SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF ALAMEDA

IF YOU WORKED AS A NON-EXEMPT, HOURLY PAID EMPLOYEE FOR EQUINOX HOLDINGS, INC. IN CALIFORNIA YOU MAY OBTAIN PAYMENTS FROM A SETTLEMENT REACHED IN A PROPOSED CLASS AND REPRESENTATIVE ACTION LAWSUIT

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.

This Notice is court approved. This is not a solicitation from an attorney.

| YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT | |
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| | Receive compensation but release your rights to sue separately. |
| DO NOTHING | If you do nothing, you will receive a proportional share of the settlement based on the time you worked in a relevant position during the Class Period for the claims alleged in this lawsuit. You will also give up your rights to sue Equinox about any of the claims in this case that arose during the Class Period. |
| | Get no compensation but keep rights to sue separately. |
| EXCLUDE YOURSELF FROM THE SETTLEMENT | If you ask to exclude yourself or "opt out" from the settlement, you remove yourself from this lawsuit and will not receive any compensation from the settlement, but you will keep your rights to sue Equinox for the claims alleged in the lawsuit. However, the PAGA claims described in this Notice will be released even if you opt-out of the Settlement. |
| | Tell the Court why you like or don't like the settlement. |
| OBJECT OR COMMENT | You may write to the Court, or you may appear personally or through your own attorney and your own expense, and tell the Court about why you do or do not like the settlement. You must remain a part of the lawsuit to comment or object to the settlement, and you cannot object if you also ask to be excluded. |

These rights and options – and the time deadlines for exercising them – are explained further in this Notice.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Equinox's records identify that you are a class member who may be entitled to money from this settlement.

This Notice describes a proposed settlement of two different lawsuits that have been combined for purposes of settlement. The current, combined lawsuit is *Renee Porter, et al. v. Equinox Holdings, Inc.*, filed on April 3, 2019, in the Alameda County Superior Court, Case Number RG19009052 (the "Lawsuit"). This Notice is being

Any Questions? Call the Settlement Administrator Toll-Free at 1-888-413-0358

sent to you by the order of the Alameda County Superior Court, which preliminarily approved the settlement and conditionally certified the Settlement Class on March 9, 2023.

At this time, the Court has determined only that there is sufficient evidence that the settlement might be fair, reasonable and adequate. Any final determination of these issues will be made at the Final Approval Hearing described below. The Court has not made any rulings on the merits of the claims alleged.

This Notice informs you of the terms of the proposed settlement, describes your rights and options in connection with the settlement, and explains what steps you may take to participate in, object to, or exclude yourself from, the settlement. If you do not exclude yourself from the settlement and the settlement is finally approved by the Court, you will receive a settlement payment and be bound by the terms of the settlement and any final judgment.

2. WHAT IS THIS LAWSUIT ABOUT?

The Lawsuit was filed by Plaintiffs Renee Porter and Joshua Tolin under the California Private Attorneys General Act ("PAGA") on behalf of all individuals who worked in California as non-exempt employees paid on an hourly basis by Equinox Holdings, Inc. ("Equinox") at any point between December 26, 2017, and December 31, 2022. The Lawsuit later was amended to include class action claims brought by Plaintiffs Frank Fodera, Michael Bonella, and Genevieve Billson on behalf of all individuals who worked for Equinox in California as non-exempt employees paid on an hourly basis at any point between April 3, 2015, and December 31, 2022. The Lawsuit as amended includes both PAGA and class action claims against Equinox.

The second lawsuit was filed by Plaintiffs Frank Fodera and Michael Bonella on April 3, 2019, in the Alameda County Superior Court, and then later removed to the United States District Court for the Northern District of California, Case No. 3:19-cv-05072-WHO (the "Fodera Action"). Plaintiff Genevieve Billson later joined the Fodera Action. The Fodera Action is now being settled as part of the Lawsuit.

The Lawsuit currently alleges Equinox failed to pay Class Members for certain hours worked, failed to provide certain meal and rest breaks required under California law, failed to provide proper itemized wage statements, and failed to pay certain wages due upon separation of employment. The Lawsuit also contains claims for unfair competition and violation of PAGA based on the same alleged Labor Code violations. Plaintiffs seek to recover allegedly unpaid wages as well as statutory and civil penalties related to these claims. Equinox denies each and all of the claims and contentions alleged by the Plaintiffs and contends it has consistently complied with all applicable laws. Neither the Court in the Lawsuit, nor the Court in the Fodera Action, have made any rulings regarding the merits of either matter.

After engaging in extensive investigation and discovery, and after three full days of mediation before two experienced mediators, in which both sides recognized the substantial risks of an adverse result in both the Lawsuit and the Fodera Action for either side, Plaintiffs and Equinox agreed on a settlement of all class and PAGA claims in both cases. After the two cases were combined into the Lawsuit for purposes of settlement, the proposed settlement was preliminarily approved by the Court on March 9, 2023. Plaintiffs and Class Counsel support the settlement.

The settlement represents a compromise of highly disputed claims. Nothing in the settlement is intended to or will be construed as an admission by Equinox that Plaintiffs' claims in the Lawsuit or the Fodera Action have any merit or that Equinox has any liability to Plaintiffs or the Class on those claims. By agreeing to settle, Equinox is not admitting liability on any of the factual allegations or claims in the Lawsuit, or that the Lawsuit or Fodera Action can or should proceed as a class action. Equinox has agreed to settle the combined cases as part of a compromise with Plaintiffs solely because of the risk and expense of continued litigation.

The parties and their counsel have concluded that the settlement is advantageous, considering the risks and uncertainties to each side of continued litigation and trial.

3. WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons, called Class Representatives, sue on behalf of other people who they believe have similar claims. Plaintiffs Renee Porter, Joshua Tolin, Frank Fodera, Michael Bonella, and Genevieve Billson are the Class Representatives in the Lawsuit, and they assert claims on behalf of themselves and the Class Members. A class action potentially allows one court to resolve the claims of all the Class Members who choose not to exclude themselves from the class at the same time. A Class Member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action.

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of Plaintiffs or Equinox. Instead, both sides agreed to a settlement. That way, both sides avoid the risks and costs of a trial, and people affected will quickly receive compensation. The Class Representatives and the attorneys think the settlement is best for the Class.

5. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All individuals who worked as a non-exempt, hourly-paid employee employed by Equinox in California at any point from April 3, 2015, through December 31, 2022, inclusive, are included in the Class.

According to Equinox's records, you are member of the Class and eligible for payments under the settlement. If you are still not sure if you are entitled to participate in the settlement, please call 1-888-413-0358.

All individuals employed by Equinox as a non-exempt, hourly-paid employee at any point from December 26, 2017, through December 31, 2022 (the "PAGA Period"), are also a "PAGA Member" and are eligible to receive a separate payment representing civil penalties allegedly owed under PAGA.

6. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

In exchange for the release of claims against it and final disposition of the Lawsuit, Equinox will pay a total of Thirty-Six Million Dollars and Zero Cents (\$36,000,000.00) (the "Maximum Settlement Amount" or "MSA"). Equinox will pay the MSA in three equal installments over approximately 2 years following final Court approval of the Settlement.

Funds to pay for the employer portion of applicable payroll taxes will be deducted from the MSA first, resulting in the "Gross Settlement Fund." After attorney's fees and costs, service payments to the Plaintiffs, the PAGA Settlement allocation for civil penalties, and settlement administration costs are deducted from the Gross Settlement Fund, the remaining "Net Settlement Amount" will be distributed to Class Members who do not validly exclude themselves from the settlement ("Participating Class Members").

Subject to Court approval, the Maximum Settlement Amount will be allocated as follows:

• Individual Settlement Payment: Each Participating Class Member will receive a payment based the total number of "Qualifying Workweeks" they were employed by Equinox in California as a non-exempt, hourly-paid employee during the relevant time period.

Because the legal claims available to Class Members are different depending on their job position, the Net Settlement Amount will be allocated as follows:

- (a) sixty five percent (65%) of the Net Settlement Amount is allocated to all Class Members who have held the positions of Personal Trainer, Pilates Instructor and/or Group Fitness Instructor; and
- (b) thirty five percent (35%) of the Net Settlement Amount is allocated to all Class Members who have not held the positions of Personal Trainer, Pilates Instructor and/or Group Fitness Instructor.

Individual Settlement Payments will be calculated as follows: first, the allocation of the Net Settlement Amount for each group identified above will be divided by the total number of Qualifying Workweeks worked by all of the Class Members in each group to determine the applicable "Workweek Rate." Second, the number of Qualifying Workweeks worked by individual Class Members in each group will be multiplied by the applicable Workweek Rate to arrive at each person's Individual Settlement Payment. Some Class Members may have Qualifying Workweeks in both of the above groups.

Your estimated Individual Settlement Payment is set forth in Section 7 below.

- Class Representative Service Payments: For acting as the Class Representatives, each Plaintiff will request from the Court an award of \$20,000.00 in recognition of and as compensation for their efforts, such as starting the Lawsuit and the Fodera Action, volunteering time to assist with the case, testifying at deposition, and providing information and documents, as well as risks they assumed in starting and assisting with the prosecution of the Lawsuit and Fodera Action. Any amounts ordered by the Court will be paid from the Gross Settlement Fund.
- Class Counsel's Attorney's Fees and Costs: Class Counsel will request from the Court no more than one-third (1/3) of the Gross Settlement Fund (\$11,500,000.00) as attorney's fees for litigation and resolution of the Lawsuit. Class Counsel will also request from the Court reimbursement for actual litigation costs advanced on behalf of the Class, which will be no more than \$400,000.00. Any amount ordered by the Court for Class Counsel's attorney's fees and costs will be paid from the Gross Settlement Fund.
- **PAGA Allocation:** One Million Dollars and No Cents (\$1,000,000.00) from the Gross Settlement Fund is allocated for settlement of Plaintiffs' claims under PAGA. Upon Court approval, 75% of the PAGA Settlement (\$750,000.00) will be paid to the California Labor & Workforce Development Agency, and 25% of the PAGA Settlement (\$250,000.00) will be distributed to the PAGA Members.

Individual PAGA Payments will be calculated as follows: first, the allocation of PAGA Settlement for PAGA Members will be divided by the total number of Pay Periods worked by all of the PAGA Members to determine the "Pay Period Rate." Second, the number of Pay Periods worked by individual PAGA Members will be multiplied by the Pay Period Rate to arrive at each person's Individual PAGA Payment.

There is no statutory right to opt out or otherwise exclude yourself from your Individual PAGA Payment and the associated release of claims and rights under PAGA.

Your estimated Individual PAGA Payment also is set forth in Section 7 below. Please note not all Class Members are also eligible for a PAGA payment.

• Settlement Administration: The costs of settlement administration will not exceed \$125,000.00, which pays for tasks such as mailing and tracking this Notice, mailing checks and tax forms, and reporting to the parties and the Court. Any amount ordered by the Court for Settlement Administration will be paid from the Gross Settlement Fund.

• **Employer-side Payroll Taxes**: One Million Five Hundred Thousand Dollars and No Cents (\$1,500,000.00) of the MSA is allocated to pay for the employer's portion of payroll taxes owed on the Settlement. If the employer portion of the payroll taxes is less than that amount, the remaining funds will go into the Net Settlement Amount for distribution to the Participating Class Members.

7. WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT, AND HOW MUCH WILL I RECEIVE?

You do not need to do anything to receive a payment from the settlement.

Equinox's records show that you worked a total of <<WorkWeeks>> as a non-exempt, hourly-paid employee during the Class Period. Accordingly, your anticipated Individual Settlement Payment is: \$<<estAmount>>.

Equinox's records also show that you worked a total of <<PayPeriods>> as a non-exempt, hourly-paid employee during the PAGA Period. Accordingly, your anticipated Individual PAGA Payment is: \$<<PAGA_estAmount>>.

The actual amounts you receive may vary somewhat depending on actual implementation of the Settlement.

There will be three separate distributions of your Individual Settlement Payment and/or Individual PAGA Payment – the first distribution will be shortly after final approval of the Settlement, the second distribution will be about one year after the first distribution, and the third and final distribution will be about one year after the second distribution.

All checks issued to Participating Class Members and PAGA Members shall remain valid and negotiable for one hundred eighty (180) days from the date of their issuance. After expiration of this time, all funds related to unclaimed or uncashed checks from the first and second distributions will go back into the Net Settlement Amount for distribution to the Participating Class Members with the next distribution. All funds related to unclaimed or uncashed checks from the third and final distribution will be forwarded to (1) Public Counsel (said funds to be designated for child advocacy programs) (https://publiccounsel.org); (2) Safe Place for Youth (https://www.safeplaceforyouth.org); and (3) Inclusion Matters (https://inclusionmatters.org), non-profit organizations that provide advocacy and services for children and youth.

Twenty Percent (20%) of your Individual Settlement Payment will be issued in checks representing alleged unpaid wages with applicable federal, state, and local tax withholdings taken out, and you will be sent an IRS Form W-2 for tax purposes (just like a paycheck). Eighty Percent (80%) of your Individual Settlement Payment will be issued in checks representing alleged penalties and interest, and you will be issued an IRS Form 1099 for tax purposes. One Hundred Percent (100%) of your Individual PAGA Payment, if any, will be issued in checks representing alleged penalties, and you will be issued an IRS Form 1099 for tax purposes. You will need to speak with an accountant or other tax professional about any tax issues related to your settlement checks.

If you dispute the information about the amount of your anticipated Individual Settlement Payment, you must send the Settlement Administrator in the mail any records (such as paystubs, pay checks or other records) supporting your calculation of the total number of work weeks you were employed by Equinox in an, hourly-paid position in California during the relevant time frame, along with a letter explaining the reasons for your dispute that also includes the last four digits of your social security number. The letter must be sent to the Settlement Administrator by July 8, 2023. The date of the postmark will determine if it was timely mailed. The Settlement Administrator will review the information you submit along with Equinox's records and make a final determination as to the correct amount of your settlement share.

The Settlement Administrator is:

Porter et al. v. Equinox Holdings, Inc. c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 1-888-413-0358 www.cptgroupcaseinfo.com/PortervEquinoxHoldings

8. WHAT AM I GIVING UP TO STAY IN THE CLASS AND GET COMPENSATION?

For all Class Members, unless you ask to be excluded, you will remain a part of the Settlement Class, and that means you can't sue, continue to sue, or be a part of any other lawsuit or proceeding making any of the same claims and allegations made in *this* case. It also means all of the Court's orders will apply to you and legally bind you. If you stay in the Settlement Class, you will be deemed to have released and discharged Equinox and each of its former, present and future owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives (the "Released Parties") from any and all class claims that were asserted in the operative Second Amended Complaint or that could have been asserted based on the allegations made in the Second Amended Complaint, for the duration of the Class Period (the "Released Claims"). The Released Claims do not include any claims that cannot be released as a matter of law.

As to claims under PAGA, the Released PAGA Claims include any and all claims for civil penalties under PAGA that were asserted in the operative Second Amended Complaint or that could have been asserted based on the allegations made in the Second Amended Complaint, and all claims for civil penalties asserted in the PAGA Notice filed with the Labor & Workforce Development Agency, or claims for civil penalties under PAGA based on the allegations in the PAGA Notice filed with the Labor & Workforce filed with the Labor & Workforce Development Agency, for the duration of the PAGA Period.

9. DO I HAVE A LAWYER IN THIS CASE?

The Court has decided the law firm below is qualified to represent you and the Settlement Class. This law firm is called "Class Counsel."

Makarem & Associates, APLC Ronald W. Makarem Samuel D. Almon 11601 Wilshire Blvd., Suite 2440 Los Angeles CA 90012 (310) 312-0299

If you want to be represented by your own lawyer, you may hire one at your own expense.

10. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. To do so, you must submit a Request for Exclusion to the Settlement Administrator at the following address:

Any Questions? Call the Settlement Administrator Toll-Free at 1-888-413-0358

Porter et al. v. Equinox Holdings, Inc. c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 1-888-413-0358 www.cptgroupcaseinfo.com/PortervEquinoxHoldings

You must send your Request for Exclusion Form by mail <u>no later than</u> July 8, 2023, to the Settlement Administrator at the above address. The date of the postmark will determine if your Request for Exclusion Form was timely mailed. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement and payment of the Gross Settlement Amount, including the Release described in this Notice.

If you timely request to be excluded from the settlement, you will not be entitled to receive any payment under the settlement. However, to the extent you are a PAGA Member and eligible to receive a portion of the PAGA Settlement, you will still receive that amount whether or not you submit a Request for Exclusion. This is because, if the Court approves the PAGA Settlement, there is no statutory right to opt out, object or otherwise exclude yourself from receiving a payment for PAGA claims and the associated release of claims and rights under PAGA.

11. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Class Member who has **not** asked to be excluded from the settlement may object to the proposed settlement either in writing, by appearing at the Final Approval Hearing in person or through an attorney at your own expense, or both. The Final Approval Hearing is scheduled to take place on September 8, 2023, at 3:00 p.m. in Department 302 of the Alameda County Superior Court, located in the George E. McDonald Hall of Justice, 2233 Shoreline Drive, Alameda, California 94501.

You must submit your Objection and all supporting papers if any to the Settlement Administrator by mailing to the following address:

Porter et al. v. Equinox Holdings, Inc. c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 1-888-413-0358 www.cptgroupcaseinfo.com/PortervEquinoxHoldings

To be valid, your Objection and all supporting papers must be postmarked on or before July 8, 2023.

If you do not submit a written Objection, you may still appear at the Final Approval Hearing and make your objection verbally to the Court.

12. WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The settlement, if finally approved by the Court, will bind all Class Members who do not request to be excluded from the settlement whether or not they receive or timely cash their Individual Settlement Award. Final approval

of the settlement will bar any Class Member who does not request to be excluded from the settlement from initiating a lawsuit or proceeding regarding the Released Class Claims and Released PAGA Claims.

13. WHAT IF MY CONTACT INFORMATION CHANGES?

If, after you receive this Notice you change your mailing address, it is your responsibility to inform the Settlement Administrator of your updated information.

14. THE FINAL APPROVAL HEARING

The Final Approval Hearing is scheduled to take place on September 8, 2023, at 3:00 p.m. in Department 302 of the Alameda County Superior Court, located in the George E. McDonald Hall of Justice, 2233 Shoreline Drive, Alameda, California 94501. The date and time may change without further notice to the Class.

At the Final Approval Hearing, the Court will make a final decision whether to approve the settlement, and will also decide what amounts will be awarded to Plaintiffs for a service award, and to Class Counsel for attorney's fees and costs.

15. FURTHER INFORMATION

This Notice is only a summary of the settlement. The Settlement Agreement contains additional details about the scope of the Released Claims and the definitions of the capitalized terms used in this Notice. To obtain a copy of the Settlement Agreement, the Court's Preliminary Approval Order, or the operative complaint filed in the Lawsuit, please contact the Settlement Administrator at 1-888-413-0358 or Class Counsel listed above. These materials are on file with the Court and may be examined (a) online on the Superior Court of California, County of Alameda's website, by visiting www.publicrecords.alameda.courts.ca.gov/PRS/Case/SearchByCaseNumber and entering Case Number RG19009052, or (b) in person at Records, Superior Court of California, County of Alameda, 1225 Fallon Street, Oakland, CA 94612, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures. You may also view the contents of the Second Amended Complaint; this Class Notice; the Order of Preliminary Approval; and, following its issuance, the Order of Final Approval, on the Settlement Administrator's website at www.cptgroupcaseinfo.com/PortervEquinoxHoldings.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at 1-888-413-0358 or Class Counsel listed above. Please refer to the Porter et al. v. Equinox Holdings, Inc. Class Action Settlement.

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT WITH QUESTIONS OR FOR INFORMATION REGARDING THIS SETTLEMENT