

*Gerardo Torres v. Rexel USA, Inc.*, No. CV-20-004823 (“Action”)  
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF STANISLAUS  
NOTICE OF CLASS ACTION SETTLEMENT

*You are not being sued. This notice affects your rights. Please read it carefully.*

To: All current and former non-exempt hourly employees who worked for Rexel USA, Inc. (“Rexel”) in the State of California at any time from October 29, 2016 through August 24, 2022 (“Class Members”).

All current and former non-exempt hourly employees of Rexel who worked in the State of California at any time from November 5, 2019 through August 24, 2022 (“PAGA Members”).

On April 20, 2023, the Honorable Sonny S. Sandhu of the Stanislaus County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

**Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund.** The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 8:30 a.m. on September 7, 2023 in Department 24 of the Stanislaus County Superior Court located at 801 10th St, 4th Floor, Modesto, California 95354.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit <https://www.cptgroupcaseinfo.com/RexelSettlement> for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

**Summary of the Litigation**

Plaintiffs Gerardo Torres, Tawny Vandagriff, and John Hardin, on their behalf and on behalf of other current and former non-exempt employees, allege claims against Rexel under California law for alleged failure to: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) reimburse employees for necessary business expenses; (4) timely pay all wages owed to employees during each pay period and upon termination of their employment; (5) provide employees with accurate, itemized wage statements, and (6) other alleged violations of California wage and hour laws. Rexel has denied, and continues to deny, the factual and legal allegations in the case and believe that they have valid defenses to Plaintiffs’ claims. Rexel further disputes that the claims asserted in this action could or should properly proceed as a class action. By agreeing to settle, Rexel is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Rexel has agreed to settle the case as part of a compromise with Plaintiffs.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On June 24, 2022, the parties participated in a mediation with Lou Marlin, Esq., an experienced and well-respected class action mediator. With Mr. Marlin’s guidance, the parties were able to negotiate a complete settlement of Plaintiffs’ claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Capstone Law APC and Lawyers for Justice, P.C. (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

**Summary of the Proposed Settlement Terms**

Plaintiffs and Rexel have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$1,500,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Payments of \$15,000, each, to Gerardo Torres, Tawny Vandagriff, and John Hardin for their services on behalf of the class, and for a

**Questions? Contact the Settlement Administrator toll free at 1-833-816-0716**

<<EmployeeName>>

CPT ID: <<ID>>

release of all claims arising out of their employment with Defendants; (3) \$500,000 in attorneys' fees and up to \$35,000 in litigation costs and expenses; (4) a \$100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$75,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$25,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$15,000. After deducting the above payments, a total of approximately \$805,000 will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all current and former non-exempt hourly employees of Rexel who worked in the State of California at any time from November 5, 2019 through August 24, 2022 will receive a proportional share of the \$25,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

**Payments from Net Settlement Fund.** Rexel will calculate the total number of Workweeks worked by each Class Member from October 29, 2016 through August 24, 2022 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Rexel's records, you worked during the Class Period in a non-exempt, hourly position for a total of <<Workweeks>> Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$<<EstSettAmt>>.

**Payments from PAGA Fund.** Rexel will calculate the total number of Workweeks worked by each PAGA Member from November 5, 2019 through August 24, 2022 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Rexel's records, you worked during the PAGA Period in a non-exempt, hourly position for a total of <<PAGAWeeks>> Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$<<EstPAGAAmt>>.

**Your Estimated Payment:** Based on the above, your estimated payment from the settlement is approximately \$<<TotalEstAmt>>. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before July 11, 2023 and must be sent to:

**Torres, et al. v. Rexel USA, Inc.**

c/o CPT Group, Inc.

50 Corporate Park

Irvine, CA 92606

Phone: 1-833-816-0716

Fax: 949-419-3446

If you dispute the information stated above, Rexel's records will control, unless you are able to provide documentation that establishes otherwise.

**Taxes on Settlement Payments.** IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For settlement payments from the Net Settlement Fund, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated

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as non-wages for which IRS Forms 1099-MISC will be issued. Payments from the PAGA fund will be 100% allocated as non-wages for which IRS Forms 1099-MISC will be issued.

### **Your Options Under the Settlement**

#### **Option 1 – Automatically Receive a Payment from the Settlement**

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims and Released PAGA Claims:

**Released Class Claims:** Any and all claims alleged in the Second Amended Complaint in the Action (“SAC”), the First Amended Complaint in the Action (“FAC”), and the Complaint in the action entitled *Hardin, et al. v. Platt Electric Supply Inc., et al.*, United States District Court Eastern District of California, Case No.: 21-cv-01621 (“Hardin Action”); and those claims that could reasonably have been alleged based on the facts alleged in the Second Amended Complaint, the First Amended Complaint, and the Complaint in the Hardin Action, including: (a) failure to pay all overtime wages; (b) failure to pay all minimum wages; (c) failure to provide all meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit all rest periods, or premium pay for non-compliant rest periods; (e) failure to issue accurate, compliant, and itemized wage statements, and failure to maintain payroll records; (f) failure to timely pay all final wages; (g) failure to timely pay all wages due during employment; (h) unreimbursed business expenses; (i) civil penalties under the Private Attorneys General Act of 2004 (“PAGA”) based on the preceding released claims; and (j) all claims for unlawful business practices and unfair business practices premised on the facts, claims, causes of action or legal theories of relief pled in the SAC, FAC, and the Complaint in the Hardin Action (“Released Class Claims”). The period of the Released Class Claims extends to the limits of the Class Period.

**Released PAGA Claims:** All claims for PAGA penalties that could have been sought by the Labor Commissioner for the violations identified in Gerardo Torres’s and Tawni Vandagriff’s November 5, 2020 and January 15, 2021 pre-filing PAGA letters to the Labor & Workforce Development Agency (“LWDA”) during the period from November 5, 2019 through August 24, 2022 (“Released PAGA Claims”).

#### **Option 2 – Opt Out of the Settlement**

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

#### **Torres, et al. v. Rexel USA, Inc.**

c/o CPT Group, Inc.

50 Corporate Park

Irvine, CA 92606

Phone: 1-833-816-0716

Fax: 949-419-3446

The Request for Exclusion must be postmarked or faxed not later than July 11, 2023. If you submit a Request for Exclusion which is not postmarked or faxed by July 11, 2023, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

**Questions? Contact the Settlement Administrator toll free at 1-833-816-0716**

**Option 3 – Object to the Settlement**

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at **Torres, et al. v. Rexel USA, Inc.** c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

All written objections must be received by the administrator by not later than July 11, 2023. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for September 7, 2023 at 8:30 a.m. in the Superior Court of the State of California, for the County of Stanislaus and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

**Additional Information**

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

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PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS' ATTORNEYS WITH INQUIRIES.