

ADDENDUM TO CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Addendum to Class Action and PAGA Settlement Agreement (“Addendum”) is made by and between Plaintiff Hawkar Sofy (“Plaintiff”) and Defendant AJM Packaging Corporation (“Defendant”). The Agreement refers to Plaintiff and Defendant as “Parties”, or individually as “Party”.

RECITALS

1. Plaintiff and Defendant are Parties to a Class Action and PAGA Settlement Agreement (“Settlement Agreement”) executed by the Parties as of May 14, 2024.
2. Plaintiff filed a Motion for Preliminary Approval of Class Action Settlement, and the Court heard this motion on October 17, 2024. On October 16, 2024, the Court posted a tentative ruling expressing two (2) concerns with the settlement, as follows: (1) because the Defendant is paying the settlement in installments, the administration of the settlement could foreseeably continue through 2028 or later; and (2) the Parties did not address the Court’s concern that the Settlement Agreement does not appear to contemplate the Parties’ obligations or remedies in the event of a late payment or a breach.

Wherefore, the Parties have agreed to this Addendum in order to address the Court’s concerns as set forth above.

AGREEMENT

1. The Parties to the Settlement Agreement hereby agree to the additional terms set forth in this Addendum, in addition to the terms in the Settlement Agreement.
2. The Parties agree to the following procedure in the event of a late payment by Defendant in breach of the timeline for payments set forth in the Settlement Agreement.
 - a. In the event of a failure by Defendant to fund the settlement as set forth in the “Funding of Gross Settlement Amount” section of the Settlement Agreement (section D(2)), according to the Administration Timeline attached as **Exhibit A** to this Addendum, the Administrator shall send within two (2) business days a “Notice to Cure Default in Payment” to counsel for the Parties by both electronic and overnight mail setting forth the date the payment was due and that the payment was not made, or that a full payment was not made, and shall state the amount of the payment that was made.
 - b. Defendant shall have fourteen (14) calendar days from receipt by Defense Counsel of the Notice to Cure Default in Payment to make the required payment in full to the Administrator. The Administrator shall email the Parties upon receipt of the overdue payment. If no payment or a short payment is made seventeen (17) calendar days after the Notice to Cure Default in Payment was sent to counsel for the Parties, then the Administrator shall send to the Parties by both electronic and overnight mail a “Notice

of Default in Payments,” within two (2) business days after the Administrator has determined that a default has occurred.

- c. Once a Notice of Default in Payments is issued by the Administrator, Defendant shall be considered in breach of the Settlement Agreement. Upon receipt of a Notice of Default in Payments, the Parties shall arrange an ex parte hearing with the Court on its earliest available date and appear at the hearing to determine how to proceed to remedy Defendant’s breach.

3. In order to address the Court’s concern regarding the timeline for the administration of the settlement, the Parties agree to the following:

- a. Once final approval of the settlement has been granted by the Court and once Defendant has funded fifty percent (50%) of the settlement (which is scheduled to occur on September 15, 2025), the Administrator shall distribute fifty percent (50%) of the payments required in the Settlement Agreement in the section entitled “Payments from the Gross Settlement Amount” (section D(3)).
- b. Once the settlement has been fully funded by Defendant, the Administrator shall distribute the other fifty percent (50%) of the payments required in the Settlement Agreement in the section entitled “Payments from the Gross Settlement Amount” (section D(3)).

4. The Parties will prepare an updated Class Notice setting forth the new terms agreed to in this Addendum and submit that for the Court’s approval within seven (7) calendar days of the execution of this Addendum.

5. Other than as set forth in this Addendum, there are no changes to the Settlement Agreement.

6. This Agreement shall be effective once it is executed by the Parties set forth below.

(The remainder of this page was intentionally left blank. Signatures are on the next page.)


Dated: 10/18/2024

Hawkar Sofy

By: 

Dated: October 10, 2024

Justice Law Corporation [Approving as to Form Only]

By: 
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Attorneys for Plaintiff

Dated: _____

AJM Packaging Corporation

By: _____
On behalf of AJM Packaging Corporation

Dated: _____

Quarles & Brady LLP [Approving as to Form Only]

By: _____
J. Rod Betts, Esq.
Kelly M. Butler, Esq.
Attorneys for Defendant

Dated: _____

Hawkar Sofy

By: _____

Dated: _____

Justice Law Corporation [Approving as to Form Only]

By: _____

Douglas Han, Esq.

Shunt Tatavos-Gharajeh, Esq.

Attorneys for Plaintiff

Dated: October 21, 2024

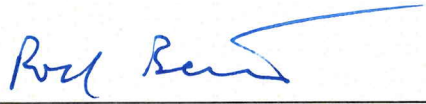
AJM Packaging Corporation

By: 

On behalf of AJM Packaging Corporation

Dated: 10/21/24

Quarles & Brady LLP [Approving as to Form Only]

By: 

J. Rod Betts, Esq.

Kelly M. Butler, Esq.

Attorneys for Defendant

Exhibit "A"

Administration Timeline

Sofy v. A.J.M. Packaging Corporation

Opt-Out

Class period: 12/16/2018 - 3/31/2024

PAGA period: 1/13/2022 - 3/31/2024

Action	Date	Description
Funding Due (First Installment)	6/13/2024	Defendant transmitting \$208,334 no later than 30 calendar days after the agreement is executed by both parties
Funding Due (Second Installment)	9/13/2024	Defendant will transmit another \$208,334 not later than 3 months after the first installment
Preliminary Approval Hearing	10/4/2024	
Funding Due (Third Installment)	12/13/2024	Defendant will transmit another \$208,334 not later than 3 months after the second installment
Funding Due (Fourth Installment)	3/13/2025	Defendant will transmit another \$208,334 not later than 3 months after the third installment
Funding Due (Fifth Installment)	6/13/2025	Defendant will transmit another \$208,334 not later than 3 months after the fourth installment
Funding Due (Sixth Installment)	9/15/2025	Defendant will transmit another \$208,334 not later than 3 months after the fifth installment
Funding Due (Seventh Installment)	12/15/2025	Defendant will transmit another \$208,334 not later than 3 months after the sixth installment
Funding Due (Eighth Installment)	3/16/2026	Defendant will transmit another \$208,334 not later than 3 months after the seventh installment
Funding Due (Ninth Installment)	6/16/2026	Defendant will transmit another \$208,334 not later than 3 months after the eighth installment
Funding Due (Tenth Installment)	9/16/2026	Defendant will transmit another \$208,334 not later than 3 months after the ninth installment
Funding Due (Eleventh Installment)	12/16/2026	Defendant will transmit another \$208,334 not later than 3 months after the tenth installment
Funding Due (Twelfth Installment)	3/16/2027	Defendant will transmit another \$208,326 not later than 3 months after the eleventh installment