

**IN THE SUPERIOR COURT OF THE STATE CALIFORNIA
FOR THE COUNTY OF ORANGE**

FRANCISCO SANCHEZ and GLENN DERRICK
HOPSON, individually and on behalf of all others
similarly situated,

Plaintiffs,

vs.

ARB, INC., a California corporation; and DOES 1-20
inclusive,

Defendants.

Case No.: 30-2016-00837130-CU-OE-CXC

**NOTICE OF CLASS ACTION AND
PROPOSED SETTLEMENT**

TO: All non-exempt employees employed by ARB, Inc. in California from February 22, 2015 through January 18, 2018.

**IF YOU ARE A MEMBER OF THIS CLASS OF PERSONS, YOU SHOULD READ THIS NOTICE
CAREFULLY BECAUSE IT WILL AFFECT YOUR LEGAL RIGHTS AND OBLIGATIONS**

A settlement (“Settlement”) has been proposed in the lawsuit referenced above, pending in the Superior Court for the County of Orange (“Court”) titled *Francisco Sanchez and Glenn Derrick Hopson v. ARB, Inc., et al.*, Case No. 30-2016-00837130-CU-OE-CXC (the “Action”). If the Court gives final approval to the Settlement, defendant ARB, Inc. (hereinafter “Defendant”) will provide each Class Member a payment calculated, in part, based on the number of workweeks by each Class Member as set forth in this Notice.

This Notice details your rights and options under this Settlement. If you have any questions, please contact the Settlement Administrator, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, or Class Counsel, whose contact information is provided below.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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| GET A PAYMENT | If the settlement is approved and you do nothing, you will be mailed a settlement payment. The payment will be mailed to the address where this notice was sent unless you tell the Settlement Administrator to send it to a different address. Instructions for updating your address are set forth in Section 9 below. | Although there is no formal deadline to update your address, you should update it promptly if you move. The parties cannot predict the exact dates when important correspondence or settlement payments will be mailed. |
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| DISPUTE THE NUMBER OF WORKWEEKS | If you believe that the number of Workweeks with which you have been credited is incorrect, you must submit your challenge to the number of Workweeks to the Settlement Administrator. Detailed instructions for this option are set forth in Section 12 below. | Deadline for Disputing the Number of Workweeks: August 18, 2022 |
| EXCLUDE YOURSELF | If you wish to exclude yourself from the Settlement, you must submit to the Settlement Administrator a valid Request for Exclusion. If you exclude yourself from the Settlement, you will not receive a payment under the Settlement. Excluding yourself is the only option that allows you to bring or maintain your own lawsuit against Defendant regarding the allegations in the Action. Detailed instructions for this option are set forth in Section 19 below. | Deadline for Excluding from the Settlement: September 17, 2022 |
| OBJECT | <p>If you wish to object to the Settlement, you can either submit your written objections (i.e., why you do not believe the Settlement is fair or adequate) to the Settlement Administrator or appear at the Final Approval Hearing. Objecting to the Settlement does not exclude you from the Settlement. Detailed instructions for this option are set forth in Section 20 below.</p> <p>You will receive your settlement payment if you object but the Settlement is approved by the Court.</p> | Deadline for Submitting Written Objections to the Settlement: September 17, 2022 |
| GO TO THE “FAIRNESS HEARING” | <p>The Court will hold a “Fairness Hearing” (also known as the “Final Approval Hearing”) to consider the Settlement, the request for attorneys’ fees and costs by the attorneys representing the Class in the Action, and the Representative Plaintiffs’ request for service awards for bringing and maintaining the lawsuit.</p> <p>You may, but are not required to, speak at the Fairness Hearing about any objection to the Settlement. If you wish to appear at the Fairness Hearing to object to the Settlement, you may do so either in person or through your own attorney hired at your expense.</p> | Hearing Date: October 27, 2022 |

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BACKGROUND INFORMATION

1. Why did I receive this notice?

You received this Notice because a settlement has been reached in the Action. According to Defendant's records you are a member of the Settlement Class and may be eligible for the relief detailed below.

This Notice explains the nature of the Action, the general terms of the proposed Settlement, and your legal rights and options. To obtain more information about the Settlement, including information about how you can obtain a copy of the Settlement Agreement, see Section 25 below.

2. What is this lawsuit about?

In the Action, Plaintiffs allege, with respect to all non-exempt employees who were employed by ARB, Inc. in California between February 22, 2015 and January 18, 2018, that ARB, Inc. failed to furnish accurate itemized earnings statements and failed to maintain required records under the California Labor Code during that period of time.

Defendant denies Plaintiffs' allegations in their entirety. Defendant contends that it complied with California law, that it furnished accurate itemized earnings statements, and that it maintained all required records in compliance with the California Labor Code. Defendant contends that its affirmative defenses to the Action may otherwise prevent or limit Plaintiffs' class claims.

The issuance of this Notice is not an expression of the Court's opinion on the merits or the lack of merits of Plaintiffs' claims in the Action.

For information about how to learn more about what has happened in the Action to date, please see Section 25 below.

3. Why is this a class action?

In a class action lawsuit, one or more people called "Representative Plaintiffs" (in this Action, Francisco Sanchez and Glenn Derrick Hopson are the Representative Plaintiffs) sue on behalf of other persons who allegedly have similar claims. For purposes of this proposed Settlement, one court will resolve the issues for all Class Members. The company sued in this Action, ARB, Inc., is called Defendant.

4. Why is there a settlement?

The Representative Plaintiffs, Francisco Sanchez and Glenn Derrick Hopson, have filed claims against Defendant. Defendant denies that it has done anything wrong or illegal and admit no liability. **The Court has not decided that the Plaintiffs or the Defendant should win in this Action. Instead both sides agreed to a settlement.**

5. How do I know if I am part of the Settlement?

The Court has decided that everyone who fits the following description is a Class Member for purposes of the proposed Settlement: "non-exempt employees employed by ARB, Inc. in California between February 22, 2015 and January 18, 2018."

6. I'm still not sure if I am included.

If you are still not sure whether you are included, you can contact the Settlement Administrator and/or Class Counsel for help. The contact information for the Settlement Administrator is CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, facsimile to (949) 419-3446, ARBSettlement@cptgroup.com. The contact information for Class Counsel is provided in Section 15.

THE PROPOSED SETTLEMENT

7. What relief does the Settlement provide to the Class Members?

Defendant has agreed to fund this settlement in an amount totaling Three Million Two Hundred and Fifty Thousand Dollars (\$3,250,000.00) (“Gross Settlement Amount”). This Settlement Amount will be used to pay the claims of the Class Members, and the following amounts requested by Plaintiffs and subject to Court approval: the costs of providing notice to the Class and administering the Settlement (estimated to be not more than \$30,000.00); to pay any award of attorneys’ fees (up to \$1,137,500.00) and costs (estimated to be not more than \$50,000.00) to Class Counsel; any enhancement payment, also known as a service award, awarded to the Representative Plaintiffs (up to \$15,000.00 for each Representative Plaintiff). The estimated Net Settlement Amount to be used to pay the claims of Class Members is \$2,002,500.00.

Your estimated Individual Settlement Payment was calculated using Defendant’s payroll and employee records. Individual Settlement Payments were calculated and apportioned as follows:

- (a) First, the “Net Settlement Amount” shall be calculated by subtracting the Class Representative Enhancement Payments, Attorneys’ Fees and Costs, and Settlement Administration Costs from the Gross Settlement Amount.
- (b) Second, the Net Settlement Amount will be divided by the total number of Workweeks worked by all Participating Class Members, resulting in the Workweek Value.
- (c) Third, each Class Member’s “Individual Settlement Payment” will be calculated by multiplying each individual Class Member’s Workweeks by the Workweek Value.

PAYMENT TO THE CLASS

8. How can I get a payment?

If the Settlement is approved, you will be mailed a settlement payment at the same address at which you received this notice unless you either update your address using the process described below or opt out of the settlement using the process described below. Your settlement check will be negotiable for 180 days after it is issued. If you do not cash your check during this 180-day period, the amount representing your check will be sent to the State Controller’s Office under California’s Unclaimed Property Law the name of and for the benefit of such Participating Class Members who did not cash their checks.

If you do not receive a notice in the mail, that is because the Settlement Administrator could not find a valid mailing address for you, and you may not be mailed a settlement payment. Instead, your check will be held by the Settlement Administrator for 180 days. In order to claim your check, you must contact the Settlement Administrator. If you do not claim and cash your check during this 180-day period, your check will be sent to the State Controller’s Office under California’s Unclaimed Property Law in the name of and for the benefit of such Participating Class Member who did not claim their check.

9. How do I update my address/ contact information?

If your address or other contact information has changed, it is important that you inform the Settlement Administrator of your new address. You may contact the Settlement Administrator in one of three ways to notify them of your updated address: (1) mail to CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, (2) e-mail to ARBSettlement@cptgroup.com, or (3) facsimile to (949) 419-3446. Alternatively, you may change your address at the Settlement website at www.cptgroupcaseinfo.com/ARBSettlement.

10. When will I get a payment?

As described in Sections 22 and 23, the Court will hold a fairness hearing on October 27, 2022, to decide whether to approve the Settlement. If the Court approves the Settlement, after that, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. You can check the status of the Action by contacting the Settlement Administrator or Class Counsel. *Please be patient.*

11. How much will I be paid?

Your estimated settlement payment is «estAmount».

According to Defendant's payroll records, you are a Settlement Class Member who worked approximately «WorkWeeks» Workweeks as an hourly employee during the Class Period. The Class Period is defined as the period of time between February 22, 2015 and January 18, 2018. Based on information currently available, we estimate your share of the Settlement will be approximately «estAmount». This is only an estimate. The amount you ultimately receive as part of the Settlement may increase or decrease in accordance with the terms of the Settlement and the Court's orders.

Your estimated payment was calculated as follows. First, the estimate assumes that the Net Settlement Amount used to pay the Class Members will be \$2,002,500.00. This includes the assumption that the Court will approve disbursements totaling \$1,247,500.00 for the Class Representative Enhancement Payments, Attorneys' Fees and Costs, and Settlement Administration Costs from the Gross Settlement Amount. Second, the estimate assumes, based on Defendant's records, that you worked «WorkWeeks» Workweeks between February 22, 2015 and January 18, 2018. Third, the estimate assumes, based on Defendant's records, that the total number of Workweeks worked by all Class Members between February 22, 2015 and January 18, 2018 is 89,517 Workweeks. Using those assumptions, the first step in the calculation is to divide the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, which results in the Workweek Value. The second step in the calculation is to multiply the Workweek Value by your Workweeks. The estimate is not a promise of a specific recovery, if any of the assumptions are changed then the estimate will be different. The reason that the parties want to distribute the settlement payments using this proportional method is because they believe it is the fairest practicable method of sharing the recovery.

12. What if I think I worked more Workweeks than it says in this notice?

As explained above, your final settlement payment will depend, in part, on the number of Workweeks you worked between February 22, 2015 and January 18, 2018. If you believe that you worked more Workweeks than what is indicated in this notice, you should submit your dispute in writing along with copies of any supporting records to the Settlement Administrator. You should retain originals for your own records. The Settlement Administrator will then decide the dispute between your calculation and that of Defendant. The Settlement Administrator will give significant weight to Defendant's records, but will evaluate the records submitted by you and will make the final decision as to the merits of the dispute. You can submit your dispute in writing and documentation by mail to the Settlement Administrator at: Settlement Administrator, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606. Alternatively, you may submit your written dispute via facsimile to (949) 419-3446, or you can submit your written dispute to the Settlement Administrator via e-mail to the following e-mail address: ARBSettlement@cptgroup.com. You must submit your written dispute by no later than August 18, 2022.

The Settlement Administrator will preliminarily decide whether your calculation of Workweeks or that of Defendant is accurate if disputed, with the Court ultimately ruling on disputes. The Settlement Administrator will give notice of its determination to the disputing Settlement Class Member by no later than seven (7) days of receipt of the dispute. If you still believe that the calculated number of Workweeks

is too low, you may still decide to opt out of this Settlement or to object to the Settlement as a whole on or before September 17, 2022.

13. If I receive a settlement payment will I have to pay taxes on it?

For tax purposes, your Individual Settlement Payment will be treated as penalties and interest, and will not be subject to withholdings. You will be issued a 1099 form for your Individual Settlement Payment. You should consult with a tax professional for more information about your own specific situation.

14. No retaliation or discrimination.

Defendant respects your right to participate in this lawsuit and will take no adverse or retaliatory action against you should you accept payment under the Settlement. Defendant's total payment under this Settlement will not be impacted by your decision to participate in the settlement.

THE LAWYERS IN THIS ACTION AND THE REPRESENTATIVE PLAINTIFF

15. Do I have a lawyer in this Action?

The Court has preliminarily approved the law firm of Michael H. Kim P.C. ("Class Counsel") to represent the interests of all Class Members. You will not be separately charged by these lawyers. If you have a question about the settlement, you may contact Class Counsel by writing to them at the following address:

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| <p>Michael H. Kim, Esq. Adam K. Tanouye, Esq. MICHAEL H. KIM, P.C. 475 El Camino Real, Suite 309 Millbrae, California 94030 Telephone: (650) 697-8899 Fax: (650) 697-8896 Email: mkim@mhklawyers.com</p> | <p>Ronald W. Makarem, Esq. Daniel J. Bass, Esq. MAKAREM & ASSOCIATES APLC 11601 Wilshire Boulevard, Suite 2440 Los Angeles, CA 90025-1760 Phone: (310) 312-0299 Fax: (310) 312-0296 Email: makarem@law-rm.com Email: bass@law-rm.com</p> |
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If you want you be represented by your own lawyer, you may hire one at your own expense.

16. How will the lawyers be paid?

Class Counsel will ask the Court to award up to \$1,137,500.00 for attorney's fees and up to \$50,000.00 for litigation costs. Any amount the Court awards will be paid from the Gross Settlement Amount. To the extent the award is not approved in full, any remaining balance of the fees and costs that are not awarded to Class Counsel will be added to the Net Settlement Amount and will be paid to the Participating Class Members. Defendant has agreed not to oppose the request.

17. Will the Representative Plaintiffs receive any compensation for her efforts in bringing and maintaining this Action?

The Representative Plaintiffs will each request a service award of up to \$15,000.00 for their services as class representatives and their efforts in bringing and maintaining the Action. The Court will make the final decision as to the amount to be paid to each of the Representative Plaintiffs. Any amount the Court awards will be paid from the Gross Settlement Amount. To the extent the award is not approved in full, any remaining balance of the money that is not awarded to the Representative Plaintiffs will be added to the Net Settlement Amount and will be paid to the Participating Class Members. Defendant has agreed not to oppose the request.

RELEASE OF ALL CLAIMS

18. What am I giving up to obtain relief under the Settlement?

If the Court approves the proposed Settlement, you will be releasing your claims against Defendant unless you exclude yourself from the Settlement. Specifically, you will release the class claim for failure to furnish accurate wage statements asserted in the Third Amended Complaint against the Released Parties (“Released Claims”). The Released Claims include, but are not limited to, any claims, rights, demands, liabilities, and causes of action of any kind or nature in law or in equity, under any theory, whether contract, common law, constitutional, statutory or otherwise, of any jurisdiction, foreign or domestic, whether known or unknown, anticipated or unanticipated, including for damages, restitution, penalties, interest, costs, attorneys’ fees, expenses, equitable relief, injunctive relief, and any other relief which arising from or that could have been asserted against Defendant based on the failure to furnish accurate wage statements in California during the relevant Class Period, between February 22, 2015 and January 18, 2018.

The Complaint and the Settlement Agreement, titled “Amended Joint Stipulation for Class Action Settlement and Release,” which contains the full terms of the release, are available online at www.cptgroupcaseinfo.com/ARBSettlement. You may view these documents by going to the website. Alternatively, you may contact Class Counsel or access the Court’s electronic file on the Court’s website at <https://www.occourts.org/online-services/case-access/>.

HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT

19. How do I exclude myself from the Settlement?

You may exclude yourself from the Class and the Settlement. If you want to be excluded, you must send a written request to exclude yourself from the Settlement, such as the enclosed Request for Exclusion form. In the written request to be excluded, you should provide (1) your name, home address, telephone number, and/or the last four digits of your social security number or employee identification number to verify your identification; and (2) any statement to the effect that you wish to be excluded from this Settlement. The request for exclusion must be sent to the Settlement Administrator (i.e., postmarked or delivery date stamped) by no later than September 17, 2022. This request for exclusion can be sent to the Settlement Administrator in one of three ways: (1) mail to CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, (2) e-mail to ARBSettlement@cptgroup.com, or (3) facsimile to (949) 419-3446.

If you timely request exclusion from the Settlement, you will be excluded from the Class, you will not be bound by this Settlement and any subsequent judgment entered in the Action. This means that you are free to bring your own individual claim against Defendant for any of the wage and hour violations alleged in the Action.

HOW TO OBJECT TO THE SETTLEMENT

20. How do I tell the Court that I do not like the Settlement?

At the date, time and location stated in Section 23 below, the Court will hold a Fairness Hearing to determine if the Settlement is fair, reasonable, and adequate, and also to consider Class Counsel’s request for an award of attorneys’ fees and costs, and the service awards to the Representative Plaintiffs.

If you wish to object to the fairness, reasonableness, or adequacy of the Settlement Agreement or the proposed Settlement, you may do so in one of two ways:

- (1) You may submit a written objection to the Settlement Administrator. This written objection can be sent to the Settlement Administrator in one of three ways: (1) mail to CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, (2) e-mail to ARBSettlement@cptgroup.com, or (3) facsimile to (949) 419-3446.

(2) Alternatively, you may appear in person or through an attorney and present your objection to the Court at the Fairness Hearing.

If you decide to submit a written objection, you should include (1) your name, home address, telephone number, and/or the last four digits of your social security number or employee identification number to verify your identification; and (2) any evidence and legal argument in support of your objection. The objection must be submitted to the Settlement Administrator via U.S. Mail or other delivery service with proof of submission date (such as a U.S. Postal Service postmark or other electronic transmission date and time stamp) by no later than September 17, 2022. All timely submitted objections will be submitted to the Court for consideration. You may, but need not, submit your written objection through counsel of your choice. If you make your written objection through counsel, you will be responsible for your attorneys' fees and costs.

You may also object without submitting a written objection by appearing at the final approval hearing, including by appearing through counsel. If you wish to appear at the Fairness Hearing to object to the Settlement, you may do so either in person or through your own counsel hired at your expense.

21. What is the difference between excluding myself from the Settlement and objecting to the Settlement?

Objecting is telling the Court that you don't like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you don't want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

Here are the key differences between objecting and opting out. If you object and the settlement is approved, you are entitled to a settlement payment and will be bound by the Release. If you opt out and the settlement is approved, you are not entitled to a settlement payment and will not be bound by the Release.

FAIRNESS HEARING

22. What is the Fairness Hearing?

The Court has preliminarily approved the Settlement, meaning only that it concluded that there is sufficient evidence to suggest that the Agreement falls within the range of possible approval as fair, reasonable, and adequate, and that the final determination of these issues will be made at the Fairness Hearing. The purpose of the Fairness Hearing will be for the Court to determine whether the Settlement should be approved as fair, reasonable, and adequate, and in the best interests of the Settlement Class; to consider the request for attorneys' fees and costs for Class Counsel; and to consider the request for service awards for the Representative Plaintiffs.

23. When and where is the Fairness Hearing?

The Fairness Hearing will be held on October 27, 2022, at 2:00 p.m. At the Fairness Hearing, the Court will be available to hear any objections and arguments concerning the proposed Settlement. The Fairness Hearing will take place in Department C16 of the California Superior Court, for the County of Orange, located at 700 Civic Center Drive West, Santa Ana, CA 92701. The hearing may be postponed to a different date, time or location without further notice.

24. May I speak at the hearing?

Yes. At the hearing, the Court will hear any objections and arguments concerning the fairness of the Settlement. You may attend, but you do not have to.

ADDITIONAL INFORMATION**25. How do I get more information?**

To see copies of the Settlement Agreement, the Court's Preliminary Approval and Final Approval Orders, the Motions for Preliminary Approval and for Final Approval, and the operative complaint filed in the Action, please visit the Settlement website at www.cptgroupcaseinfo.com/ARBSettlement. Alternatively, you may call, email, or fax the Settlement Administrator or Class Counsel for any questions or information about this Settlement.

Alternatively, you may access the Court's electronic file on the Court's website at <https://www.occourts.org/online-services/case-access/>.

26. What if my address or other information has changed?

It is your responsibility to inform the Settlement Administrator of your updated information. Instructions for updating your address/ contact information are provided in Section 9.

DO NOT CONTACT THE COURT, THE JUDGE, THE CLERK, OR ANY OF THE COURT'S STAFF REGARDING THIS SETTLEMENT OR THE LAWSUIT. IF YOU HAVE ANY QUESTIONS, PLEASE DIRECT ALL QUESTIONS TO EITHER THE SETTLEMENT ADMINISTRATOR OR THE CLASS COUNSEL.