

Superior Court of California, County of San Bernardino
Francisco Schiller v. Ashley Distribution Services, Ltd.
Case Nos. CIVDS2013264 & CIVDS2014776

The Superior Court for the State of California authorized this Notice.
It’s not junk mail, spam, an advertisement, or solicitation by a lawyer.
This is not a lawsuit against you and you are not being sued.

NOTICE OF CLASS ACTION SETTLEMENT AND HEARING FOR FINAL APPROVAL

To: All people employed by Ashley Distribution Services, Ltd., in California, as a non-exempt employee at any time from August 23, 2018, through September 13, 2022. **You may be eligible to receive money from an employee Class Action Settlement concerning your former or current employment with Ashley Distribution Services, Ltd. (“Ashley”). The Class Action lawsuit was filed by a former employee and seeks:**

- (A) **Class Payments.** Wages and penalties for a class of non-exempt employees who worked for Ashley during the Class Period (August 23, 2018, through September 13, 2022) (collectively “Class Members”); and
- (B) **PAGA Payments.** Civil penalties under the California Private Attorneys General Act (“PAGA”) for all non-exempt employees who worked for Ashley during the PAGA Period (April 12, 2019, to September 13, 2022) (collectively “Aggrieved Employees”).

PLEASE READ THIS NOTICE CAREFULLY

The Court has preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. You will be deemed to have carefully read and understood this Notice. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Ashley to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims.

PLEASE READ THIS NOTICE CAREFULLY

The Court has preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. You will be deemed to have carefully read and understood this Notice. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Ashley to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims.

- Based on Ashley’s records, your individual Settlement payments are estimated to be: <<EstAmount>>
- Class Payment is estimated to be <<SettAmount>> (less withholding); and
- PAGA Payment is estimated to be <<PAGAAmount>>

(If no amount is stated for your Individual PAGA Payment, then according to Ashley’s records you did not work during the PAGA Period.)

The above estimates are based on Ashley’s records showing that you worked <<Workweeks>> workweeks during the Class Period and you worked <<PAGAPeriods>> pay periods during the PAGA Period. If you believe that you

worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 13 of this Notice for more information.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if applicable). In exchange, you will give up your right to assert wage claims against Ashley that are covered by this Settlement (“Released Claims”). Your payment will be automatically mailed to you after the Court grants final approval of the Settlement.
REQUEST TO BE EXCLUDED (“OPT-OUT”) FROM CLASS SETTLEMENT The Opt-Out Deadline is April 22, 2024	If you do not want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. <i>Non-Participating Class Members cannot object to any portion of the proposed Settlement.</i> See Section 16 of this Notice for more information. You cannot opt-out of the PAGA portion of the proposed Settlement. Ashley must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
OBJECT The Objection Deadline is April 22, 2024	All Class Members who do not opt-out are “Participating Class Members” and can object to any aspect of the proposed Settlement. You have the right to object to the Settlement if you think the Settlement is unfair, unreasonable or inadequate by sending a written objection to the Settlement Administrator. <i>You cannot object to any portion of the proposed Settlement if you requested to be excluded.</i> See Section 18 of this Notice for more information.
UPDATE YOUR MAILING ADDRESS	Update your personal information with the Settlement Administrator to make sure your Settlement Payment is sent to the correct mailing address. See Section 10 of this Notice for more information.
CHALLENGE CALCULATION OF YOUR WORKWEEKS/ PAY PERIODS The Challenge Deadline is April 22, 2024	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked during the Class Period and how many pay periods you worked during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period pay periods you worked according to Ashley’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by April 22, 2024.
PARTICIPATE IN THE FINAL APPROVAL HEARING Hearing is Set For May 23, 2024 at 8:30 a.m.	The Court’s Final Approval Hearing is scheduled to take place on May 23, 2024 at 8:30 a.m. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform.

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BASIC INFORMATION

1. What Is This Lawsuit About?

This Lawsuit accuses Ashley of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and failing to provide meal periods, rest breaks, expense reimbursements, and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”).

Ashley strongly denies all allegations of the Lawsuit and contends it complied with all applicable California laws. The Settlement is not an admission that Ashley did anything wrong or an indication any law was violated.

2. What Is A Class Action?

In a class action, one or more people called Class Representatives (in this case, Plaintiff Francisco Schiller) sue on behalf of themselves and other people who may have similar claims. The group of people with similar claims are referred to collectively as a “Class.” Each person covered by the Class definition is a “Class Member.” One court resolves the issues for all Class Members, except those who ask to be excluded from the Class.

3. Why Is There A Settlement?

The Court did not decide in favor of Plaintiff or Defendant. The Parties hired an experienced, neutral mediator to resolve the Lawsuit by negotiating to end the case by agreement rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Lawsuit and enforcing the Agreement, Plaintiff and Ashley have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Ashley does not admit any violations or concede the merit of any claims.

Francisco Schiller, who was appointed the Class Representative, and his attorneys, believe the Settlement is fair, reasonable and adequate considering the strength of the claims and the risks and uncertainties of continued litigation.

4. Who Are The Parties In This Lawsuit?

Plaintiff Francisco Schiller was employed by Ashley Distribution Services, Ltd. as a non-exempt employee. Defendant Ashley Distribution Services, Ltd. was Plaintiff’s former employer.

5. Who Are The Attorneys For The Parties?

Attorneys for Plaintiff and the Class

COHELAN KHOURY & SINGER
Michael D. Singer
Rosemary C. Khoury
605 “C” Street, Suite 200 San
Diego, CA 92101

LAW OFFICES OF SAHAG MAJARIAN II
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Attorneys for Defendant
FISHER & PHILLIPS, LLP
Lonnie D. Giamela
444 South Flower Street
Suite 1500
Los Angeles, CA 90071

IMPORTANT TERMS OF THE SETTLEMENT**6. What Is The Settlement Amount?**

Gross Settlement Amount. Ashley agreed to pay a maximum amount of no more than Three Hundred and Fifty Thousand dollars (\$350,000.00) to fully and finally resolve all claims alleged in the Lawsuit (referred to as the “Gross Settlement Amount” or “GSA”). The Administrator will use the GSA to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Ashley will deposit the GSA into a Qualified Settlement Account not more than fifteen (15) calendar days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement and/or the Judgment is appealed.

Court Approved Deductions From GSA. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the GSA, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to **\$116,666.67** (33 1/3% of the GSA) to Class Counsel for attorneys’ fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses without payment.
- B. Up to **\$10,000.00** as a Class Representative Award for filing the Lawsuit, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff’s Individual Class Payment and Individual PAGA Payment.
- C. Up to **\$15,000.00** to the Administrator for services administering the Settlement.
- D. Up to **\$17,500.00** for PAGA Penalties, allocated 75% (\$13,125.00) to the LWDA PAGA Payment and 25% (\$4,375.00) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Net Settlement Distributed To Participating Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the GSA (referred to as the “Net Settlement Amount” or “NSA”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

Administrator. The Court has appointed a neutral company, CPT Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks and pay periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 22 of this Notice.

7. How Will The Administrator Calculate My Payment?

- A. **Individual Class Payments.** The Administrator will calculate Individual Class Payments by (a) dividing the NSA by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- B. **Individual PAGA Payments.** The Administrator will calculate Individual PAGA Payments by (a) dividing \$4,375.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

8. What Am I Giving Up In Exchange For My Payment?

- A. **Participating Class Members’ Release.** After the Judgment is final and Ashley has fully funded the GSA, Participating Class Members will be legally barred from asserting any of the claims released under the

Settlement against the Released Parties. The “Released Parties” means Defendant Ashley Distribution Services, Ltd. and its parents, subsidiaries, officers, shareholders, members, directors, agents, attorneys, employees, and insurers.

This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Ashley or the Released Parties for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Lawsuit and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, irrevocably and unconditionally release the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the allegations stated in the Operative Complaint and ascertained in the course of the Action.

B. Aggrieved Employees’ PAGA Release. All Aggrieved Employees (including all Non- Participating Class Members who qualify as Aggrieved Employees), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, irrevocably and unconditionally release the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the allegations stated in the Operative Complaint, the PAGA Notice and/or ascertained in the course of the Action.

HOW TO GET A SETTLEMENT PAYMENT

9. How Can I Get My Settlement Payment?

You do not need to do anything to receive your Settlement Payment. If the Court approves the Settlement at the scheduled Final Approval Hearing, your Settlement Payment will be mailed to the address this Notice was mailed to, unless you updated your address with the Administrator.

10. What If I Change My Address?

You should immediately notify the Administrator if you move or otherwise change your mailing address. It is your responsibility to keep the Administrator informed of any change in your address, as your Settlement Payment will be mailed to the last known address it has on file for you.

11. How Long Do I Get To Cash My Settlement Payment?

No more than 180 calendar days after date of mailing. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the “void date”). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be irrevocably lost to you because they will be paid to the California Controller's Unclaimed Property Fund.

12. What If I Lose My Settlement Check

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you will have no way to recover the money.

13. What If My Number Of Workweeks Or Pay Periods Is Wrong?

The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Ashley’s records, are stated in the first page of this Notice. You have until April 22, 2024, to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by

signing and sending a letter to the Administrator via mail, email or fax. Section 22 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs and/or other records. The Administrator will accept Ashley's calculation of Workweeks and/or Pay Periods based on Ashley's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Ashley's Counsel. The Administrator's decision is final.

EXCLUDING YOURSELF FROM THE SETTLEMENT

14. Can I Exclude Myself From The Class Portion Of The Settlement?

Yes. If you wish to pursue a separate lawsuit, with a separate attorney at your own expense, or do not want to participate in the class portion of the Settlement for other reasons, you have the option to exclude yourself (that is, "opt out" of the Settlement).

An Excluded Class Member (i.e., Non-Participating Class Member) will not receive an Individual Class Payment, but will preserve his or her rights to personally pursue wage and hour claims against Ashley.

15. Can I Exclude Myself From The PAGA Portion Of The Settlement?

No. You **cannot** opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Ashley based on the PAGA Period facts alleged in the Lawsuit.

16. How Do I Exclude Myself From The Settlement?

To opt out and exclude yourself from the Class Action Settlement, you must provide a signed and dated letter to the Settlement Administrator requesting exclusion. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's full name, present address, telephone number, and a simple statement electing to be excluded from the Settlement.

It must be addressed to the Administrator and postmarked on or before **April 22, 2024**.
Requests for exclusion postmarked after this date may be disregarded.

OBJECTING TO THE SETTLEMENT

17. Can I Object If I Do Not Think The Settlement Is Fair?

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low.

Before deciding whether to object, you may wish to see what Plaintiff and Ashley are asking the Court to approve. At least 16 days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award.

18. How Do I Object To The Settlement?

Only Participating Class Members have the right to object to the Settlement. If you do not think the Settlement is fair, you can object to the Settlement to advise the Court that you do not agree with the Settlement or some part of it. To object, you must state what your objection(s) are to the Settlement, and include the case name and number: Schiller v. Ashley Distribution Services Ltd., Case Nos. CIVDS2013264 & CIVDS2014776. Be sure to include your full name, current address and telephone number, and the specific reasons you object to the Settlement. It must be addressed to the Administrator and postmarked on or before April 22, 2024.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 19 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

THE COURT'S FINAL FAIRNESS HEARING

19. When And Where Will The Court Decide Whether To Approve The Settlement?

The Court will hold a Final Approval hearing in Department 26 of the Superior Court of California, County of San Bernardino, San Bernardino Justice Center, located at 247 West Third Street, San Bernardino, CA 92415, on May 23, 2024, at 8:30 a.m.

At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representative's service payment, and the Administrator's fees and expenses. The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has submitted an objection will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval hearing.

20. Do I Need To Attend The Hearing?

No. Class Counsel will answer any questions the Judge may have. But you are welcome to attend at your own expense. You may also hire and pay your own lawyer to attend.

21. May I Speak At The Hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. You cannot speak at the hearing if you have excluded yourself from the Settlement.

GETTING MORE INFORMATION

22. Who May I Contact If I Have Questions About The Settlement?

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

For more information or if you have specific questions, please contact the attorneys for Plaintiff and the Class, or the Settlement Administrator.

Attorneys for Plaintiff and the Class

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SETTLEMENT ADMINISTRATOR

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