

**IMPORTANT LEGAL NOTICE
NOTICE OF CLASS ACTION SETTLEMENT**

You are not being sued. This notice affects your rights. Please read it carefully

To: All roofers and gutters employed by Nushake, Inc. ("Defendant"), within the state of California from November 15, 2009 through March 9, 2017.

The Superior Court of the State of California, County of San Joaquin (the "Court") has preliminarily approved a proposed class action settlement that may affect you. Records show that you were employed by Defendant between November 15, 2009 and March 9, 2017 (the "Class Period"). The purpose of this Notice is to inform you of the Class Settlement of this Action and your legal rights and options as a Class Member.

IN ORDER TO CLAIM YOUR SHARE OF ANY MONEY FROM THE SETTLEMENT YOU MUST RETURN THE ATTACHED CLAIM FORM, POSTMARKED BY AUGUST 4, 2018.

If you fail to file a timely Claim Form, you will receive no payment under the Class Settlement, but you will be bound by its terms unless you request exclusion from the Class. An estimate of your Settlement Award can be found on the enclosed Claim Form.

SUMMARY OF THE CASE

Plaintiffs Adam Mitchell and Francisco Sanchez sued Defendant on behalf of themselves and the Class Members for violations of the California Labor Code, Wage Orders of the Industrial Welfare Commission, and Business and Professions Code, alleging unpaid wages and overtime, missed meal and rest periods, unreimbursed business expenses, inaccurate itemized wage statements, wages not timely paid during employment, late final paychecks, and other related penalties. The Action seeks damages for lost wages, restitution, interest, penalties, injunctive relief, attorneys' fees and expenses and other relief.

After extensive investigation, exchange of relevant information, and mediation with a neutral third party, the Parties reached the Class Settlement that is memorialized in the Settlement Agreement on file with the Court, and whose terms are generally summarized in this Notice. The Parties each believe their positions have merit, and the Court has made no ruling on the merits of the claims or defenses and has determined only that certification of the Class for settlement purposes is appropriate under California law.

SUMMARY OF SETTLEMENT TERMS

Class Settlement Amount. Defendants will pay \$175,000.00 to fully resolve the claims in the Action. The following deductions will be made from the Gross Maximum Settlement Amount:

- The Court has tentatively approved a payment not to exceed \$15,000 to the Settlement Administrator, CPT Group, Inc. for the costs incurred in notifying the Class and processing claims.
- The Court preliminarily appointed the following counsel as Class Counsel to represent the Class in this Action:

David Yeremian & Associates, Inc.
535 N. Brand Blvd., Suite 705
Glendale, California 91203
Telephone: (818) 230-8380

Class Counsel will ask the Court to approve a Fee and Expense Award of \$58,333.33, plus reimbursement of the actual litigation costs/expenses they have incurred (estimated to be \$12,000.00). Class Counsel have been prosecuting the Action on behalf of the Class on a contingency fee basis (that is, without being paid to date) while advancing litigation costs and expenses.

- Class Counsel will also ask the Court to approve an Incentive Award in the amount of \$5,000.00 to each named plaintiff, Adam Mitchell and Francisco Sanchez for acting as representatives on behalf of the Class and spending time assisting with the lawsuit.
- A payment of \$2,500.00 attributed to penalties under California Labor Code's Private Attorneys General Act of 2004 ("PAGA"). 75% of the PAGA Payment will be paid to California's Labor and Workforce Development Agency, and 25% of the PAGA Payment will be paid to Authorized Claimants.

Allocation to Class Members. After the deductions described above, the net settlement sum is estimated to be \$86,504.34¹. Those who submit Claim Forms will receive a Settlement Award based on the number of weeks worked as a Class Member. For tax purposes, the payment will be allocated as follows: 1/3 to settlement of wage claims, which portion will be subject to required tax withholdings, and 2/3 to settlement of claims for interest and penalties, which portion will be paid without withholding any amount. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Class Settlement.

Timing of Individual Settlement Payments. Because Defendants are funding the Gross Maximum Settlement Amount on a payment plan, each Class Member's Settlement Share is expected to be mailed around December 10, 2019.

CLASS RELEASED CLAIMS

If approved by the Court, the Class Settlement will bar any Class Member who does not timely opt out of the Class Settlement from bringing certain claims against Defendants. The Class Settlement will fully release and discharge Defendants, their past or present officers, directors, shareholders, employees, agents, attorneys, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (the "Released Parties") from all claims, demands, rights, liabilities, and causes of action that were or could have been asserted (whether statutory, in tort, contract, or otherwise), whether known or unknown, for violation of local, state or federal law arising out of, or relating to, the facts and allegations pled in the operative complaint that Defendants failed to pay minimum wages, failed to pay all wages due, failed to pay overtime wages due, failed to provide meal periods, failed to authorize and permit rest breaks, failed to keep records properly concerning time worked and wages paid, failed to provide accurate itemized wage statements, failed to provide timely or accurate final paychecks, failed to pay wages timely, failed to reimburse business expenses, and/or engaged in unfair business practices, and for penalties under the Private Attorney General Act at any time on or before March 9, 2017.

The Settlement Class Members agree not to sue or otherwise make a claim against any of the Released Parties for the Class Released Claims. The Settlement Awards shall be paid specifically in exchange for the release of the Released Parties from the Class Released Claims and for the covenant not to sue concerning the Class Released Claims.

YOUR OPTIONS UNDER THE SETTLEMENT

You have a few different options under the settlement. If you are a currently employed by Defendant, Defendant will not retaliate against you in any way if you choose to submit a claim form and participate in the settlement. How you respond is completely up to you.

Option 1 – Submit the Enclosed Claim Form for Payment

If you want to receive money from the Class Settlement, you must complete and sign the enclosed Claim Form. You need to complete the Claim Form and promptly fax or mail it to the Settlement Administrator postmarked no later than August 4, 2018.

¹ This amount differs from the initial net settlement sum of \$77,791.67. Pursuant to Paragraph III(S) of the executed Joint Stipulation, Defendants have agreed to make two additional payments of \$4,356.34 and \$4,356.33 (\$8,712.67 total) as the number of final work weeks has triggered the provision which requires an increase in the net settlement fund.

If you choose **Option 1**, and if the Court grants Final Approval of the Class Settlement, you will be mailed a check for your Settlement Award. In addition, you will be deemed to have released or waived the Class Released Claims against the Released Parties.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Class Settlement, you may submit a request for exclusion to the Settlement Administrator expressly and clearly indicating that you have received this Notice, decided not to participate in the Settlement, and want to be excluded from the Settlement. The written request for exclusion must set forth your name, address, telephone number and last four digits of your social security number. You must sign, date, and mail the request by First Class U.S. Mail or equivalent no later than August 4, 2018, to the Settlement Administrator.

If you choose **Option 2**, you will no longer be a Class Member. You will not be deemed to have released the Class Released Claims, you will not receive a Settlement Award, and you will be barred from filing an Objection to the Class Settlement.

Option 3 – File an Objection

If you wish to object to the Class Settlement, you may mail an Objection to the Settlement Administrator stating why you object to the Settlement. Your objection must state your full name, address, telephone number, dates of employment with Defendant, and the basis for your objection.

All Objections must be mailed not later than August 4, 2018. Late Objections will not be considered. By filing an Objection, you are not excluding yourself from the Class Settlement. To exclude yourself from the Class Settlement, you must follow the directions described above. Please note that you cannot both object to the Class Settlement and exclude yourself. You must choose one option only.

If you submit a valid and timely Objection, you may also, if you wish, appear at the Final Approval hearing on the Class Settlement, set for September 6, 2018 at 9:00 a.m. in Department 41 of the San Joaquin County Superior Court at 222 E. Weber Avenue, Stockton California 95202 and discuss your Objection with the Court and the Parties at your own expense. The date and time of the hearing may change without notice. Please visit www.cptgroup.com/NushakeSettlement for any updates.

If you choose **Option 3**, you may still receive a Settlement Award, but only if you complete your Claim Form and postmark it by August 4, 2018. If the Court overrules your Objection, you will be deemed to have released the Class Released Claims against the Released Parties.

Option 4 – Do Nothing

You may also choose to do nothing. However, if you do nothing and if the Court grants Final Approval of the Class Settlement, you will be deemed to have released the Class Released Claims against the Released Parties even though you will not receive money from the Class Settlement.

ADDITIONAL INFORMATION

This Class Notice is only a summary of the Action and the Class Settlement. For a more detailed statement of the matters involved in the Action and the Class Settlement, you may refer to the pleadings, the Settlement Agreement, and other papers filed in the Action, which may be inspected at the Office of the Clerk of the San Joaquin County Superior Court 222 E. Weber Avenue, Stockton California 95202, during regular business hours of each court day.

Information pertaining to this Class Settlement, including a copy of the complete settlement agreement, is also available online at www.cptgroup.com/NushakeSettlement. Additional copies of this Notice and Claim Form can also be downloaded at this website.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

DATED: January 31, 2018

BY ORDER OF THE COURT
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN JOAQUIN