserted in the action have merit, they also recognize and acknowledge that the time, cost, and burden to fully litigate the action would be significant.

NOW, THEREFORE, in consideration of the covenants and agreements set forth in this Agreement, the Parties, for themselves and through their undersigned Counsel, agree to the following settlement, subject to Court approval, under the following terms and conditions.

1. DEFINITIONS.

1.1. “Action” means Plaintiffs’ lawsuit alleging wage and hour violations against Vaagen Bros. captioned *Brewster Loomer, et al. v. Vaagen Bros. Lumber, Inc.*, Case No. 2:24-cv-00206-TOR, pending in United States District Court, Eastern District of Washington.

1.2. “Address Search” means the Administrator’s search for Class Members’ mailing addresses using all reasonably available sources, including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator.

1.3. “Administrator” means CAC Services Group, LLC.

1.4. “Administration Expenses” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its costs in accordance with the Administrator’s bid as approved by the Court. The Administration Expenses shall not exceed \$6,600, except for a showing of good cause and as approved by the Court.

1.5. “Attorneys’ Fees” mean the amounts allocated to Plaintiffs’ Counsel for reimbursement of reasonable attorneys’ fees in connection with this Settlement in an amount not to exceed 33.33% of the Gross Settlement Amount.

1.6. “Class” or “Class Member(s)” means all current and former non-exempt employees who worked for Vaagen Bros. in Washington at any time from June 17, 2021, through May 13, 2025, as already identified by Vaagen Bros.

1.7. “Class Counsel” or “Plaintiffs’ Counsel” means Ferraro Vega Employment Lawyers, Inc. and Rekhi & Wolk, P.S.

1.8. “Class Period” means the period from June 17, 2021, through May 13, 2025.

1.9. “Class Notice” means the Notice of Class Action Settlement, attached as **Attachment A** and including the Request for Exclusion, attached as **Attachment B**, to be mailed to Class Members and incorporated by reference into this Agreement.

1.10. “Class Response Deadline” means 45 days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Settlement, or (b) email or mail an Objection to the Settlement. Class Members to whom the Class Notice is re-sent after being returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline expiry.

1.11. “Class Representatives” or “Named Plaintiffs” refers to Brewster Loomer and Peter Sliman.

1.12. “Court” means the United States District Court, Eastern District of Washington.

1.13. “Defense Counsel” means captioned counsel of record from the law firm of Williams Kastner.

1.14. “Effective Date” means the date on which the Court enters Judgment on its order granting Final Approval of the Settlement and the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.15. “Employee Data” means all information identifying Class Members in Vaagen Bros.’ possession including their names, last-known mailing addresses, Social Security numbers, and number of Class Workweeks.

1.16. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.17. “Final Approval Hearing” means the Court’s hearing on the final motion for approval of the Settlement.

1.18. “Gross Settlement Amount” means **\$1,600,000.00**, which is the total amount Defendant agrees to pay under the Settlement, subject to the terms and conditions of this Settlement.

1.19. “Individual Class Payments” means the Participating Class Member’s pro rata share of the Net Settlement Amount, calculated by Class Counsel as set forth below.

1.20. “Judgment” means the judgment entered by the Court based upon the Final Approval of the Settlement.

1.21. “Litigation Costs” means the amount incurred by Plaintiffs’ Counsel to prosecute the Action, according to proof and subject to Court approval, not to exceed \$17,500.

1.22. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Service Payment, Attorneys’ Fees, Litigation Costs, and Administration Expenses.

1.23. “Non-Participating Class Member” means any Class Member who submits a valid and timely Request for Exclusion from the Settlement.

1.24. “Operative Complaint” means the most recently filed complaint, including amended complaints, filed by Plaintiffs.

1.25. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.26. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.27. "Released Claims" means the claims being released in connection with this Settlement, as set forth in full below.

1.28. "Released Parties" means: Defendant and each former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.29. "Request for Exclusion" means a Class Member's submission of a signed written request to be excluded from the Class Settlement, including on the form provided with the Class Notice.

1.30. "Service Payments" means the payment to the Named Plaintiffs for initiating and providing services in support of the Action in an amount up to \$10,000.00, each, subject to Court approval, which also constitutes consideration for Plaintiffs' individual settlement and general release of all claims, as set forth in this Agreement.

1.31. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

2. MONETARY TERMS.

2.1. Gross Settlement Amount. Subject to all terms of this Agreement, Defendant shall pay the Gross Settlement Amount in connection with this Settlement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Class Members to submit any claim or form as a condition of payment. The Gross Settlement Amount is non-reversionary and any unclaimed checks will be distributed as set forth in Section 3.3.3.

2.1.1. Employer Payroll Taxes: The Gross Settlement Amount does not include any employer payroll taxes owed on the Wage Portion of the Individual Class Payments, which shall be paid separately by Defendant as calculated by the Administrator.

2.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts approved by the Court:

2.2.1. To Named Plaintiffs: The Service Payments, in addition to any Individual Class Payment they may be entitled to receive as a Class Member. If the Court approves Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Service Payments using IRS Form 1099. An award of less than the requested amount for the Service Payments will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Service Payments, at its discretion at the final approval stage.

2.2.2. To Plaintiffs' Counsel: Attorneys' Fees and Litigation Costs to Plaintiffs' Counsel. Defendant will not oppose requests for these payments, provided the requests do not exceed the amounts set forth in this Agreement. If the Court approves Attorneys' Fees and/or Litigation Costs in an amount less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Attorneys' Fees and Litigation Costs using one or more IRS 1099 Forms.

2.2.3. To the Administrator: Administration Expenses to the Administrator. To the extent the Administration Expenses are less or the Court approves payment less than the Administration Expenses set forth in this Agreement, the Administrator will allocate the remainder to the Net Settlement Amount.

2.2.4. To Each Participating Class Member/Tax Allocation: An Individual Class Payment calculated by: (a) dividing the Net Settlement Amount by the amount owed to each Participating Class Member, as calculated by Plaintiffs' expert, and based on the strength of their respective claims as determined by Class Counsel. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. 33% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 67% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and exemplary damages (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3. SETTLEMENT FUNDING AND PAYMENTS.

3.1. Delivery of Employee Data to Administrator. Not later than 15 days after the Court grants Preliminary Approval, Vaagen Bros. will deliver the Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy, the Administrator must maintain the Employee Data in confidence, use the Employee Data only for purposes of this Settlement, and restrict access to the Employee Data to Administrator employees who need access to the Employee Data to effect and perform under this Agreement. Vaagen Bros. has a continuing duty to immediately notify Plaintiffs' Counsel if it discovers that the Employee Data omitted Class Members' identifying information and to provide corrected or updated Employee Data as soon as reasonably feasible. Without any extension of the foregoing deadline, the Parties and their counsel must expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Employee Data.

3.2. Funding of Gross Settlement Amount. Vaagen Bros. shall fully fund the Gross Settlement Amount and fund the amounts necessary to fully pay its share of payroll taxes by transmitting the funds to the Administrator no later than 7 days after the Effective Date.

3.3. Payments from the Gross Settlement Amount. Within 10 days after Vaagen Bros. funds the Gross Settlement Amount, the Administrator will mail checks for all Individual

Class Payments and Service Payments. Also within 10 days of funding, the Administrator will mail or wire the Attorneys' Fees and Litigation Costs to Class Counsel, and retain the Court approved Administration Expenses.

3.3.1. The Administrator will issue checks for the Individual Class Payments and send them to Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

3.3.2. The Administrator must conduct an Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding addresses. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member or Class Counsel prior to the void date.

3.3.3. For any Class Member whose Individual Class Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds, in the name of the Class Member, to the Washington State Department of Revenue's Unclaimed Property program to be held there in the name of and for the benefit of such Class Members under Washington's unclaimed property laws. In such event, those Class Members will be deemed to have waived irrevocably any right in or claim to a payment or settlement share in excess of what is available from the Unclaimed Property program, but the Settlement nevertheless will be binding upon them.

3.3.4. The payment of Individual Class Payments shall not obligate Vaagen Bros. to confer any additional benefits or make any additional payments to Class Members beyond those specified in this Agreement.

3.4. Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Vaagen Bros.' portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Vaagen Bros.' portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

4. RELEASES OF CLAIMS.

In consideration for Defendant's payment of the Gross Settlement Amount, upon the Final Approval Hearing (and except as to such rights or claims as may be created by this Settlement Agreement) the Named Plaintiffs and all Participating Settlement Class Members fully, finally,

and forever release, settle, compromise, relinquish, and discharge any and all of the Released Parties from any and all claims, causes of action, debts, penalties, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, liquidated or exemplary damages, punitive damages, losses, fines, liens, interest, restitution or other equitable relief, actions, omissions, or causes of action of whatever kind or nature, whether known or unknown, that were alleged in the Action or that could have been alleged in the Action arising out of the facts or circumstances alleged in the Action from the beginning of time through the Final Approval Hearing, including federal, tribal, state, and municipal claims based on common law, contract, statutes, ordinances, or regulations, lawsuits, administrative actions, arbitrations, and participation to any extent in any pending or future class, collective, or representative actions, or other action of any kind based on or related in any way to the allegations in the Complaint, including but not limited to, for alleged violations of RCW Chapters 49.12, 49.46, 49.48, and 49.52; WAC Chapters 296-126, and 296-128; U.S.C. § 207 in accordance with *Rangel v. PLS Check Cashers of Cal., Inc.*, 899 F.3d 1106, 1110 11 (9th Cir. 2018) (holding opt-out release of state law claims was *res judicata* against FLSA claims based on same facts) (*accord Richardson v. Wells Fargo Bank, N.A.*, 839 F.3d 442, 451 52 (5th Cir. 2016) (plaintiff who became party to the opt-out Rule 23 settlement was bound by all settlement terms, including release of FLSA claims), and all parallel obligations under federal, tribal, state, and local law. The foregoing release by Participating Class Members excludes claims that are not reasonably related to the claims or allegations asserted in the Action, including claims for discrimination, retaliation, wrongful termination, unemployment, workers' compensation, and any claims that may not be lawfully released under this Settlement Agreement with Court approval.

Further and in addition to the release above, upon the Final Approval Hearing (and except as to such rights or claims as may be created by this Settlement Agreement), Plaintiffs hereby release all Released Parties, from any and all claims, causes of action, debts, penalties, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, liquidated or exemplary damages, punitive damages, losses, fines, liens, interest, restitution or other equitable relief, actions, or causes of action of whatever kind or nature, whether known or unknown from the beginning of time through the Final Approval Hearing, including federal, tribal, state, and municipal claims based on common law, statutes, ordinances, or regulations, lawsuits, administrative actions, arbitrations, and participation to any extent in any pending or future class, collective, or representative actions, or other action of any kind related to or arising from their employment with Vaagen Bros. Notwithstanding the breadth of the foregoing release by Plaintiffs, Plaintiffs' release excludes claims under the Age Discrimination in Employment Act and Older Workers Benefit Protection Act, unemployment claims, workers' compensation claims, and any claims that may not be lawfully released under this Settlement Agreement with Court approval.

5. MOTION FOR SETTLEMENT APPROVAL.

5.1. Preliminary Approval. Not later than 16 court days before the Preliminary Approval Hearing, Named Plaintiffs shall move for an order conditionally certifying the Class for settlement purposes only, granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice. Vaagen Bros. shall accept service of the Motion (or any other motions, stipulations, declarations, proposed orders, exhibits, or other documents filed in connection with this Settlement) via electronic service at the email addresses set forth in this Agreement or, if an electronic service agreement is already in place, at the email addresses in the Parties' electronic service agreement.

5.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Settlement or forthcoming motions or joint stipulations for approval, Plaintiffs' Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to resolve the disagreement. If the Court does not grant settlement approval or conditions any approval or review on any material change to this Agreement, Plaintiffs' Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to modify the Agreement and satisfy the Court's concerns. Should the Court decline to approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it.

6. SETTLEMENT ADMINISTRATION.

6.1. Selection of Administrator. The Parties have jointly selected the Administrator to administer this Settlement. The Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

6.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number to calculate payroll tax withholdings and report to state and federal tax authorities.

6.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under U.S. Treasury Regulation section 468B-1.

6.4. Notice to Class Members.

6.4.1. No later than 3 business days after receipt of the Employee Data, the Administrator shall notify Plaintiffs' Counsel that the list has been received and state the number of Class Members in the Employee Data.

6.4.2. Using best efforts to perform as soon as possible, and no later than 14 days after receiving the Employee Data, the Administrator will send to all Class Members identified in the Employee Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Attachment A. Before mailing Class Notices, the Administrator shall update Class Members' addresses using the National Change of Address database.

6.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct an Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time. However, the Administrator will provide Class Counsel with the names (and

addresses) of those Class members whose notices were undeliverable within 10 days of the second return.

6.4.4. The deadlines for Class Members' written objections, challenges to Class Workweeks, and Requests for Exclusion will be extended an additional 14 days beyond the time otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

6.4.5. If the Administrator, Vaagen Bros. or Plaintiffs' Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Employee Data and should have received Class Notice, the Parties will expeditiously meet and confer in a good-faith effort to agree on whether to include them as a Class Member. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later. If such additional Class Members causes the total number of Class Members to exceed 540, the Gross Settlement Amount shall be increased proportionally for each additional Class Member with Defendant agreeing to fund this increase and pay the additional employer-side payroll tax obligations arising therefrom.

6.5. Requests for Exclusion (Opt-Outs).

6.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

6.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

6.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases paragraph of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment, nor shall they have the right to object to the class action components of the Settlement.

6.6. Objections to Settlement.

6.6.1. Only Participating Class Members may object to the Settlement, including contesting the fairness of the Settlement.

6.6.2. Participating Class Members may send written objections to the Administrator, by email or mail. Alternatively, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

6.6.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

6.7. Administrator Duties. The Administrator has a duty and is authorized to perform and observe all tasks necessary to effectuate and administer the Settlement in a manner consistent with the terms of this Agreement.

6.7.1. Email Address and Toll-Free Number. The Administrator will establish, maintain, and use its own company website with their contact information included so that Class Members may find the Administrator on the World Wide Web. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member telephone calls and emails.

6.7.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the Response Deadline, the Administrator shall email a list to Plaintiffs' Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

6.7.3. Weekly Reports. The Administrator must, on a weekly or biweekly basis, provide written reports to Plaintiffs' Counsel and Defense Counsel that tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Class Workweeks received and/or resolved, and checks mailed for Individual Class Payments. The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

6.7.4. Administrator's Declaration. Not later than 10 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the

Administrator will provide to Plaintiffs' Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Plaintiffs' Counsel is responsible for filing the Administrator's declaration(s) in Court.

6.7.5. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Plaintiffs' Counsel and Defense Counsel with a final report detailing its disbursements of all payments made under this Agreement. At least 15 days before any deadline set by the Court, if applicable and if requested by either Party, the Administrator will prepare, and submit to Plaintiffs' Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement.

7. **ESCALATION CLAUSE.** Based on its records, Defendant previously calculated that the total number Class Members is 515. If the total number of Class Members exceeds this total by 25 or more for the applicable Class Period, the Gross Settlement Amount shall automatically increase proportionately for each additional Class Member.

8. **EMPLOYEE ESTIMATE.** Based on the records evaluated, there are an estimated 515 Class Members covered by this Agreement.

9. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the Final Approval Hearing, Plaintiffs will file in Court and serve on Defendant a Motion for Final Approval of the Settlement that includes a Proposed Final Approval Order and a Proposed Judgment. Plaintiffs' Counsel will provide drafts of the Proposed Final Approval Order and Proposed Judgment to Defense Counsel in advance of filing for Defense Counsel's review. Vaagen Bros. shall accept service of the Motion for Final Approval (or any other motions, stipulations, declarations, proposed orders, exhibits, or other documents filed in connection with this Settlement) via electronic service at the email addresses set forth in this Agreement or, if an electronic service agreement is already in place, at the email addresses in the Parties' electronic service agreement.

9.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court prior to the Final Approval Hearing, or as otherwise provided by the Court.

9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, the Parties will expeditiously work together through counsel, in good faith, to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval.

9.3. Continuing Jurisdiction of the Court. The Parties agree, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for

purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Class Members, excluding opt outs, as applicable and provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall agree to expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur.

10. AMENDED JUDGMENT. If any amended judgment is required, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. ADDITIONAL PROVISIONS.

11.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by the Parties that any of the allegations or the defenses in the Operative Complaint have merit or that there is any liability for any claims asserted or that any claims may proceed on a class, collective, or representative basis. The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Members to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Plaintiffs' Counsel's ability to communicate with Class Members in accordance with Plaintiffs' Counsel's ethical obligations owed to Class Members.

11.3. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.4. Attorney Authorization. Plaintiffs' Counsel and Defense Counsel separately warrant and represent that they are authorized by the Parties, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate

its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.5. Cooperation. The Parties and their counsel will cooperate and use their best efforts, in good faith, to implement the Settlement by modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court, among other things. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.6. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.7. No Tax Advice. Neither the Parties, Plaintiffs' Counsel, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.8. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or Plaintiffs' Counsel and Defense Counsel, as their legal representatives.

11.9. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.10. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of Washington, without regard to conflict of law principles.

11.11. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.12. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.13. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.14. Notice. All notices or other communications between the Parties required in connection with this Agreement shall be in writing and shall be deemed to have been duly given

as of the 3rd business day after mailing by U.S. Mail or the same day if sent by email, addressed as follows:

To Plaintiffs:

Ferraro Vega Employment Lawyers, Inc.

Attn: Nicholas J. Ferraro

3333 Camino del Rio South, Suite 300

San Diego, CA 92108 USA

nick@ferrarovega.com / classactions@ferrarovega.com

www.ferrarovega.com

Gregory A. Wolk

Rekhi & Wolk, P.S.

529 Warren Avenue N., Ste. 201

Seattle, Washington 98109

greg@rekhiwolk.com / jmmead@rekhiwolk.com / crgolliver@rekhiwolk.com

To Defendant:

Williams Kastner

Attn: William M. Symmes

601 W. Riverside Ave, Ste 800

Spokane, WA 99201

wsymmes@williamskastner.com; jjackson@williamskastner.com

11.15. Execution in Counterparts. This Agreement may be executed using physical and/or electronic signatures (i.e. DocuSign, SignRequest, Adobe Sign, etc.), which shall be accepted as originals for purposes of this Agreement. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

SIGNATURES

I have read this Agreement and agree to its terms.

Plaintiff Brewster Loomer

Date: Jun 24, 2025

Brewster Loomer

Brewster Loomer

Plaintiff Peter Sliman

Date: Jun 26, 2025

Peter E Sliman Jr

Peter Sliman

Defendant Vaagen Bros. Lumber, Inc.

Date: June 27, 2025

David Bruce

Name: David Bruce

Title: CFO

Attachment A

Notice of Class Action Settlement

NOTICE OF CLASS ACTION SETTLEMENT

Brewster Loomer, et al. v. Vaagen Bros. Lumber, Inc.

United States District Court, Eastern District of Washington

Case No. 2:24-cv-00206-TOR

This notice is to the following individuals in connection with a pending class action settlement:

All current and former non-exempt employees who worked for Vaagen Bros. in Washington at any time from June 17, 2021, through May 13, 2025, as already identified by Vaagen Bros.

Read this notice carefully. Your legal rights could be affected whether you act or not.

The United States District Court, Eastern District of Washington (the “Court”) has preliminarily approved this class action lawsuit filed by Brewster Loomer and Peter Sliman (“Class Representatives”) against Vaagen Bros. Lumber, Inc. (“Vaagen Bros.”) for alleged wage and hour violations (the “Lawsuit”).

The Lawsuit is based on the following legal causes of action: (1) failure to pay all overtime wages owed: FLSA - 29 U.S.C. §§ 201 et seq.; (2) minimum wage act violations RCW 49.46 et seq.; (3) failure to pay overtime wages: RCW 49.46.130; (4) meal period violations: RCW 49.12.020 and WAC 296-126-092; (5) rest period violations: RCW 49.12.020 and WAC 296-126-092; (6) unpaid wages on termination: RCW 49.48 et seq.; and (7) willful refusal to pay wages: RCW 49.52.050. Vaagen Bros. denies all claims and maintains it has fully complied with the law.

<u>YOUR OPTIONS</u>	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement and release your claims in exchange for compensation.
OPT OUT	You may opt out of the Settlement by submitting a Request for Exclusion form. If you opt out, you may not object to the Settlement, you will not receive an Individual Class Payment, and you shall not be bound by the release provisions in the settlement.
OBJECT	You may object to the Settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement.

The Court's final approval hearing is scheduled to take place on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** before the Hon. Thomas O. Rice at the United States District Court, Eastern District of Washington, located at 920 West Riverside Ave, Room 840, Spokane, WA 99201. You do not have to attend but you do have the right to appear. *For more information, please carefully read this notice.*

1. WHAT IS THE ACTION ABOUT?

The Class Representatives are former employees of Vaagen Bros. The Class Representatives alleged Vaagen Bros. violated Washington labor and employment laws as follows: (1) failure to pay all overtime wages owed: FLSA - 29 U.S.C. §§ 201 et seq.; (2) minimum wage act violations RCW 49.46 et seq.; (3) failure to pay overtime wages: RCW 49.46.130; (4) meal period violations: RCW 49.12.020 and WAC 296-126-092; (5) rest period violations: RCW 49.12.020 and WAC 296-126-092; (6) unpaid wages on termination: RCW 49.48 et seq.; and (7) willful refusal to pay wages: RCW 49.52.050. Plaintiffs are represented by Ferraro Vega Employment Lawyers and Rekhi & Wolk, P.S. ("Class Counsel.")

Vaagen Bros. denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT ARE THE PROPOSED SETTLEMENT TERMS?

At the Final Approval Hearing, the Class Representatives, through Class Counsel, will ask the Court to approve a Gross Settlement Amount of \$1,600,000.00 and authorize the following payments from that amount: Service Payment to the Class Representatives (\$10,000 each); Attorneys' Fees in the amount of up to \$533,280, representing 33.33% of the Gross Settlement Amount; Litigation Costs (not to exceed \$17,500), and the Administration Expenses (not to exceed \$6,600 to be paid to the third-party settlement administrator .

After the above deductions in amounts approved by the Court, the Administrator will calculate and distribute Individual Class Payments to Participating Class Members based on their Class Workweeks. 33% of each Individual Class Payment shall constitute taxable wages ("Wage Portion") and 67% shall constitute interest and exemplary damages ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Vaagen Bros. will separately pay employer payroll taxes it owes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

You will be treated as a Participating Class Member, participating fully in the settlement, unless you submit a signed Request for Exclusion by **[[Response Deadline]]** the "Response Deadline."

After the Judgment is final and Vaagen Bros. has fully funded the settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the settlement, as follows:

In consideration for Defendant's payment of the Gross Settlement Amount, upon the Final Approval Hearing (and except as to such rights or claims as may be created by this Settlement

Agreement) the Named Plaintiffs and all Participating Settlement Class Members fully, finally, and forever release, settle, compromise, relinquish, and discharge any and all of the Released Parties from any and all claims, causes of action, debts, penalties, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, liquidated or exemplary damages, punitive damages, losses, fines, liens, interest, restitution or other equitable relief, actions, omissions, or causes of action of whatever kind or nature, whether known or unknown, that were alleged in the Action or that could have been alleged in the Action arising out of the facts or circumstances alleged in the Action from the beginning of time through the Final Approval Hearing, including federal, tribal, state, and municipal claims based on common law, contract, statutes, ordinances, or regulations, lawsuits, administrative actions, arbitrations, and participation to any extent in any pending or future class, collective, or representative actions, or other action of any kind based on or related in any way to the allegations in the Complaint, including but not limited to, for alleged violations of RCW Chapters 49.12, 49.46, 49.48, and 49.52; WAC Chapters 296-126, and 296-128; U.S.C. § 207 in accordance with *Rangel v. PLS Check Cashers of Cal., Inc.*, 899 F.3d 1106, 1110 11 (9th Cir. 2018) (holding opt-out release of state law claims was res judicata against FLSA claims based on same facts) (accord *Richardson v. Wells Fargo Bank, N.A.*, 839 F.3d 442, 451 52 (5th Cir. 2016) (plaintiff who became party to the opt-out Rule 23 settlement was bound by all settlement terms, including release of FLSA claims), and all parallel obligations under federal, tribal, state, and local law. The foregoing release by Participating Class Members excludes claims that are not reasonably related to the claims or allegations asserted in the Action, including claims for discrimination, retaliation, wrongful termination, unemployment, workers' compensation, and any claims that may not be lawfully released under this Settlement Agreement with Court approval. Further and in addition to the release above, upon the Final Approval Hearing (and except as to such rights or claims as may be created by this Settlement Agreement), Plaintiffs hereby release all Released Parties, from any and all claims, causes of action, debts, penalties, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, liquidated or exemplary damages, punitive damages, losses, fines, liens, interest, restitution or other equitable relief, actions, or causes of action of whatever kind or nature, whether known or unknown from the beginning of time through the Final Approval Hearing, including federal, tribal, state, and municipal claims based on common law, statutes, ordinances, or regulations, lawsuits, administrative actions, arbitrations, and participation to any extent in any pending or future class, collective, or representative actions, or other action of any kind related to or arising from their employment with Vaagen Bros. Notwithstanding the breadth of the foregoing release by Plaintiffs, Plaintiffs' release excludes claims under the Age Discrimination in Employment Act and Older Workers Benefit Protection Act, unemployment claims, workers' compensation claims, and any claims that may not be lawfully released under this Settlement Agreement with Court approval.

3. HOW IS MY INDIVIDUAL CLASS PAYMENT CALCULATED?

Class Counsel obtained employment information for each Class Member, including the position(s) they worked, how long they worked for the Defendant, and how much they earned. Class Counsel has analyzed that information to determine how much each Class Member would be owed based on the strength of their respective claims. The Individual Class Payments will be calculated based on that analysis as a proportion of the total Net Class Fund.

5. HOW WILL I GET PAID?

The Administrator will send, by U.S. mail, a single check to every Participating Class Member following the Effective Date of this Settlement. Your check will be sent to the same address as this notice. If you change your address, notify the Administrator as soon as possible.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Complete the attached Request for Exclusion form and mail or email it to the Administrator before the Response Deadline. If you opt-out, you will not receive an Individual Class Payment and you will not be bound by the Release.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement by submitting a written objection to the Administrator before the Response Deadline. To object, please provide a written statement to the Administrator advising what you object to, why you object, and any facts that support your objection. Please sign the objection and identify the Action and include your name, current address, telephone number, and your approximate dates of employment.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You may, but are not required to, attend the Final Approval Hearing on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** before the Hon. Thomas O. Rice at the United States District Court, Eastern District of Washington, located at 920 West Riverside Ave, Room 840, Spokane, WA 99201. At the hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, the Class Representatives, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision.

It is possible the Court will reschedule the Final Approval Hearing. Please review the Court's online docket or contact the Administrator or Class Counsel to verify the date and time of the Final Approval Hearing if you believe it may have been continued or otherwise changed.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Vaagen Bros. and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the following website **[[website]]**. You can also telephone or send an email to Class Counsel at the address below:

Class Counsel

Nicholas J. Ferraro (State Bar No. 306528)
Lauren N. Vega (State Bar No. 306525)
Ferraro Vega Employment Lawyers, Inc.
3333 Camino del Rio South, Suite 300
San Diego, California 92108
(619) 693-7727 telephone
classactions@ferrarovega.com
www.ferrarovega.com

Gregory A. Wolk
Rekhi & Wolk, P.S.
529 Warren Avenue N., Ste. 201
Seattle, Washington 98109
(206) 388-5887 telephone
websiteinquiry@rekhiwolk.com
www.rekhiwolk.com/vaagenbros.

10. WHAT IF I LOSE MY SETTLEMENT CHECK OR FAIL TO CASH IT?

If you lose or misplace your settlement check, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void or you have otherwise failed to cash it, it will be provided to the Washington State Department of Revenue's Unclaimed Property program in your name. For more information, please review how to process a claim for your funds with the State of Washington, [WA Unclaimed Property](#)..

**DO NOT CONTACT THE COURT OR THE COURT CLERK TO OBTAIN
INFORMATION ABOUT THE SETTLEMENT**

Attachment B

Request for Exclusion Form

Request for Exclusion Form

Brewster Loomer, et al. v. Vaagen Bros. Lumber, Inc.
United States District Court, Eastern District of Washington
Case No. 2:24-cv-00206-TOR

By signing and returning this form, I confirm that I do not want to be included in the Settlement or receive a settlement check in the class action lawsuit referenced above.

I understand that by opting out, I am giving up my right to receive any payments in this Settlement. To “opt out,” this form must be postmarked no later than **[[Response Deadline]]** and mailed via U.S. Mail to the following address:

CAC Services Group, LLC
6420 Flying Cloud Dr
Ste 101
Eden Prairie, MN 55344
Fax: 888-495-9746
(866) 602-2260
<https://cacservicesgroup.com/contact.cfm>

I confirm I have reviewed the Notice of Class Action Settlement. I have decided to be excluded from the class and **not** participate in the proposed settlement or receive an individual settlement check I am otherwise entitled to receive.

Dated: _____

(Signature)

(Last Four Digits of SSN)

(Type or print name and former name(s))

(Telephone Number)

(Address)