

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

ELIJAH BEY, on behalf of himself and all others
similarly situated,
Plaintiff,
vs.
MOSAIC SALES SOLUTIONS US OPERATING
CO., LLC, a Delaware limited liability company, and
DOES 1 through 100, inclusive.
Defendants.

Case No.: 2:16 CV 06024 FMO RAO

**NOTICE OF PROPOSED CLASS ACTION
SETTLEMENT**

To: **All persons who, from November 20, 2011, up to and including June 20, 2019 (the “Class Period”) who have been or currently are employed in California by Mosaic Sales Solutions U.S. Operating Co., LLC (“Mosaic” or “Defendant”) as “non-exempt” Brand Ambassadors, Field Specialists, and/or all other persons who performed similar duties and who were classified as “nonexempt” from overtime and other wage laws. If you fall within this definition, you are a “Class Member.”**

**PLEASE READ THIS NOTICE CAREFULLY
IT MAY AFFECT YOUR LEGAL RIGHTS
YOU MAY BE ENTITLED TO MONEY FROM THIS SETTLEMENT**

I. INTRODUCTION

A proposed class action settlement (the “Settlement”) of the above-captioned action (the “Action”) pending in the United States District Court for the Central District of California (the “Court”), has been reached by the parties and has been granted preliminary approval by the Court supervising the Action.

A final fairness hearing regarding the settlement will be held on November 7, 2019 to determine whether the Settlement should be granted final approval.

Records of Mosaic show that you were employed by Mosaic as a non-exempt employee in California as a Brand Ambassador, Field Specialist, or similar position between November 20, 2011 and the June 20, 2019, and therefore may be eligible to receive money from the settlement.

As a Class Member, you are entitled to money under the Settlement, and you will be sent checks, unless you “opt out” of participating in the settlement. The settlement affects your legal rights, and the purpose of this Notice is to: (1) describe the Action; (2) inform you of the terms of the Settlement; and (3) inform you of your rights and options in connection with the Settlement. You are encouraged to carefully read this Notice and understand your rights.

Mosaic will not retaliate against, or view in disfavor, any employee who participates in this Settlement. Mosaic has agreed to pay the full amount of the Settlement even if some employees opt out of participating in the settlement. Accordingly, Mosaic will not pay less if you opt out.

II. SUMMARY OF THE ACTION

In the Action, Plaintiff Elijah Bey (“Plaintiff”) contends that: (1) Mosaic did not pay Class Members wages for all hours worked; (2) Mosaic did not pay Class Members for all overtime hours worked; (3) Mosaic did not provide Class Members legally-compliant meal periods; (4) Mosaic did not provide Class Members rest periods as required by law; (5) Mosaic did not provide Class Members accurate itemized wage statements as required by law; (6) Mosaic engaged in unfair business practices and competition based on the foregoing; (7) Plaintiff and other employees are entitled to recover civil penalties under the California Labor Code Private Attorney General Act (PAGA) based on the foregoing; (8) Mosaic failed to pay Class Members all earned wages at the time of discharge or quitting as required by California law; and (9) there were unfair business practices based on the foregoing.

Plaintiff sought to maintain a class action for claims on behalf of himself and all persons who are, or have been, employed by Mosaic as a Brand Ambassador, Field Specialist, or other non-exempt employees performing similar duties in the State of California beginning November 20, 2011 through June 20, 2019.

Mosaic denies any liability or wrongdoing of any kind in connection with Plaintiff's claims, and contends that, during all relevant times, it provided employees with meal and rest breaks as required by California law, has paid its employees all wages and overtime wages earned, has provided accurate wage statements, and complied in all other respects with California and federal law.

The Court has not ruled on the merits of Plaintiff's claims and has not expressed any opinion regarding whether Plaintiff's claims are correct.

The Parties to this Action have voluntarily agreed upon a tentative settlement of the claims asserted by Plaintiff. By agreeing to this Settlement, Mosaic has not admitted to any wrongdoing and continues to dispute that any of Plaintiff's allegations have any merit or factual support. The Parties have agreed to this Settlement solely to avoid the legal expense of litigation. The Parties have stipulated to class certification solely for the purpose of effectuating this Settlement and, should the Settlement not be approved by the Court or effectuated, the stipulation for class certification for settlement purposes shall have no effect and be null and void.

The Court granted preliminary approval of the Settlement on June 20, 2019. At that time, the Court also preliminarily approved Plaintiff to serve as Class Representative, and the law firm Bradley/Grombacher, LLP to serve as Class Counsel.

The Court also scheduled a Final Fairness Hearing on the Settlement at 10:00 a.m. on November 7, 2019 in Courtroom 6D, United States District Court, Central District of California located in Los Angeles, California, at which time the Court will decide whether to grant final approval of the Settlement.

III. SUMMARY OF SETTLEMENT TERMS

Settlement Amount. Mosaic has agreed to pay Three Million Dollars (\$3,000,000.00) (the "Settlement Amount") to fully resolve the claims in the Action. This Settlement Amount includes settlement administration costs, attorneys' fees, litigation expenses, a Class Representative service enhancement payment, and a payment to the California Labor and Workforce Development Agency as outlined below. The Court has tentatively approved certain payments to be made from the Settlement Amount as follows, which will be subject to final Court approval:

- Settlement administration. Payment to the Settlement Administrator, which is estimated to be approximately \$36,500.00, for the expense of notifying the Class Members of the Settlement and processing payments to and opt-outs submitted by Class Members.
- Attorneys' Fees and Expenses. Class Counsel will make a request to the Court for approval of reasonable attorneys' fees of up to \$900,000.00, or 30% of the Settlement Amount, and litigation costs not to exceed \$15,000.00 as compensation for the work Class Counsel performed in this Action, and will continue to perform through settlement finalization. Class Counsel have been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Payment. A Service Payment of up to \$5,000.00 to Plaintiff Bey to compensate him for his services on behalf of the Class Members in initiating and prosecuting the Action. This payment is in addition to whatever payments Plaintiff otherwise is entitled to as a Class Member.
- Payment to the LWDA. A payment to the California Labor & Workforce Development Agency in the amount of \$15,000.00 to settle claims under the California Labor Code Private Attorneys General Act.

What remains after the above deductions from the Settlement Amount is referred to as the Net Settlement Amount, which will be apportioned amongst the Class Members on a pro rata basis based upon length of employment during the Class Period.

Calculation of Class Member Awards. The Net Settlement Amount shall be apportioned among Class Members based on the number of weeks they worked any day in a week as a non-exempt employee for Mosaic in a relevant job position from November 20, 2011 and June 20, 2019 as reflected in Mosaic's records ("Weeks"). The Settlement Administrator will calculate the total collective number of Weeks for all Class Members ("Total Weeks"), and then divide the Net Settlement Amount by the Total Weeks ("Value Per Week"). Each Class Member's share of the Net Settlement Amount shall be determined by multiplying the Class Member's Weeks by the Value Per Week.

Automatic Payments to Class Members. You are not required to submit a claim form in order to receive money pursuant to this Settlement. If the Court grants final approval of the Settlement, you will thereafter receive your share of the settlement in the mail, unless you timely opt out. Mosaic's records reflect that you worked <<Workweeks>> Weeks as an hourly employee during the period November 20, 2011 through June 20, 2019. Based on this number of Workweeks it is estimated that your share of the settlement is <<EstAmount>>. The sum of the checks that you receive will be less than this amount because there will be withholding for payroll and employment taxes. Uncashed settlement checks will be paid to the State Controller's Unclaimed Property Fund.

If you disagree with the information in the preceding paragraph regarding your Weeks and employment status, you may produce evidence to the Settlement Administrator supporting your disagreement. Mosaic's records will be presumed correct unless you provide evidence that the Defendant's records are wrong. If you do, the Settlement Administrator will evaluate the evidence submitted and make the final decision. Any evidence supporting any disagreement with the information regarding your Weeks and employment status must be submitted by you to the Settlement Administrator by fax, mail or email no later than 45 calendar days after this Notice was mailed to you by the Settlement Administrator. The name and mailing address of the Settlement Administrator is: Bey v. Mosaic Sales Solutions Settlement, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606. The Settlement Administrator's toll free number is 1-888-814-2136, Fax Number is (949) 419-3446, and Email Address is ClassMemberquestions@cptgroup.com.

Tax Matters. For tax purposes, one third of the Settlement payment to each Class Member will be treated as payment for unpaid wages, one third will be treated as payment for interest and penalties, and one-third will be for other non-wage compensation. Class Members should consult with their tax advisors concerning the tax consequences, if any, of the payments they receive under the Settlement. Neither Class Counsel nor Defendant's Counsel are providing or will provide tax advice to Class Members.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order finally approving the Settlement.

IV. RECEIVING MONEY FROM THE SETTLEMENT

As explained above, Class Members do not need to do anything to claim money from the Settlement. Rather, they will receive their money unless they affirmatively opt-out of the Settlement.

Class Members who do not opt-out will receive one check. If you do not negotiate the check, you still will be bound by the terms of the Release set forth in Section VII of this Notice. **The only way not to be bound by the Settlement is to opt out;** however, regardless of whether you opt out, you will still be sent a check representing your portion of the penalties under PAGA and you will not be able to pursue PAGA penalties for the same claims released in this Settlement, as you cannot opt out of the PAGA settlement.

If your check gets lost, stolen, or destroyed before you negotiate it, you may request a replacement check from the Settlement Administrator. Your request for a replacement check must be made by written declaration, under penalty of perjury, that the initially-issued check was lost, stolen, or destroyed, and must be mailed to the Settlement Administrator within 120 days of issuance of the initial check. The name and mailing address of the Settlement Administrator is: Bey v. Mosaic Sales Solutions Settlement, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606. A replacement check will be issued only one time for any particular class member. To avoid the risk of double payment, the Settlement Administrator will put a stop payment on any checks to be reissued before reissuing the checks.

V. RIGHT TO OPT OUT

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement by “opting out.” **If you opt out, you will receive no money from the Settlement, and you will not be bound by its terms.** However, regardless of whether you opt out, you will still be sent a check representing your portion of the penalties under PAGA and you will not be able to pursue PAGA penalties for the same claims released in this Settlement, as you cannot opt out of the PAGA settlement.

If you opt out of the Settlement, you will no longer be a Class Member, you will be barred from participating in this Settlement, and you will receive no benefit from this Settlement. By opting out of the Settlement, you will retain whatever rights or claims you may have, if any, against Mosaic, and you will be free to attempt to pursue them on an individual basis at your own cost, if you choose to do so. Employees who opt out will have their portion of the settlement re-distributed to the Net Settlement Amount, which will go to the Settlement Class Members who do not opt out.

If you wish to opt-out of participating in this Settlement, you may sign, date, and return the “Request for Exclusion” form you received with this Notice. In the alternative, you may send a written request to the Settlement Administrator which must: (a) contain your name, address, and telephone number; (b) state that you request exclusion from the class; (c) be addressed to the Settlement Administrator at the address indicated below; and (d) be **signed** by you. The opt out request must be **postmarked** no later than **October 1, 2019**.

The name and address of the Settlement Administrator is: *Bey v. Mosaic Sales Solutions Settlement*, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

VI. RIGHT TO OBJECT

If you are a Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court, you can ask the Court to deny approval by filing an objection. You can’t ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

You can also object to the attorneys’ fees and costs sought by Class Counsel. Class Counsel will file their request for attorneys’ fees by August 30, 2019. You can also object to the requested Class Representative Service Payment.

You may object to the proposed settlement or to Class Counsel’s request for attorneys’ fees and the Class Representative Service Award in writing. If you do object in writing, you may also appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Bey v. Mosaic Sales Solutions U.S. Operating Co. LLC*, Case Number 2:16-CV-06024-FMO-RAO), (b) be submitted to the Court by mailing them to the Class Action Clerk, United States District Court for the Central District of California, 350 W 1st Street, Suite 4311 Los Angeles, CA 90012, and (c) be postmarked on or before **October 1, 2019**.

Objections not previously sent in writing in a timely manner as described above will not be considered by the Court. Any attorney who intends to represent an individual objecting to the Settlement or to Class Counsel’s request for attorneys’ fees must file a notice of appearance with the Court and serve counsel for all parties on or before October 24, 2019 at the following addresses:

<p><u>Class Counsel:</u> Marcus J. Bradley, Esq. Kiley L. Grombacher, Esq. Bradley/Grombacher, LLP 2815 Townsgate Road, Suite 130 Westlake Village, CA 91361 (805) 212-5124 mbradley@bradleygrombacher.com kgrombacher@bradleygrombacher.com</p>	<p><u>Counsel for Mosaic:</u> McGuireWoods LLP Michael D. Mandel 1800 Century Park East, 8th Floor Los Angeles, California 90067 (310) 315-8200 mmandel@mcguirewoods.com</p>
--	--

All objections or other correspondence must state the name and number of the case, which is *Bey v. Mosaic Sales Solutions U.S. Operating Co. LLC*, United States District Court Central District of California, Case No. 2:16-cv-06024-FMO-RAO. If you object to the Settlement or to Class Counsel's request for attorneys' fees, you will remain a Class Member, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided above shall have waived any objection, whether appeal or otherwise, to the Settlement and the attorneys' fees sought by Class Counsel.

VII. RELEASES

Release. Settlement Class Members who do not opt out will be bound by the following release:

Upon final approval by the Court, each Settlement Class member who has not opted-out of the settlement and the LWDA will release Mosaic Sales Solutions US Operating Co., LLC, and all of its present and former parent companies, subsidiaries, shareholders, officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, affiliates, and successors and assigns of Defendant and its affiliates and its parent companies (including without limitation, Acosta, Inc. and Mosaic Parent Holdings, Inc.), and all persons acting under, by, through, or in concert with any of them, from all claims, demands, rights, liabilities, and causes of action that were asserted in the Fifth Amended Complaint, and all violations asserted in any notice sent to the LWDA referenced in any such pleadings on behalf of Plaintiff and the Settlement Class members, and any additional claims that could have been brought based on the facts alleged in the Fifth Amended Complaint and notice sent to the LWDA referenced in any such pleadings through the date of the Final Approval of this Settlement Agreement

The released claims include but are not limited to, claims for: alleged failure to pay minimum wage for all hours worked; alleged failure to properly calculate and/or pay overtime wages; alleged failure to provide legally-compliant meal and rest breaks or pay premium wages for same; alleged failure to timely, properly or otherwise provide accurate itemized wage statements to the Plaintiffs and/or Plaintiff Class members; alleged failure to keep records properly concerning time worked and/or breaks taken by the Plaintiff and/or Settlement Class members; alleged failure to pay all wages owed at the time of termination; alleged unfair competition predicated on the facts alleged in the Fifth Amended Complaint and alleged civil or other penalties predicated on the facts alleged in the Fifth Amended Complaint and any notice to the LWDA referenced in such pleadings.

Notwithstanding the foregoing, upon occurrence of the Effective Date, the LWDA and all Settlement Class members, regardless of whether they opted out of the Settlement as it pertains to the putative class claims, shall be deemed to have released all claims for civil penalties under PAGA.

VIII. HEARING ON THE SETTLEMENT

The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held at 10:00 a.m. on November 7, 2019 in Courtroom 6D, United States District Court Central District of California, 350 W. 1st Street, 6th Floor, Los Angeles, CA 90012. You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

IX. ADDITIONAL INFORMATION

This notice summarizes the proposed settlement. If there are any discrepancies between this Notice and the Settlement Agreement, the Settlement Agreement shall control. For the precise terms and conditions of the settlement, please see the settlement agreement available at www.cptgroup.com/BrandAmbassadorSettlement, by contacting Class Counsel at (805) 212-5124, or by visiting the office of the Clerk of the Court for the United States District Court for the Central District of California, 350 W. 1st Street, Suite 4311, Los Angeles, CA 90012, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.