

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

BRANDON IMBER, individually and on behalf of all others similarly situated,)
v.)
BRUCE LACKEY, PAM LACKEY,)
LACKEY FAMILY TRUST, COLE)
SCHARTON, the ADMINISTRATIVE)
COMMITTEE OF THE PEOPLE)
BUSINESS EMPLOYEE STOCK)
OWNERSHIP PLAN, MIGUEL)
PAREDES, RICK ROUSH, DEL)
THACKER, RICHARD DEYOUNG and)
RITCHIE TRUCKING SERVICE)
HOLDINGS, INC.,)
and)
PEOPLE BUSINESS EMPLOYEE STOCK)
OWNERSHIP PLAN)
Nominal)
Defendant)

CASE NO. 1:22-cv-00004-KES-HBK

**CLASS COUNSEL'S PROPOSED
PLAN OF ALLOCATION**

Complaint filed: December 30, 2021

1. **Definitions.** For purposes of this Plan of Allocation:

- A. "All Credited Balances" shall mean the number of shares of Employer Stock representing the sum of all Credited Balances of the Payee Class Members.
- B. "Class Action Settlement Agreement" means the Class Action Settlement Agreement between Plaintiff Brandan Imber and Defendants Bruce Lackey, Pam Lackey, Lackey Family Trust, the Administrative Committee of the People Business Employee Stock Ownership Plan, Miguel Paredes, Rick Roush, Del Thacker, Richard DeYoung, and Ritchie Trucking Service Holdings, Inc.
- C. "Credited Balance" shall mean the number of shares of Employer Stock in a Payee Class Member 's Employer Stock Account as of December 31, 2024 subject to the following adjustments:
 - i. If a Payee Class Member received a prior distribution of their Employer Stock Account, the "Credited Balance" shall also include the number of shares of Employer Stock included in such distributions (or, if a Payee Class Member took that distribution in the form of cash, the number of shares of Employer Stock in their Employer Stock Account immediately before it was liquidated and distributed).
 - ii. If a Payee Class Member is a Qualified Participant who has exercised diversification rights pursuant to Section 17.06 of the written instrument of the Plan, the "Credited Balance" shall also include the number of shares of Employer Stock diversified by such Payee Class Member.
 - iii. The "Credited Balance" shall not include any amounts of Employer Stock reallocated to a Payee Class Member's Employer Stock Account from the Employer Stock Account of another Payee Class Member (e.g. due to a Forfeiture or due to liquidation after termination or diversification).
- D. "Payee Class Member" shall mean any participant or beneficiary in the Plan with an immediate right to receive benefits through the Plan (i.e. stock or cash) under the Settlement and this Plan of Allocation.

- E. “Loan Modification” shall have the meaning set forth in the Class Action Settlement Agreement between Plaintiff and Defendants.
- F. “Pro Rata Coefficient” shall mean a Payee Class Member’s Credited Balance divided by the sum of the Credited Balances of all Payee Class Members.
- G. “Allocation Date” shall mean the date on which the Final Order approving Class Action Settlement Agreement becomes Non-Appealable
- H. All other terms including the following will have the meanings ascribed to them in the written instrument of the People Business Employee Stock Ownership Plan, which is the entitled :
 - i. “Account(s),”
 - ii. “Employer Stock,”
 - iii. “Employer Stock Account,”
 - iv. “Forfeiture,”
 - v. “General Account

2. Allocation of the Cash Settlement Fund.

- A. The Gross Cash Settlement Fund will consist of the \$485,000.00 paid pursuant to the Settlement Agreement plus any earnings and interest accrued thereon.
- B. The Net Cash Settlement Fund will be the Gross Cash Settlement Fund minus the following amounts from the Cash Settlement Fund: (i) any Taxes on the income or earnings by the Settlement Fund, any tax-related expenses, and the creation of any reserve for future expenses (as described above); (ii) any expenses incurred by the Fund, including any expenses approved by the Court in the administration of the Settlement Fund or the costs to pay Class Notice; (iii) any Fee Award or Expense Award to Class Counsel and any Service Award from the Settlement Fund and (iv) any other Court-approved costs or deductions from the Settlement Fund.

1 C. Each Settlement Participant's General Account shall be credited with an amount
2 of cash equal to the product of the total amount of cash to be allocated and Payee
3 Class Member's Pro Rata Coefficient.

4 3. **Employer Stock Allocation.** Each Payee Class Member's Employer Stock Account shall
5 be credited with a number of shares equal to the product of the total number of shares released as
6 a result of the Loan Modification and the Payee Class Member's Pro Rata Coefficient.

7 4. **Distribution of Residual Funds.** In the event that monies remain in the Net Cash
8 Settlement Fund after distribution of the Final Distribution Amount and after all taxes and other
9 expenses have been paid, those residual amounts will be distributed to non-sectarian, non-profit
10 501(c)(3) charitable organization(s) recommended by Class Counsel and approved by the Court.

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