

CALIFORNIA SUPERIOR COURT, COUNTY OF SANTA CLARA
Blea v. Pacific Groservice, Inc. et al.
Case No. 20CV375150

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you, and you are not being sued.
However, your legal rights are affected by whether you act or don't act.

TO: All hourly-paid or non-exempt employees employed by Pacific Groservice, Inc. and Pittsburg Wholesale Grocers, Inc. d/b/a Pitco Foods within the State of California from December 28, 2016 to July 27, 2022.

The California Superior Court, County of Santa Clara, has granted preliminary approval of a proposed settlement ("Settlement") of the above-captioned class and representative action (referred to in this Notice as the "Class Action"). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class and Representative Action Settlement ("Notice") carefully.

The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS AND REPRESENTATIVE ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

Table with 2 columns: Field Name and Value. Fields include: Your Individual Settlement Share, Your Number of Weeks Worked as a Class Member, Your Individual PAGA Payment, and Your Number of pay periods worked as an Eligible Aggrieved Employee.

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**1. Why Have I Received This Notice?**

The personnel records of Pacific Groservice, Inc. and Pittsburg Wholesale Grocers, Inc. d/b/a Pitco Foods (“Defendants”) indicate that you may be a Class Member and therefore eligible to receive money from a class and representative action lawsuit against Defendants, entitled *Blea v. Pacific Groservice, Inc. et al.* (“Class Action”). You are a Class Member if you were employed by Defendants as an hourly-paid or non-exempt employee within the State of California at any time during the period from December 28, 2016, to July 27, 2022 (“Class Period”). You are an Eligible Aggrieved Employee if you were employed by Defendants as an hourly-paid or non-exempt employee within the State of California at any time during the period from August 19, 2019, to July 27, 2022 (the “PAGA Period”).

Defendants strongly deny the allegations set forth in the Class Action, and the Court has not decided whether there is any merit to the allegations. Nevertheless, to avoid the costs of continued litigation, the parties have agreed to settle the lawsuit. Preliminary approval of the Class Action was granted on December 9, 2022, in the Santa Clara County Superior Court. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court has determined that there is sufficient evidence to suggest that the proposed Settlement may be fair, adequate, and reasonable and that any final determination of those issues will be made at the Final Approval Hearing.

The Court will hold a Final Approval Hearing concerning the proposed Settlement on June 8, 2023 at 1:30 p.m., before the Honorable Sunil R. Kulkarni in Department 1, at the Santa Clara County Superior Court — Downtown Superior Courthouse, located at 191 North First Street, San Jose California, 95113.

**2. What Are My Options?**

The purpose of this Notice is to inform you of the proposed Settlement and your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

**Important Note: Defendants will not retaliate against you in any way for either participating or not participating in this Settlement.**

OPTIONS	CLASS MEMBERS	ELIGIBLE AGGRIEVED EMPLOYEES
<b>DO NOTHING</b>	If you do nothing and the Court grants final approval of the Settlement, you will become part of the Class Action, and the Settlement Administrator will mail you a check for your Individual Settlement Share, which will be based on the total number of weeks you worked as a Class Member during the Class Period, at your address of record. You will give up your right to pursue the Released Claims as defined in Section No. 9 below, meaning you will be unable to sue the Released Parties, including Defendants, for the Released Claims.	If you do nothing and the Court grants final approval of the Settlement, you will become part of the Class Action, and the Settlement Administrator will mail you a check for your Individual PAGA Payment, which will be based on the total number of pay periods you worked as an Eligible Aggrieved Employee during the PAGA Period, at your address of record. You will give up your right to pursue the PAGA Released Claims as defined in Section No. 9 below, meaning you will be unable to sue the Released Parties, including Defendants, for the PAGA Released Claims.

<p><b>DISPUTE WORKWEEK/PAY PERIOD CALCULATIONS AND/OR INDIVIDUAL SETTLEMENT SHARES/INDIVIDUAL PAGA PAYMENTS</b></p>	<p>If you believe the number of workweeks with which you have been credited, and thereby the amount of your Individual Settlement Share, as provided in this Notice, is inaccurate, you may dispute this information. The procedure for disputing this information is described in Section No. 6 below.</p>	<p>If you believe the number of pay periods with which you have been credited, and thereby the amount of your Individual PAGA Payment, as provided in this Notice, is inaccurate, you may dispute this information. The procedure for disputing this information is described in Section No. 6 below.</p>
<p><b>OBJECT</b></p>	<p>You may object to the class portion of the proposed Settlement. If you would like to object, you may not opt out of the class portion of the Settlement. The procedure for objecting to the proposed Settlement is described in Section No. 7 below. If you object and the Court approves the proposed Settlement, the Settlement Administrator will mail you your Individual Settlement Share check, and you will give up your right to sue the Released Parties, including Defendants, for the Released Claims as defined in Section No. 9 below.</p>	<p>You do not have the right to object to the PAGA portion of the proposed Settlement. If the Court approves the proposed Settlement, the Settlement Administrator will mail you your Individual PAGA Payment check, and you will give up your right to sue the Released Parties, including Defendants, for the PAGA Released Claims as defined in Section No. 9 below. However, the Court will still hear and consider objections to the PAGA portion of the proposed Settlement.</p>
<p><b>REQUEST EXCLUSION (“OPT OUT”)</b></p>	<p>If you do not want to participate in the class portion of the proposed Settlement, you may request exclusion from, or opt out of, the class portion of the proposed Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator will not mail you an Individual Settlement Share, and you will not give up the right to sue the Released Parties, including Defendants, for any of the Released Claims as defined in Section No. 9 below. The procedure for requesting exclusion from the class portion of the proposed Settlement is described in Section No. 8 below.</p>	<p>You do not have the right to request exclusion from, or opt out of, the PAGA portion of the proposed Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator will mail you your Individual PAGA Payment check, and you will give up the right to sue the Released Parties, including Defendants, for the PAGA Released Claims as defined in Section No. 9 below. Eligible Aggrieved Employees who opt out of the class portion of the proposed Settlement will still be mailed their Individual PAGA Payment checks and will give up the right to sue the Released Parties for the PAGA Released Claims.</p>

**3. What Is This Case About?**

Plaintiff Jacob Blea (“Plaintiff”), a former employee of Defendants, commenced this class and representative action lawsuit against Defendants for alleged wage-and-hour violations in the Santa Clara County Superior Court (Case Number 20CV375150).

Plaintiff’s lawsuit against Defendants sought civil penalties, attorneys’ fees and other relief based on alleged violations of the Labor Code section 2698, *et seq.*, (Private Attorneys General Act of 2004 (“PAGA”)) for underlying violations of the Labor Code, including: (1) failure to pay overtime; (2) failure to provide meal period premiums; (3) failure to provide rest break premiums; (4) failure to pay minimum wages; (5) failure to timely pay final wages to terminated employees; (6) failure to comply with employee wage statement provisions of the Labor Code; (7) failure to reimburse business expenses; and (8) violation of the Unfair Competition Law. On May 11, 2022, Plaintiff amended his complaint to add several wage-and-hour class action causes of action alleging Defendants’ violation of the Labor Code as alleged in his representative PAGA Complaint.

The Court has not determined whether the claims advanced by Plaintiff have any merit. Nor has it decided whether this case could proceed as a class or representative action. Instead, both sides agreed to resolve the Class Action with no decision or admission of who is right or wrong.

In other words, the Court has not determined that Defendants violated any laws, nor has it decided in favor of Plaintiff or Defendants (“Parties”). Instead, both sides have agreed to resolve the Class Action with no decision or admission of who is right or wrong. By agreeing to resolve the Class Action, the Parties avoid the risks and costs of a trial.

Defendants deny all allegations made by Plaintiff, individually and on behalf of Class Members, in the Class Action and deny liability for any wrongdoing with respect to the alleged facts or causes of action asserted in the Class Action. The Settlement is not an admission by Defendants of any wrongdoing or an indication that any law has been violated.

**4. How Does This Settlement Work?**

In the Class Action, Plaintiff sued on behalf of himself and all other similarly situated employees who were employed by Defendants as hourly-paid or non-exempt employees within the State of California at any time during the Class Period. Plaintiff and other current and former employees comprise a “Class” and are “Class Members.”

The proposed Settlement has a class portion and a representative (PAGA) portion. Pursuant to the class portion of the Settlement, all Class Members who do not exclude themselves from the class portion of the Settlement by requesting to be excluded in the manner set forth in Section No. 8 below (“Participating Class Members”), will be paid Individual Settlement Shares and will release the Released Parties from the Released Claims described in Section No. 9 below. Pursuant to the representative (PAGA) portion of the Settlement, all Eligible Aggrieved Employees will be paid Individual PAGA Payments and will release the Released Parties from the PAGA Released Claims described in Section No. 9 below.

Plaintiff and Class Counsel believe the Settlement is fair and reasonable. The Court must also review the terms of the Settlement and determine if it is fair and reasonable to the Class. The Court file has the Settlement documents, which explain the Settlement in greater detail. If you would like copies of the Settlement documents, you can contact Class Counsel, whose contact information is below, and they will provide you with a copy free of charge.

**5. Who Are the Attorneys Representing the Parties?**

Attorneys for Plaintiff and the Class	Attorneys for Defendants
<p style="text-align: center;"><b>JUSTICE LAW CORPORATION</b>            Douglas Han            Shunt Tatavos-Gharajeh            Phillip D. Song            751 N. Fair Oaks Avenue, Suite 101            Pasadena, California 91103            Telephone: (818) 230-7502            Facsimile: (818) 230-7259</p>	<p style="text-align: center;"><b>JACKSON LEWIS, P.C.</b>            Donald P. Sullivan            Kathleen B. Roney            50 California Street, 9<sup>th</sup> Floor            San Francisco, California 94111            Telephone: (415) 394-9400            Facsimile: (415) 394-9401</p>

The Court has decided that Justice Law Corporation is qualified to represent the Class Members simultaneously for the purposes of this Settlement. Class Counsel is working on your behalf. If you want your own attorney, you may hire one at your own cost.

**6. How Do I Dispute the Information Included in This Notice?**

Section No. 10 below states the number of workweeks with which you have been credited – meaning the number of workweeks you worked during the Class Period, based on Defendants’ records – and the estimated amount of your Individual Settlement Share based on this number of workweeks. If you are also an Eligible Aggrieved Employee, Section No. 10 below also states the number of pay periods with which you have been credited – meaning the number of pay periods you worked during the PAGA Period, based on Defendants’ records – and the estimated amount of your Individual PAGA Payment. If you believe the number of workweeks and/or pay periods with which you have been credited, and therefore the estimated amount of your Individual Settlement Share and/or Individual PAGA Payment, is inaccurate, you may dispute this information.

If you choose to dispute the information included in this Notice, you must do so in writing by **May 22, 2023**. You may submit your written dispute to the Settlement Administrator by faxing or emailing your dispute to the Settlement Administrator by **May 22, 2023**, or by mailing your dispute by regular U.S. mail to the Settlement Administrator, postmarked by **May 22, 2023**, using the contact information below:

Fax Number: 1 (949) 419-3446

Email Address: PacificGroserviceSettlement@cptgroup.com

Mailing Address: Pacific Groservice, Inc. Settlement Administrator c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

Along with your dispute you must also produce and submit evidence to the Settlement Administrator, showing that the disputed information is inaccurate. If the Settlement Administrator does not receive evidence from you rebutting the disputed information, the number of workweeks and/or pay periods contained in Defendants' records will be presumed correct, and your challenge will be rejected by the Settlement Administrator. However, if you do submit evidence rebutting the disputed information, the Settlement Administrator will evaluate this evidence and make the final decision as to the number of workweeks and/or pay periods with which you will be credited and the Individual Settlement Share and/or Individual PAGA Payment to which you will be entitled.

The Settlement Administrator's determinations of workweek/pay period and Individual Settlement Share/Individual PAGA Payment disputes are not appealable or otherwise challengeable. The Settlement Administrator will mail you notice of the determination of your dispute.

Your dispute should state your name and must be submitted to the Settlement Administrator, along with your supporting evidence, by **May 22, 2023**. You are encouraged to keep copies of any and all evidence you submit to the Settlement Administrator.

If you received a remailed Notice, you have an additional fourteen (14) days from the original response deadline to dispute the information included in your Notice. If your Notice is a remailed Notice, the envelope will indicate whether the Notice has been remailed and will state your new deadline to submit a dispute.

#### **7. *How Do I Object To The Settlement?***

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney. You may object to the Settlement by submitting a written objection to the Settlement Administrator by **May 22, 2023**. You may submit your written objection by faxing or emailing your objection to the Settlement Administrator by **May 22, 2023**, or by mailing your objection by regular U.S. mail to the Settlement Administrator, postmarked no later than **May 22, 2023** using the contact information provided below:

Fax Number: 1 (949) 419-3446

Email Address: PacificGroserviceSettlement@cptgroup.com

Mailing Address: Pacific Groservice, Inc. Settlement Administrator c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

If you received a remailed Notice, you have an additional fourteen (14) days from the original response deadline to submit a written objection. If your Notice is a remailed Notice, the envelope will indicate whether the Notice has been remailed and will state your new deadline to submit an objection.

If you choose to object in writing, your objection should: (1) state your full name, address, and telephone number; (2) include the words "Notice of Objection" or "Formal Objection;" (3) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (4) list identifying witness(es) you may call to testify at the Final Approval Hearing; and (5) provide true and correct copies of any exhibit(s) you intend to offer at the Final Approval Hearing. A written objection will be deemed valid if it is submitted or postmarked to the Settlement Administrator by **May 22, 2023** and provides enough information to allow the Settlement Administrator to understand that you object to the Settlement or to some term(s) of the Settlement.

Class Members may appear at the Final Approval Hearing and object, either in person or through the objector's own counsel, even if they did not submit a written objection. Class Members' timely and valid written objections to the Settlement will be

considered even if the objector does not appear at the Final Approval Hearing. The Court will hear from any Class Member who attends the Final Approval Hearing and asks to speak, regardless of whether they have made a written objection. Moreover, the Court will also hear and consider objections to the PAGA portion of the Settlement.

If the Court approves the Settlement over objections, objecting Class Members will be mailed Individual Settlement Shares and will be bound by the terms of the Settlement, meaning the Class Members will be unable to sue the Released Parties for the Released Claims. As stated above, Eligible Aggrieved Employees do not have the right to object to the PAGA portion of the Settlement. Thus, if the Court approves the Settlement, all Eligible Aggrieved Employees will be mailed their Individual PAGA Payments and will be bound by the terms of the Settlement, meaning the Eligible Aggrieved Employees will be unable to sue the Released Parties for the PAGA Released Claims.

You may not submit both a request for exclusion from the Settlement and an objection to the Settlement. In the event a Class Member submits both a valid request for exclusion and a valid objection, the request for exclusion will be deemed invalid, and the objection will remain valid.

#### **8. *How Do I Opt Out or Exclude Myself From This Settlement?***

If you do not wish to participate in the class portion of the Settlement and do not want to receive an Individual Settlement Share, you can exclude yourself from the class portion of the Settlement (*i.e.*, “opt out”). A form (“ELECTION NOT TO PARTICIPATE IN (‘OPT-OUT’ FROM) CLASS ACTION SETTLEMENT”) (“Exclusion Form”) which can be used for this purpose has been provided to you along with this Notice. Alternatively, you can submit your own written request for exclusion that includes all the same information. If you opt out of the Settlement, you will not be bound by the Settlement and, therefore, you will not release the Released Claims, set forth in Section No. 9 below. You may submit your request for exclusion by faxing or emailing your request for exclusion to the Settlement Administrator by **May 22, 2023**, or by mailing your request for exclusion to the Settlement Administrator by regular U.S. Mail, postmarked no later than **May 22, 2023**, using the contact information provided below:

Fax Number: 1 (949) 419-3446

Email Address: PacificGroserviceSettlement@cptgroup.com

Mailing Address: Pacific Groservice, Inc. Settlement Administrator c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

If you received a remailed Notice, you have an additional fourteen (14) days from the original response deadline to submit a request for exclusion. If your Notice is a remailed Notice, the envelope will indicate whether the Notice has been remailed and will state your new deadline to submit a request for exclusion.

If you choose to exclude yourself from the class portion of the Settlement, your written request for exclusion **must** (1) include your name; (2) be addressed to the Settlement Administrator; (3) be signed by you; and (4) be submitted or postmarked no later than the Response Deadline. You must also include your address and the last four digits of your Social Security Number. A request for exclusion will be deemed valid if it is submitted to the Settlement Administrator or postmarked by **May 22, 2023** and provides enough information to allow the Settlement Administrator to identify you and understand that you want to opt out of the Settlement.

The Court will exclude from the Settlement any Class Member who submits a valid and timely request for exclusion as described in the paragraph above. Any Class Member who fails to submit a valid and timely request for exclusion on or before the above-specified deadline shall be bound by all terms of the Settlement, release, and any Judgment entered in the Class Action if the Settlement receives final approval from the Court.

Class Members may only opt out of the class portion of the Settlement. Class Members who are also Eligible Aggrieved Employees cannot opt out of the PAGA portion of the Settlement. In other words, a Class Member who submits a valid and timely request for exclusion will not receive an Individual Settlement Share and will not release the Released Claims, as described in Section No. 9 below. However, if such a Class Member is also an Eligible Aggrieved Employee, the Class Member will still be entitled to and will be mailed his or her Individual PAGA Payment and will still release the PAGA Released Claims, as described in Section No. 9 below.

**9. How Does This Settlement Affect My Rights? What are the Released Claims and PAGA Released Claims?**

If the Court approves the proposed Settlement, the Court will enter a Final Judgment. Participating Class Members and all Eligible Aggrieved Employees will be bound by the Court's Final Judgment and will fully release and discharge Defendants and their parents, predecessors, successors, all affiliates, subsidiaries, officers, directors, members, agents, employees, and stockholders ("Released Parties"). As of the Effective Final Settlement Date, in exchange for the consideration provided by the Settlement Agreement – specifically, the Individual Settlement Shares and Individual PAGA Payments – Plaintiff and the Participating Class Members will release the Released Parties from the Released Claims covering the Class Period, and Plaintiff and the Eligible Aggrieved Employees will release the Released Parties from the PAGA Released Claims covering the PAGA Period. The Effective Final Settlement Date is the date that Defendants fully fund the Gross Settlement Amount of \$2,500,000. The Released Claims and PAGA Released Claims are defined below.

**A. Released Claims.**

The released claims means all claims alleged or could have been alleged based on the facts alleged in the operative complaint, including all of the following causes of action: (1) Violation of California Labor Code sections 510 and 1198 (Unpaid Wages and Overtime); (2) Violation of California Labor Code sections 226.7, 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code section 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code sections 1194 and 1197 (Unpaid Minimum Wages); (5) Violation of California Labor Code section 203 (Wages and Final Wages Not Timely Paid); (6) Violation of California Labor Code sections 226, 432, and/or 1198.5 (Non-Compliant Wage Statements, Personnel Records, and Time Records); (7) Violation of California Labor Code sections 2800 and 2802 (Unreimbursed Business Expenses); (8) Violations of California Business & Professions Code section 17200, *et seq.*; (9) Violation of California Labor Code section 246 (Failure to Pay Sick Pay); and (10) Claims for Statutory Penalties under the Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698 *et seq.* (collectively, the "Released Claims"). The period of the Release shall extend to the limits of the Class Period. The release does not include claims that as a matter of law cannot be released and does not include claims for retaliation, discrimination, wrongful termination, and individual claims for the recovery of workers' compensation benefits.

**B. PAGA Released Claims.**

The PAGA Released Claims means all allegations and claims for civil penalties pursuant to PAGA based on any and all underlying Labor Code violations alleged in the operative complaint or in the PAGA Notice that arose during the PAGA Period, which includes, *inter alia*, alleged violations of California Labor Code sections 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7, 246(1), 510, 512, 558, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802. The period of the PAGA release extends to the limits of the PAGA Period.

As explained above, Eligible Aggrieved Employees do not have the right to opt out of the PAGA portion of the Settlement. Therefore, if the Court approves the Settlement, all Eligible Aggrieved Employees will release the PAGA Released Claims, regardless of whether the Eligible Aggrieved Employee submits a timely and valid request for exclusion.

Neither the Released Claims nor the PAGA Released Claims include claims that as a matter of law cannot be released or claims for retaliation, discrimination, wrongful termination, and individual claims for the recovery of workers' compensation benefits.

**10. How Much Can I Expect to Receive From This Settlement?**

Defendants will pay, subject to Court approval, a Gross Settlement Amount of \$2,500,000. The Gross Settlement Amount will be used to pay the following amounts, subject to Court approval: (1) a \$10,000 Class Representative Enhancement Payment to Plaintiff; (2) up to \$20,000 in Administration Costs to the Settlement Administrator; (3) a \$875,000 Attorney Fee Award to Class Counsel; (4) up to \$25,000 Cost Award to Class Counsel; and (5) a \$100,000 PAGA Payment, seventy-five percent (75%) of which (\$75,000) shall be paid to the LWDA, and the remaining twenty-five percent (25%) of which (\$25,000) shall be distributed to Eligible Aggrieved Employees, on a pro rata basis, as Individual PAGA Payments. The amount that remains after all payments are made is the Net Settlement Amount, which is currently estimated to be \$1,470,000.

**A. How Will My Individual Settlement Share Be Calculated?**

The Settlement Administrator will pay each Participating Class Member an Individual Settlement Share from the Net Settlement Amount. If the Court approves any of the above-referenced payments in smaller amounts, the Net Settlement Amount will be larger. Your Individual Settlement Share will be based on your pro-rata share of the Net Settlement Amount and will be calculated as follows: (1) the number of weeks you worked as a Class Member during the Class Period, (2) divided by the total number of weeks worked by all Class Members collectively during the Class Period, (3) which is then multiplied by the Net Settlement Amount. If a Class Member opts out of the Settlement, his or her pro rata share of the Net Settlement Amount will flow back to the Net Settlement Amount and be distributed to the Participating Class Members on a pro rata basis. For purposes of this calculation, the Settlement Administrator will use the Class Data to calculate the number of workweeks worked by each Class Member based on their dates of employment.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount, is as follows: «estSettAmt», less taxes. This is based on Defendants' records, which show you worked «Workweeks» workweeks during the Class Period.

Twenty percent (20%) of your Individual Settlement Share will be treated as unpaid wages. Applicable taxes will be withheld from the wages portion of your Individual Settlement Share only and reported on an IRS Form W-2. The remaining eighty percent (80%) of your Individual Settlement Share will be treated as penalties, interest, and reimbursement and will be paid pursuant to an IRS Form 1099.

The Settlement Administrator will mail your Individual Settlement Share check to the address the Settlement Administrator has on record for you. Therefore, it is important that you keep the Settlement Administrator informed of any change of address.

**B. How Will My Individual PAGA Payment Be Calculated?**

The Settlement Administrator will pay each Eligible Aggrieved Employee an Individual PAGA Payment from the portion of the PAGA Payment allocated to the Eligible Aggrieved Employees. Your Individual PAGA Payment will be based on your pro-rata share of the portion of the PAGA Payment allocated to the Eligible Aggrieved Employees and will be calculated as follows: (1) the number of pay periods you worked as an Eligible Aggrieved Employee during the PAGA Period, (2) divided by the total number of pay periods worked by all Eligible Aggrieved Employees collectively during the PAGA Period, (3) which is then multiplied by the \$25,000 of the PAGA Payment allocated to the Eligible Aggrieved Employees. For purposes of this calculation, the Settlement Administrator will use the Class Data to calculate the number of pay periods worked by each Eligible Aggrieved Employee based on their dates of employment.

Based upon the calculation above, your approximate Individual PAGA Payment is «estPAGAAmt». This is based on Defendants' records, which show you worked «PAGAPeriods» pay periods during the PAGA Period.

One hundred percent (100%) of this payment will be considered penalties, and you will be issued an IRS Form 1099 if your payment exceeds \$600. You are responsible for paying any federal, state, or local taxes owed as a result of this payment.

The Settlement Administrator will mail your Individual PAGA Payment check to the address the Settlement Administrator has on record for you. Therefore, it is important that you keep the Settlement Administrator informed of any change of address.

If no amount is stated for your Individual PAGA Payment, according to Defendants' records, you are not an Eligible Aggrieved Employee eligible for an Individual PAGA Payment because you were not employed by Defendants as an hourly-paid or non-exempt employee within the State of California during the PAGA Period. Therefore, this subsection B does not apply to you.

**C. When Will My Settlement Payment Be Mailed?**

No later than fourteen (14) calendar days after the date the Final Approval of the Settlement can no longer be appealed or, if there are no objectors and no Plaintiff in intervention at the time the Court grants Final Approval of the Settlement, the date the court



enters judgment granting Final Approval of the Settlement, Defendants shall deposit the Gross Settlement Amount of \$2,500,000, as well as Defendants' share of employer-side payroll taxes, by wiring the funds to the Settlement Administrator.

Within fourteen (14) calendar days after the Settlement Administrator's receipt of the Gross Settlement Amount, the Settlement Administrator shall calculate and disburse all payments due under the Settlement Agreement, including all Individual Settlement Shares and Individual PAGA Payments.

It is strongly recommended that upon receipt of your Individual Settlement Share and/or Individual PAGA Payment check(s), you immediately cash your check(s) or cash your check(s) before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are initially mailed, pay the amount of the Individual Settlement Share(s) and/or Individual PAGA Payment(s) to State Controller's Unclaimed Property Fund in the name of the Class Member.

#### **11. *How Will the Attorneys for the Class and the Class Representative Be Paid?***

Class Counsel will be paid from the Gross Settlement Amount. Subject to Court approval, Class Counsel shall be paid an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (or \$875,000) for attorneys' fees ("Attorney Fee Award"), and up to \$25,000 for litigation costs ("Cost Award"). Class Counsel will file a motion for Final Approval of the Settlement, including Final Approval of the Attorney Fee Award and Cost Award, with the Court at least sixteen (16) Court days before the Final Approval Hearing, the details of which are provided in Section No. 12 below. You can obtain a copy of this motion from Class Counsel, free of charge, by contacting Class Counsel using the information provided in Section No. 5 above. You can also obtain a copy of this motion, as well as the other documents on file with the Court in the Class Action, by following the steps laid out in Section No. 14 below.

Defendants have paid their own attorneys' fees and costs.

As set forth in Section No. 10 above, Plaintiff will also be paid a Class Representative Enhancement Payment, subject to Court approval.

The Settlement Administrator will not pay the Attorney Fee Award, Cost Award, and Class Representative Enhancement Payment until after the Settlement Administrator has distributed the Individual Settlement Shares and Individual PAGA Payments to the Class Members and Eligible Aggrieved Employees.

#### **12. *Final Approval Hearing and Remote Appearance***

The Court will hold a Final Approval Hearing concerning the proposed Settlement on June 8, 2023 at 1:30 p.m. before the Honorable Sunil R. Kulkarni in Department 1, at the Santa Clara County Superior Court — Downtown Superior Courthouse, located at 191 North First Street, San Jose California, 95113. You are not required to appear at this hearing. Any changes to the hearing date will be available on the Settlement Administrator's website: [www.cptgroupcaseinfo.com/PacificGroserviceSettlement](http://www.cptgroupcaseinfo.com/PacificGroserviceSettlement). If the Court approves the Settlement, the Final Approval Order and Judgment will also be available on the Settlement Administrator's website. You may also find more information on the Superior Court of California, County of Santa Clara's websites: [www.sccourt.org](http://www.sccourt.org) and [www.scefilings.org](http://www.scefilings.org).

Hearings before the judge overseeing this case will be conducted remotely. (As of August 15, 2022, the Court's remote platform is Microsoft Teams.) Class Members who wish to appear should contact Class Counsel at least three (3) days before the hearing if possible. Instructions for appearing remotely are provided at [https://www.sccourt.org/general\\_info/ra\\_teams/video\\_hearings\\_teams.shtml](https://www.sccourt.org/general_info/ra_teams/video_hearings_teams.shtml) and should be reviewed in advance. Class Members may appear remotely using the Microsoft Teams link for Department 1 (Afternoon Session) or by calling the toll-free conference call number for Department 1.

**13. What if the Settlement Does Not Become Final?**

It is possible that the Court will deny Final Approval of the Settlement with prejudice. It is also possible that the Court's Final Approval of the Settlement will be reversed or materially modified on appeal. The Parties have agreed that, in either case, the Settlement will become null and void, meaning Defendants will no longer be obligated to pay any money owed under the Settlement Agreement, including the Gross Settlement Amount, which includes the Individual Settlement Shares and Individual PAGA Payments, the Class Members will not release the Released Parties from the Released Claims, and the Eligible Aggrieved Employees will not release the Released Parties from the PAGA Released Claims. Any award by the Court of a smaller amount than requested for the Attorney Fee Award, Cost Award, and Class Representative Enhancement Payment will not constitute a material modification to the Settlement within the meaning of this paragraph.

Defendants also have the option to withdraw from and terminate the Settlement if class participation is too low. If more than five percent (5%) of Class Members timely and validly opt out of the Settlement, Defendants have the right, but not the obligation, to terminate the proposed Settlement. If Defendants terminate the Settlement, Defendants will no longer be obligated to pay Individual Settlement Shares and Individual PAGA Payments to the Class Members and Eligible Aggrieved Employees, as applicable, and the Class Members and Eligible Aggrieved Employees will retain, rather than release, their rights to individually pursue the Released Claims and PAGA Released Claims, as applicable.

**14. How Do I Get More Information?**

**IF YOU NEED MORE INFORMATION, HAVE ANY QUESTIONS, OR WOULD LIKE ELECTRONIC COPIES OF DOCUMENTS RELATING TO THE CLASS ACTION OR THE SETTLEMENT**, you may contact the Settlement Administrator at the telephone number listed below, toll-free. Please refer to the "Pacific Groservice, Inc. class action and PAGA settlement."

You may also visit the Settlement Administrator's website: [www.cptgroupcaseinfo.com/PacificGroserviceSettlement](http://www.cptgroupcaseinfo.com/PacificGroserviceSettlement). This website will include, among other things, the complaints Plaintiff filed in the Class Action, standalone generic copies of the Notice and Exclusion Form, all papers filed in connection with the Preliminary Approval Hearing (including all orders filed by the Court), all papers filed in connection with the Final Approval Hearing (including the motion for Final Approval of the Settlement, including Final Approval of the Attorney Fee Award and Cost Award), and, if the Settlement is approved, the Final Approval Order and Judgment.

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (1) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at <https://portal.sccscourt.org/>, or (2) in person at Records, Superior Court of California, County of Santa Clara, 191 North 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator.

You may also contact Class Counsel with any questions you may have regarding the Class Action, the proposed Settlement of the Class Action, this Notice, or any other documents or information you have received pertaining to the Class Action and the Settlement, or to obtain copies of papers filed in connection with the Class Action free of charge, including the complaints, all papers filed in connection with the Preliminary Approval Hearing, and all papers filed in connection with the Final Approval Hearing, including the motion for Final Approval of the Settlement, including Final Approval of the Attorney Fee Award and Cost Award. You may contact Class Counsel directly by visiting Justice Law Corporation at 751 North Fair Oaks Avenue, Suite 101, Pasadena, California 91103 during regular business hours, from 9:00 a.m. to 6:00 p.m., or by calling (818) 230-7502. Class Counsel's contact information is also included above in Section No. 5 of this Notice. Class Counsel will provide you with an electronic copy of the Settlement documents or case documents free of charge.

**PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.**