

*Madrigal v. Solage Management, Inc.*, No. CIV2100081  
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF MARIN  
NOTICE OF CLASS ACTION SETTLEMENT

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

To: All persons who worked for Defendants Solage Management, Inc. and Auberge Resorts, LLC (“Defendants”) as non-exempt, hourly paid employees in California during the period from January 15, 2017 to April 12, 2023 (“Class Members”).

All persons who worked for Defendants as non-exempt, hourly paid employees in California during the period from February 4, 2020 to April 12, 2023 (“Aggrieved Employees”).

On August 29, 2023, the Honorable Stephen P. Freccero of the Marin County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

**Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund.** The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 1:30 p.m. on December 5, 2023 in Courtroom A of the Marin County Superior Court located at 3501 Civic Center Drive, San Rafael, California 94903.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [www.cptgroupcaseinfo.com/SolageMadrigalSettlement](http://www.cptgroupcaseinfo.com/SolageMadrigalSettlement) for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

**SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<p><b>You Don’t Have to Do Anything to Participate in the Settlement</b></p>	<p>If you do nothing, you will be deemed a “Participating Class Member,” and will be eligible for a payment from the Net Settlement Fund, and if you are also an Aggrieved Employee, the PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims and, if you are also an Aggrieved Employee, PAGA penalty claims against Defendants based on the facts alleged in the Action during the applicable Class Period and PAGA Period.</p>
<p><b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b></p> <p><b>The Opt-out Deadline is November 20, 2023.</b></p>	<p>If you don’t want to fully participate in the proposed Settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Aggrieved Employees remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.</p>

**Questions? Contact the Settlement Administrator toll free at 1-(888) 910-3555**

<p><b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b></p> <p><b>Written Objections Must be Submitted by November 20, 2023.</b></p>	<p>All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed class settlement, but not the PAGA settlement.</p>
<p><b>You Can Participate in the December 5, 2023, Final Approval Hearing</b></p>	<p>The Court’s Final Approval Hearing is scheduled to take place on December 5, 2023 at 1:30 p.m., in Courtroom A of the Marin County Superior Court located at 3501 Civic Center Drive, San Rafael, California 94903. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing.</p> <p>If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement.</p>

**Summary of the Litigation**

Plaintiff Rocio Madrigal, on their behalf and on behalf of other current and former non-exempt employees, alleges that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) failure to reimburse employees for necessary business expenses; (5) failure to pay reporting time pay; and (6) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, Plaintiff and Defendants (together, the ”Parties”) agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. The Parties participated in a mediation with Louis Marlin, Esq., an experienced and well-respected class action mediator. With Mr. Marlin’s guidance, the Parties were able to negotiate a complete settlement of Plaintiff’s claims.

The Parties have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. Class Counsel believe that the claims alleged in this lawsuit have merit, Defendants deny that the claims in the lawsuit have merit, and no court has decided the merits one way or the other. Given the uncertainty of any final decision on the merits by the Court, both sides recognize that the risk and expense of continued litigation justify settlement.

Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Rather, Defendants have agreed to settle the case as part of a compromise with Plaintiff.

**Summary of The Proposed Settlement Terms**

The Parties have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$900,000. This amount is inclusive of: (1) settlement payments to all Participating Class Members; (2) a Class Representative Service Payment of \$10,000 to Rocio Madrigal for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendants; (3) \$300,000 in attorneys’ fees and up to \$35,000 in litigation costs and expenses; (4) a \$100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), inclusive of a

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«EmployeeName»

CPT ID: «ID»

\$75,000 payment to the California Labor and Workforce Development Agency (“LWDA”) in connection with the PAGA, and a \$25,000 payment (“PAGA Fund”) to all Aggrieved Employees; and (5) reasonable Settlement Administrator’s fees and expenses currently estimated at \$15,750. After deducting the above payments, a total of approximately \$439,250 will be allocated to Class Members who do not opt out of the Settlement Class (“Net Settlement Fund”). Additionally, all Aggrieved Employees will receive a proportional share of the \$25,000 PAGA Fund, even if they opt out of the Settlement Class.

**Payments from Net Settlement Fund.** Defendants will calculate the total number of Workweeks worked by each Class Member from January 15, 2017 to April 12, 2023 (“Class Period”) and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member’s estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the “Workweek Value.” Each Class Member’s share of the Net Settlement Fund will be calculated by multiplying each individual Class Member’s total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member’s share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants’ records, you worked during the Class Period in a non-exempt position for a total of «WorkWeeks» Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately «SettAmt».

**Payments from PAGA Fund.** Defendants will calculate the total number of Pay Periods worked by each Aggrieved Employee from February 4, 2020 to April 12, 2023 (“PAGA Period”) and the aggregate total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period. To determine each Aggrieved Employee’s estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Pay Periods, resulting in the “PAGA Pay Period Value.” Each Aggrieved Employee’s share of the PAGA Fund will be calculated by multiplying each individual Aggrieved Employee’s total number of Pay Periods by the PAGA Pay Period Value. A Request for Exclusion does not exclude a Aggrieved Employee from the release of claims under California Labor Code §§ 2698, *et seq.* and the Aggrieved Employee will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Defendants’ records, you worked during the PAGA Period in a non-exempt position for a total of «PAGAPeriods» Pay Periods. Accordingly, your estimated payment from the PAGA Fund is approximately «PAGAAmt».

**Your Estimated Payment:** Based on the above, your estimated payment from the settlement is approximately «estAmount». If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before November 20, 2023, and must be sent to:

Madrigal vs. Solage Management, Inc.  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Fax No. (949) 419-3446  
Email: SolageMadrigalSettlement@cptgroup.com

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If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

**Taxes on Settlement Payments.** IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

### **Your Options Under the Settlement**

#### ***Option 1 – Automatically Receive a Payment from the Settlement***

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims during the Class Period and, if you are also an Aggrieved Employee, all Released PAGA Claims during the PAGA Period:

**Released Class Claims:** All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Solage Management, Inc., Auberge Resorts, LLC, and Solage Owners LLC, each of their parent and subsidiary companies, and all of their members, shareholders, managers, owners, directors, officers, executives, and employees (“Released Parties”) from all claims that were alleged in the Operative Complaint, or reasonably could have been alleged in the Operative Complaint, or that reasonably arise from or reasonably relate to the facts and claims alleged in the Operative Complaint and ascertained in the course of the Action (the “Released Class Claims”). Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

**Released PAGA Claims:** All claims for PAGA civil penalties under Labor Code sections 2698, *et seq.*, predicated on the violations of the applicable Labor Code sections and applicable Wage Orders as alleged in the LWDA Notices submitted by Plaintiff and the operative Complaint which occurred during the PAGA Period (“PAGA Released Claims”). The PAGA Released Claims may be released against all Released Parties. The PAGA Released Claims exclude any PAGA claims outside the PAGA Period. The release of the PAGA Released Claims shall be effective as to all Aggrieved Employees, regardless of whether an Aggrieved Employee submitted a request for an exclusion from the Class. The PAGA Released Claims do not include other PAGA claims, underlying wage-and-hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability and workers’ compensation, and claims outside of the PAGA Period.

#### ***Option 2 – Opt Out of the Settlement***

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Madrigal vs. Solage Management, Inc.  
c/o CPT Group, Inc.

**Questions? Contact the Settlement Administrator toll free at 1-(888) 910-3555**

«EmployeeName»  
50 Corporate Park  
Irvine, CA 92606  
Fax No. (949) 419-3446  
Email: SolageMadrigalSettlement@cptgroup.com

CPT ID: «ID»

The Request for Exclusion must be postmarked or faxed not later than November 20, 2023. If you submit a Request for Exclusion which is not postmarked or faxed by November 20, 2023, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are an Aggrieved Employee, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

### **Option 3 – Object to the Settlement**

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at Madrigal vs. Solage Management, Inc., c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

All written objections must be received by the administrator by not later than November 20, 2023. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for December 5, 2023, at 1:30 p.m. in the Superior Court of the State of California, for the County of Marin and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

### **Additional Information**

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez  
**Capstone Law APC**  
1875 Century Park E., Suite 1000  
Los Angeles, CA 90067  
Phone: 1 (888) 585-1472

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

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