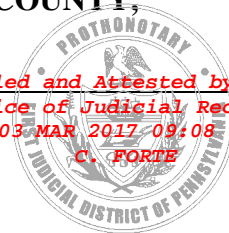


**IN THE COURT OF COMMON PLEAS OF PHILADELPHIA COUNTY,  
PENNSYLVANIA**



*Filed and Attested by the  
Office of Judicial Records  
03 MAR 2017 09:08 am  
C. FORTE*

<p>MICHELLE BRAUN, on behalf of herself and all others similarly situated,</p> <p align="center">v.</p> <p>WAL-MART STORES, INC., a Delaware Corporation, and SAM'S CLUB, an operating segment of Wal-Mart Stores, Inc.,</p>	<p>March Term, 2002</p> <p>No. 3127</p> <p>(Consolidated with No. 3757)</p>
<p>DOLORES HUMMEL, on behalf of herself and all others similarly situated,</p> <p align="center">v.</p> <p>WAL-MART STORES, INC., a Delaware Corporation, and SAM'S CLUB, an operating segment of Wal-Mart Stores, Inc.,</p>	<p>August Term, 2004</p> <p>No. 3757</p> <p>(Consolidated with No. 3127)</p>

**NOTICE BY SPECIAL CLASS MASTERS REGARDING  
DECLARATION OF PAUL MULHOLLAND, CPA**

The Special Class Masters hereby submit for this Court's consideration the attached Declaration of Paul Mulholland, CPA, which reports upon (1) the status of the initial distribution of class funds to class members, (2) upcoming post-distribution matters to gather additional information necessary to make payments to certain class members, (3) plans for the supplemental distribution in or about May 2017, and (4) other relevant issues connected therewith.

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**MICHELLE BRAUN, on behalf of herself  
and all others similarly situated,**

**A. Plaintiff,**

**v.**

**WAL-MART STORES, INC., a Delaware  
corporation, and SAM'S CLUB, an operating  
segment of Wal-Mart Stores, Inc.,**

**Defendants.**

**COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY**

**MARCH TERM, 2002**

**No. 3127**

**(a) CLASS  
ACTION**

**DOLORES HUMMEL, on behalf of herself  
and all others similarly situated,**

**B. Plaintiff,**

**v.**

**WAL-MART STORES, INC., a Delaware  
corporation, and SAM'S CLUB, an operating  
segment of Wal-Mart Stores, Inc.,**

**Defendants.**

**COURT OF COMMON PLEAS  
PHILADELPHIA COUNTY**

**AUGUST TERM, 2004**

**No. 3757**

**(a) CLASS  
ACTION**

**DECLARATION OF PAUL MULHOLLAND, CPA**

I, Paul Mulholland, being over 21 years old, being a non-party to this action, and having personal knowledge of the facts set forth herein, declare as follows:

1. **Overview:** After consultation with and at the request of the Special Class Masters, I submit this declaration to provide the Court and the parties to the above-captioned litigation with an update regarding: (a) the December 2016 initial distribution of checks to Class members (the "Initial Distribution"); (b) upcoming post-distribution matters and additional administrative services; (c) the supplemental distribution planned for May 2017 (the "Supplemental Distribution")<sup>1</sup>; and (d) estimated

<sup>1</sup> As discussed further below, the Supplemental Distribution will consist of payments to Class members who did not receive or deposit a check in the Initial Distribution because: (1) they had not previously provided a valid street address – as opposed to merely a PO Box address – but for whom we are able to obtain a valid street address; (2) they had not previously

administrative fees and expenses incurred or to be incurred for the period January 6, 2017 through the Supplemental Distribution.<sup>2</sup>

2. **Background on the Judgment Administrator, Strategic Claims Services (“SCS”):** I am the President of SCS, a nationally recognized class action administration firm. I am a Certified Public Accountant. I have over twenty-five (25) years of experience specializing in administration of class action settlements and I have administered over four-hundred (400) cases. SCS was established in April 1999 and has administered over three-hundred fifty (350) class action cases since its inception.

3. **The Initial Distribution:**

- a. **Funds distributed:** During the week of December 12, 2016, SCS mailed distribution packets to 166,992 Class members. The amount distributed to all Class members (including taxes) totaled \$192,082,543. Individual payments to Class members (including taxes) ranged from \$5.00 to \$7,726.46 with the average payment being \$1,150.25.<sup>3</sup>
- b. **Distributed funds deposited by class members:** Of the 166,992 checks mailed to Class members in the Initial Distribution, 142,636 or 85.41% have cleared as of February 28, 2017, totaling \$173,209,725.02, or 90.17% of the total Initial Distribution. We anticipate checks will continue to clear over the next several weeks. On or about March 6, 2017, SCS will send a reminder notice to Class members with un-cashed checks to allow them a second chance to deposit their check or request a replacement check.

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provided a correct Social Security number (“SSN”) but for whom we are able to obtain a correct SSN; or (3) we did not have a correct address for the Class members but we are able to obtain updated information.

<sup>2</sup> The mailing of the supplemental distribution is scheduled for May 2017.

<sup>3</sup> The amounts of the individual checks were based on a report prepared by an expert hired by Plaintiffs’ counsel. The expert reviewed Wal-Mart’s records showing the shifts worked by Wal-Mart employees during the period covered by the lawsuit, and the individual Class member checks were calculated by applying the expert’s findings to the shifts the Class member worked during that same period.

- c. **Reissued checks for returned mailings:** To date, SCS has reissued and mailed 4,414 replacement checks to class members whose distribution packets were returned to SCS with a forwarding address and to those class members whose packets were returned without a forwarding address but for whom updated addresses could be skip-traced. The updated addresses have been entered in SCS' database.
- d. **Undeliverable checks:** There are 4,972 returned mailings for which updated addresses have not been obtainable to date. SCS will perform additional procedures for these undeliverable mailings as noted in paragraph 4c below. Based on my experience, the number of checks that have cleared the bank through February 28, 2017 is consistent with industry standards of similar class action distributions.

4. **Planned Supplemental Distribution:**

- a. **Class members with PO Box addresses only:** Pursuant to the Order Approving Next Steps Concerning the Distribution of the Class Fund, dated September 27, 2016 (the "Next Steps Order"), SCS will mail a notice to approximately 11,700 Class members for whom SCS only has P.O. Box addresses. The notice will explain that they cannot receive payment without providing a valid street address (rather than merely a PO Box address) so that the correct local taxes can be determined and properly withheld. Next Steps Order, ¶ 1. SCS will perform at least two attempts to obtain valid street addresses for these Class members. All such Class members who provide SCS with valid street addresses will be included in the Supplemental Distribution planned for May 2017. A Court approved hold-

back of \$12,546,974.24 was established for payment to these Class members. *Id.*, ¶ 2.

- b. **Class members with incorrect SSNs:** SCS is lacking correct SSN's for approximately 950 Class members. Pursuant to the Next Steps Order, SCS will mail a notice and an IRS Form W-9 to these class members requesting that they provide a correct SSN. SCS will perform at least two attempts to obtain SSNs for these Class members. *Id.*, ¶ 4. All such Class members who provide SCS with a valid SSN will be included in the Supplemental Distribution planned for May 2017. A Court approved hold-back of \$509,435.19 was established for payment to these Class members. *Id.*, ¶ 5.
- c. **Class members with invalid addresses:** To date, there are 11,396<sup>4</sup> Class members for whom SCS does not have a valid address. This includes Class members for whom SCS was unable to verify a valid address before the Initial Distribution and Class members whose Initial Distribution mailings were returned as undeliverable and without a forwarding address. Pursuant to the Next Steps Order, SCS will continue to search for updated, valid addresses through internet searches, additional skip-tracing, and other customary steps. *Id.*, ¶ 7. All Class members for whom SCS obtains an updated and valid address will be included in the Supplemental Distribution scheduled for May 2017. Sufficient funds have been held-back to cover all payments to these Class members. *Id.*

5. **Higher-Than-Anticipated Phone Calls and E-mails from Class Members:** During and after the Initial Distribution, there have been substantially more phone calls and e-mails from Class

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<sup>4</sup> Included in this number are 4,972 undeliverable checks with no updated addresses after SCS performed a skip tracing effort. In addition, there are 6,424 Class members with invalid addresses after the post card notice was mailed and SCS performed two skip tracing efforts.

members regarding inquiries concerning the Initial Distribution than what SCS had anticipated based on its past experience. From December 12, 2016 through February 28, 2017, SCS received over 140,300 phone calls and over 13,100 e-mails from Class members. SCS will continue to handle all phone calls and e-mails efficiently and effectively to respond to Class members' questions about a wider range of topics, including, for example, the timing and status of payments.

6. **Projected Costs for Post-Distribution Matters and the Supplemental Distribution:**

Pursuant to the Next Steps Order, in addition to the funds held back for the Supplemental Distribution, there is a 3% contingency hold-back—*i.e.*, \$5.988 million—plus an additional \$25,000 hold-back which together will be used for the additional administrative fees and expenses related to post-distribution matters regarding the Initial Distribution and the Supplemental Distribution. *Id.*, ¶¶ 6-8. SCS estimates the additional administrative fees and expenses for post-distribution matters and the Supplemental Distribution covering the period from January 6, 2017 through the Supplemental Distribution planned for May 2017 will total \$599,578. *See* Exhibit A attached. SCS may require an additional disbursement for administrative fees and expenses related to class member communications, tax preparation services, tax authority filings, and tax authority inquiries at the conclusion of all the distributions, and SCS reserves the right to apply for such additional disbursement if necessary.

7. As set forth in Paragraph 8 of the Next Steps Order, after the Supplemental Distribution, any remaining money from the holdbacks shall be put back into the Fund for use in another distribution to class members or as the Special Masters recommend and that the Court approves.

\* \* \*

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 1<sup>st</sup> day of March 2017, in Media, Pennsylvania.

  
Paul Mulholland



ESTIMATED COST OF ADMINISTRATIVE SERVICES  
WAL-MART PA. - JUDGMENT (BRAUN/HUMMEL vs WAL-MART))

	#
<b>Number of Class Members (excludes opt-outs)</b>	<b><u>186,979</u></b>
Follow up post card notice for un-cashed checks (20K un-cashed checks at \$.60 per unit, including postage)	\$12,000
Re-issue of checks (assume 40% response from reminder notice)	\$17,500
Additional skip tracing for 8,000 incorrect addresses 75% hit rate	\$1,500
Labor for handling and responding to phone calls and emails; updating database and correspondence with Class members	\$337,920
Labor for processing of reissued checks to beneficiaries for deceased Class members	\$18,333
Mailing for approximately 11,700 with PO Box Class members, requesting a street address	\$14,625
Second notice for PO Box Class members	\$6,250
Mailing out W-9 and information packets for approximately 1,000 Class members	\$1,950
Obtain PSD codes and determination of earned income tax for the over 2,000 municipalities	\$6,000
Additional research for internet searching for updated addresses for invalid addresses	\$40,000
Supplemental distribution of personalized mailing packets to include letter, check, W-2 form, 1099 form, envelope (including postage) at \$2.50 per unit, includes p/r tax filings and filing of amended p/r tax returns and application of p/r tax refunds -15,000 Class members	\$37,500
Reminder postcard notice for un-cashed checks from supplemental distribution	\$2,625
Project management, quality assurance and reporting to Counsel and the Court	\$49,500
Re-issue of personalized distribution packets for supplemental distribution	\$6,250
Handling of bank reconciliations, fraudulent check cashing, re-issuing W-2 and 1099's and other post distribution matters	\$29,925
QSF tax returns, tax legal support, estimated tax filings, compliance with QSF's	\$10,000
Phone charges	<u>\$7,700</u>
Total	<u>\$599,578</u>