

EXHIBIT 1

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13 **UNITED STATES DISTRICT COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA**

15 DAVID CHAVEZ and VINCENT
16 SLAUGHTER, on behalf of themselves and all
others similarly situated,

17 Plaintiffs,

18 vs.

19 STELLAR MANAGEMENT GROUP VII,
20 LLC; STELLAR MANAGEMENT GROUP,
INC. d/b/a QSI QUALITY SERVICE
21 INTEGRITY; THE VINCIT COMPANY, LLC
d/b/a THE VINCIT GROUP and VINCIT
22 ENTERPRISES,

23 Defendants.

Case No. 3:19-cv-01353-JCS

**AMENDMENT TO CLASS ACTION
SETTLEMENT AGREEMENT AND
RELEASE**

Related to *Chavez v. Stellar Management Group
VII, LLC*, California Superior Court, County of
Sonoma, Case No. SCV 264110

AMENDMENT TO CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

Plaintiffs David Chavez and Vincent Slaughter (together, “Named Plaintiffs”), individually and as representatives of the proposed Settlement Class described herein, and Defendants Stellar Management Group VII, LLC; Stellar Management Group, Inc. d/b/a QSI Quality Service Integrity; and The Vincit Company, LLC d/b/a The Vincit Group and Vincit Enterprises (collectively, “Defendants”), hereby enter into this Amendment (the “Amendment”) to Class Action Settlement Agreement and Release (the “Settlement Agreement” or “Settlement”), that the Parties submitted to the Court on March 12, 2021 (Docket Number 134-2). Plaintiffs and Defendants are collectively referred to as the “Parties.”

The Parties make the following amendments to the Settlement Agreement:

1. Paragraph 2.b, providing the definition of the Aggrieved Employees, is replaced with the following revised Paragraph 2.b:

2.b. “Aggrieved Employees” means all individuals who worked as non-exempt employees for Defendants in the State of California at any time during the PAGA Period, excluding any individuals who worked exclusively in Defendants’ corporate offices.
2. Paragraph 2.p, providing the definition of the FLSA Settlement Collective, is replaced with the following revised Paragraph 2.p:

2.p. “FLSA Settlement Collective” or “Collective Members” means a certified collective for settlement purposes only pursuant to 29 U.S.C. § 216(b), and includes all individuals who were employed by Defendants in non-exempt positions anywhere in the United States of America at any time between March 13, 2016 and the date the Court grants preliminary approval of the Settlement, excluding any individuals who worked exclusively in Defendants’ corporate offices.
3. Paragraph 2.t, providing the definition of the Opt-In Plaintiffs, is replaced with the following revised Paragraph 2.t:

2.t. “Opt-In Plaintiffs” include Plaintiff Slaughter, all individuals who prior to the date of the Court’s Preliminary Approval Order have filed a consent form to join this Action, and all additional Collective Members who opt in to the litigation and consent to the terms of the Settlement by negotiating the check in the gross amount of his or her Settlement Award, excluding any individuals who worked exclusively in Defendants’ corporate offices.
4. Paragraph 2.ee, providing the definition of the Rule 23 Settlement Class Members, is replaced with the following revised Paragraph 2.ee:

2.ee. “Rule 23 Settlement Class Members” means Plaintiffs and all individuals employed by Defendants in non-exempt positions in the State of California at any time between March 13, 2015 and the date the Court grants preliminary approval of the Settlement, excluding any individuals who worked exclusively in Defendants’ corporate offices.

5. Paragraph 17.b, providing the class claims released by Participating Class Members, is replaced with the following revised Paragraph 17.b:

17.b. Released Class Claims: Members of the Rule 23 Settlement Class who do not timely and validly request exclusion from the Settlement shall release all claims, penalties, costs, expenses, attorneys' fees, liabilities, damages, actions or causes of action of every nature and description, known and unknown, that were pled or could have been pled based on the factual allegations in the Second Amended Complaint, through the date of Preliminary Approval of the Settlement, including, statutory, constitutional, contractual or common law claims for wages (including minimum wage, overtime, and premium wages,), damages, business expenses, or penalties (including waiting time penalties), liquidated damages, punitive damages, interest, restitution, equitable relief, or other relief, based on applicable statutes (including without limitation the California Labor Code, the California Industrial Welfare Commission wage orders, Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, et seq.) ("PAGA"), California Business and Professions Code § 17200, *et seq.*, or other law, including, but not limited to, claims based on the following categories of allegations: (a) claims for unpaid overtime; (b) claims for meal and rest period violations; (c) claims for unpaid minimum wages; (d) claims for untimely payment of wages upon termination; (e) claims for untimely payment of wages during employment; (f) claims for failure to pay wages; (g) claims for failure to provide accurate or otherwise proper itemized wage statements; (h) claims for failure to keep complete and accurate payroll records; (i) claims for failure to reimburse necessary business-related expenses and costs; (j) claims asserted, or which could have been asserted, under PAGA arising out of the aforementioned claims; (k) claims asserted through California Business & Professions Code § 17200 *et seq.* arising out of the aforementioned claims; and (l) other claims for penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, equitable relief, or additional damages that were pled or could have been pled based on the factual allegations in the Second Amended Complaint (the "Released Class Claims"). Members of the Rule 23 Settlement Class who do not timely and validly request exclusion from the Settlement shall also release any and all claims, penalties, costs, expenses, attorneys' fees, liabilities, damages, actions or causes of action of whatever kind or nature under the Fair Labor Standards Act, 29 U.S.C. §§ 201, et seq., through the date of Preliminary Approval of the Settlement, known and unknown, which were or could have been made based on the facts pled in the Second Amended Complaint in the Federal Action.

6. Paragraph 17.d, providing releases under Section 1542 of the California Civil Code, is replaced with the following revised Paragraph 17.d:

17.d. As set forth above, the Released FLSA Claims and Released Class Claims encompass known and unknown claims which were or could have been made based on the facts pled in the Second Amended Complaint in the Action. Accordingly, the Participating Individuals shall waive and relinquish all rights they have or may have based on the facts pled in the Second Amended Complaint in the Federal Action with respect to, respectively, the Released FLSA Claims and Released Class Claims under Section 1542 of the California Civil Code, which states as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Parties acknowledge that the foregoing waiver of any rights under Section 1542 and similar statutes was separately bargained for and that Defendants would not have agreed to the Settlement unless it included a broad release of unknown claims in connection with the released matters.

7. Paragraph 17.e, providing the effect of negotiating checks for Rule 23 Settlement Class Members' FLSA claims, is replaced with the following revised Paragraph 17.e:

Rule 23 Settlement Class Members who are not Opt-In Plaintiffs and who cash, deposit, or otherwise negotiate their Settlement Award checks shall also release the Released FLSA Claims against the Releasees as set forth above. Members of the Rule 23 Settlement Class who timely and validly request exclusion from the Settlement, but who are also Collective Members will still receive Settlement Award checks in their capacity as Collective Members pursuant to Paragraph 32. Rule 23 Settlement Class Members who are not Opt-In Plaintiffs and who do not cash or deposit their Settlement Award checks, shall not release the Released FLSA Claims against the Releasees as set forth above.

8. Paragraph 18(a), providing the release language on the back of each Settlement Award check for Collective Members, is replaced with the following revised Paragraph 18(a):

18(a). For Collective Members: "This check is your settlement payment in connection with the court-approved collective action Settlement in *Chavez, et al. v. Stellar Management Group VII, LLC, et al.*, N.D. Cal. Case No.: 3:19-cv-01353-JCS (N.D. Cal.). By signing or cashing your check, you acknowledge that you have read the Collective Notice, that you consent to having a United States magistrate judge conduct all further proceedings in this case under 28 U.S.C. § 636(c), that you consent to join the Collective Action, and participate in the Settlement and that you are releasing the Released FLSA Claims against the Releasees."

9. Paragraph 18(b), providing the release language on the back of each Settlement Award check for Participating Class Members, is replaced with the following revised Paragraph 18(b):

18(b). Participating Class Members: "This check is your settlement payment in connection with the court-approved class action Settlement in *Chavez, et al. v. Stellar Management Group VII, LLC, et al.*, N.D. Cal. Case No.: 3:19-cv-01353-JCS (N.D. Cal.). By not opting out of the Settlement, you have released Stellar Management Group VII, LLC; Stellar Management Group, Inc. d/b/a QSI Quality Service Integrity; and The Vincit Company, LLC d/b/a The Vincit Group and Vincit Enterprises; and other Releasees of all Settlement Class Members' Released Claims as defined in the Settlement Agreement, including claims under the Fair Labor Standards Act ("FLSA"). By signing or cashing your check, you acknowledge that you have read the Class Notice, and that you are

releasing the Released FLSA Claims against the Releasees.”

10. Paragraph 20, providing the prohibition of asserting claims, or commencing, joining in, or prosecuting adversarial proceedings against the Releasees, is replaced with the following revised Paragraph 20:

20. Named Plaintiffs and Participating Individuals, to the fullest extent allowed by law, are prohibited from asserting any claims released by them in this Settlement, and from commencing, joining in, or prosecuting a lawsuit or adversarial proceeding against the Releasees, based on claims released by them in this Settlement. Excluded from this prohibition are any instances where any individual is legally compelled to testify through service of a subpoena or other legal process.

11. Paragraph 21.g, providing the deadline for the Settlement Administrator to provide Defendants’ Counsel and Class Counsel a report following the Notice Deadline, is replaced with the following revised Paragraph 21.g:

21.g. Within thirty (30) calendar days after the Notice Deadline, the Settlement Administrator shall provide Defendants’ Counsel and Class Counsel, respectively, a report showing: (i) the names of Rule 23 Settlement Class Members; (ii) the names of Collective Members who are not also Participating Class Members and for whom the Settlement Administrator was able to obtain a verified address; (iii) the Settlement Awards to be paid to each such Participating Class Member and each such Collective Member who is not also a Participating Class Member; (iv) the final number of Rule 23 Settlement Class Members who have submitted objections or valid letters requesting exclusion from the Settlement; and (v) the number of undeliverable Settlement Notices and Collective Notices. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to counsel for all Parties and the Court. This written certification shall include the total number of Participating Class Members, the total number of Collective Members who are not also Participating Class Members and for whom the Settlement Administrator was able to obtain a verified address, the average recovery per Participating Class Member, the average recovery per Collective Member who is not also a Participating Class Member and for whom the Settlement Administrator was able to obtain a verified address, the median recovery per Participating Class Member, the median recovery per Collective Member who is not also a Participating Class Member for whom the Settlement Administrator was able to obtain a verified address, the largest and smallest amounts paid to Participating Class Members, the largest and smallest amounts paid to Collective Members who are not also Participating Class Members and for whom the Settlement Administrator was able to obtain a verified address, and the number and value of checks not cashed.

12. Paragraph 23, outlining Rule 23 Settlement Class Members’ ability to object to the Settlement, is replaced with the following revised Paragraph 23:

23. **Objections.** Rule 23 Settlement Class Members will have up to and including the Notice Deadline to object to the Settlement. To object, a Rule 23 Settlement Class

Member must mail to the Settlement Administrator a written objection stating the basis for the objection and include any supporting documents. The postmark date shall be deemed the exclusive means for determining if the objection is timely. The Settlement Administrator shall provide counsel for the Parties with complete copies of all objections received, including the postmark dates for each objection, within two (2) business days of receipt. Class Counsel shall file the objections with the Court in connection with the motion for Final Approval. The Parties and their counsel agree that they, nor any person on their behalf, will not solicit, encourage, or advise any individual to object to the Settlement. The Settlement Notice shall advise Rule 23 Settlement Class Members of the right to object and state the following requirements for objections: (1) the objection must be mailed to the Settlement Administrator no later than the Notice Deadline, the date of which shall be stated in the Settlement Notice; (2) the objection shall state the full name, address, and telephone number of the Settlement Class Member; (3) it shall state the last four digits of the Rule 23 Settlement Class Member's Social Security Number; and (4) it shall state the factual and legal basis for the objection and include any supporting documents. The Settlement Notice shall state that if the Rule 23 Settlement Class Member wishes to be represented by an attorney with respect to the objection, it will be at his or her own expense. The Settlement Notice shall also state that the objection should state if the Rule 23 Settlement Class Member or his or her attorney intends to appear at the Final Approval Hearing. The Settlement Notice shall state that objections shall only be considered if the Rule 23 Settlement Class Member has not opted out of the Settlement.

13. Paragraph 32.a.ii, providing the calculation for which Participating Class and Collective Members receive a *pro rata* portion of the Net Settlement Amount, is replaced with the following revised Paragraph 32.a.ii:

32.a.ii. For each week during which a Participating Class Member, was employed as a non-exempt employee by at least one of the Defendants at any time from March 13, 2015 until the date of Preliminary Approval of the Settlement, and for each week during which a Collective Member was employed as a non-exempt employee by at least one of the Defendants at any time from March 13, 2016 until the date of Preliminary Approval of the Settlement, he or she shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of workweeks he or she was employed during such period. Each workweek during which the individual was employed outside the State of California during the relevant time period will be equal to one (1) settlement share. To reflect the increased value of claims under California law, workweeks during which a Participating Class Member was employed in California will be equal to three (3) settlement shares.

14. Paragraph 41, providing the time period during which all Settlement Award checks are valid and negotiable, is replaced with the following revised Paragraph 41:

41. All Participating Individuals will have one hundred eighty (180) days from the date of issuance of the first Settlement Award check pursuant to Paragraph 40 to negotiate, cash, or deposit their Settlement Award checks. At the end of the one hundred eighty (180) day period, any Settlement Awards may thereafter automatically be canceled if not cashed within that time, at which time the right to recover any Settlement Award will be

deemed void and of no further force and effect. With ninety (90) days remaining, a reminder letter will be sent via U.S. mail and, if applicable, email to those who have not yet cashed their settlement check, and during the last sixty (60) days of the check cashing period, a call will be placed to those that have still not cashed their check to remind them to do so. If a check has not been cashed within sixty (60) days of issuance, the Settlement Administrator shall cancel the original check issued and shall promptly attempt to obtain a valid mailing address by performing a skip trace search for those individuals and send second checks to the updated address, or if no update is obtained, to the last known address. These second checks will remain negotiable for one hundred eighty (180) days from the date of the issuance of the first settlement check. Regardless of whether they cash their Settlement Award Checks, Named Plaintiffs, Aggrieved Employees, and Participating Class Members shall be deemed to have finally and forever released the Named Plaintiffs' Released Claims, Released PAGA Claims, and Released Class Claims, respectively.

- 15. The attached Exhibit C – the Notice of Class Action Settlement to be sent to the Rule 23 Settlement Class and Aggrieved Employees in English and in Spanish – shall replace the original Exhibit A attached to the Settlement Agreement.
- 16. The attached Exhibit D – the Notice of Collective Action Settlement to be sent to the Collective Members who are not members of the Rule 23 Settlement Class in English and Spanish – shall replace the original Exhibit B attached to the Settlement Agreement.
- 17. The Parties enter into this Amendment through their respective counsel of record pursuant to Paragraph 55 of the Settlement Agreement. This Amendment may be executed in one or more counterparts, including by facsimile or email. All executed counterparts and each of them shall be deemed to be one and the same instrument. All executed copies of this Agreement, and photocopies thereof (including facsimile and/or emailed copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

PLAINTIFF:  Date: 05 / 06 / 2021, 2021
 David Chavez

PLAINTIFF: _____ Date: _____, 2021
 Vincent Slaughter

APPROVED AS TO FORM BY CLASS COUNSEL:
 _____ Date: _____, 2021
 Carolyn Hunt Cottrell

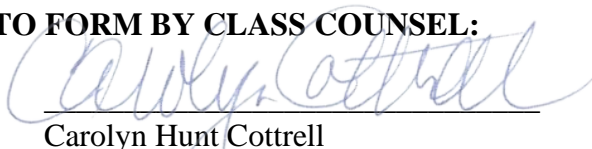
deemed void and of no further force and effect. With ninety (90) days remaining, a reminder letter will be sent via U.S. mail and, if applicable, email to those who have not yet cashed their settlement check, and during the last sixty (60) days of the check cashing period, a call will be placed to those that have still not cashed their check to remind them to do so. If a check has not been cashed within sixty (60) days of issuance, the Settlement Administrator shall cancel the original check issued and shall promptly attempt to obtain a valid mailing address by performing a skip trace search for those individuals and send second checks to the updated address, or if no update is obtained, to the last known address. These second checks will remain negotiable for one hundred eighty (180) days from the date of the issuance of the first settlement check. Regardless of whether they cash their Settlement Award Checks, Named Plaintiffs, Aggrieved Employees, and Participating Class Members shall be deemed to have finally and forever released the Named Plaintiffs' Released Claims, Released PAGA Claims, and Released Class Claims, respectively.

- 15. The attached Exhibit C – the Notice of Class Action Settlement to be sent to the Rule 23 Settlement Class and Aggrieved Employees in English and in Spanish – shall replace the original Exhibit A attached to the Settlement Agreement.
- 16. The attached Exhibit D – the Notice of Collective Action Settlement to be sent to the Collective Members who are not members of the Rule 23 Settlement Class in English and Spanish – shall replace the original Exhibit B attached to the Settlement Agreement.
- 17. The Parties enter into this Amendment through their respective counsel of record pursuant to Paragraph 55 of the Settlement Agreement. This Amendment may be executed in one or more counterparts, including by facsimile or email. All executed counterparts and each of them shall be deemed to be one and the same instrument. All executed copies of this Agreement, and photocopies thereof (including facsimile and/or emailed copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

PLAINTIFF: _____ Date: _____, 2021
David Chavez


PLAINTIFF: _____ Date: _____, 2021
Vincent Slaughter

APPROVED AS TO FORM BY CLASS COUNSEL:
 _____ Date: May 7, 2021
Carolyn Hunt Cottrell

Ori Edelstein
Michelle S. Lim
SCHNEIDER WALLACE
COTTRELL KONECKY LLP
2000 Powell Street, Suite 1400
Emeryville, California 94608

DEFENDANT:  Date: May 7, 2021
On behalf of Stellar Management
Group VII, LLC

DEFENDANT:  Date: May 7, 2021
On behalf of Stellar Management Group,
Inc. d/b/a QSI Quality Service Integrity

DEFENDANT:  Date: May 7, 2021
On behalf of The Vincit Company, LLC
d/b/a The Vincit Group and Vincit Enterprises

APPROVED AS TO FORM BY DEFENDANTS' COUNSEL:


 Date: May 7, 2021
Koray J. Bulut
Stephen L. Taeusch
GOODWIN PROCTER LLP
Three Embarcadero Center
San Francisco, California 94111

EXHIBIT C

*Chavez, et al. v. Stellar Management Group VII, LLC, et al.,
Case No. 3:19-cv-01353-JCS (N.D. Cal.)*

NOTICE OF CLASS ACTION SETTLEMENT
PLEASE READ THIS NOTICE CAREFULLY.

A federal court authorized this notice. This is not a solicitation from a lawyer.

You have been sent this Notice because there is a proposed settlement (the “Settlement”) of a class and collective action lawsuit that Plaintiffs David Chavez and Victor Slaughter (“Plaintiffs”) filed against Stellar Management Group VII, LLC; Stellar Management Group, Inc. d/b/a QSI Quality Service Integrity; and The Vincit Company, LLC d/b/a The Vincit Group and Vincit Enterprises (collectively, “Defendants”). Defendants’ records show that you were employed as a non-exempt employee by Defendants in the State of California at some time between March 13, 2015 and [date of preliminary approval] and that you did not exclusively work at Defendants’ corporate offices and are therefore eligible to participate in the Settlement. The purpose of this Notice is to inform you of the pending Settlement and your rights under it.

Please understand that this is not a notice of a lawsuit against you. You have not been sued. You are not required to appear in Court in response to this Notice. Please review this Notice and consider your options carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
DO NOTHING	If you do nothing, you will be sent a settlement payment upon final approval of the Settlement, and the releases of claims under California law will apply to you. By cashing your settlement check, you will also release claims under federal law, as described below in Section 6.
EXCLUDE YOURSELF OR “OPT OUT”	<p>If you “opt out” of the lawsuit and choose not to be part of the Settlement as described below in Section 6, the release of claims under federal law and California law will not apply to you, and you <u>will not</u> receive any payment under this Settlement, except as described in the following sentence.</p> <p>If you are an Aggrieved Employee (defined below), you will receive a pro rata portion of the Net PAGA Amount (defined below) whether or not you “opt out” of the Settlement.</p>

OBJECT	You may write an objection to the Court stating why you do not like the Settlement, as described below in Section 6. You may also appear in Court and explain why you do not like the Settlement or use an attorney to appear for you. If you object, this does not mean you opt out of the Settlement (as explained below, if you opt out of the Settlement, you will not be permitted to object to the Settlement).
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1. Why Should You Read This Notice?

This Notice explains your right to share in the monetary proceeds of this Settlement, exclude yourself from (or “opt out” of) the Settlement, or object to the Settlement. If you object to the Settlement, you cannot opt out of the Settlement, and you will be bound by the terms of Settlement in the event the Court denies your objection.

The United States District Court for the Northern District of California has preliminarily approved the Settlement as fair and reasonable. The Court will hold a Final Approval Hearing on [REDACTED], 2019 at [REDACTED], before the Honorable Chief Magistrate District Judge Joseph C. Spero remotely via the online platform Zoom, <https://cand-uscourts.zoomgov.com/j/1619260804?pwd=RE5qWDhGOTdWWTZUOFIOKzhNc3pjZz09>, Webinar ID: 161 926 0804, Password: 050855, Dial in: US: +1 (669) 254-5252 or +1 (646) 828-7666, International numbers: <https://cand-uscourts.zoomgov.com/u/advFLxrTkx>.

2. What Is This Case About?

The claims in this lawsuit are brought under California law and under the federal Fair Labor Standards Act (“FLSA”).

The lawsuit alleges that individuals whom Defendants employed as non-exempt employees in California, between March 13, 2015 and [date of preliminary approval] and that did not exclusively work at Defendants’ corporate offices were not provided meal and rest breaks, were not compensated for all hours worked, were not paid minimum, straight time, overtime, or double time wages, were not paid all wages due upon termination, were not provided timely and compliant itemized wage statements, and were not reimbursed for necessary business expenses. This lawsuit seeks recovery of unpaid wages, statutory damages, civil penalties under the California Labor Code Private Attorneys General Act (“PAGA”), unreimbursed business-related expenses, restitution, interest, attorneys’ fees and costs.

The lawsuit also alleges that individuals whom Defendants employed as non-exempt employees throughout the United States, between March 13, 2016 and [date of preliminary approval] and that did not exclusively work at Defendants’ corporate offices were not appropriately paid minimum and overtime wages pursuant to the requirements of the FLSA.

Defendants deny these claims and believe that they have strong legal and factual defenses to them. Defendants also do not believe that Plaintiffs’ claims meet the requirements for class or collective

certification. Nevertheless, in order to avoid the expense and delay associated with further litigation and appeals, Defendants have chosen to settle this matter and to make payments to current and former employees.

This Settlement is the result of good faith, arm's length negotiations between Plaintiffs and Defendants, through their respective attorneys. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Rule 23 Settlement Class Members. This Settlement is a compromise and is not an admission of liability on the part of Defendants.

The Court has not ruled on the merits of Plaintiffs' claims or Defendants' defenses.

The Settlement Administrator has created a Settlement website, which can be accessed at [INSERT URL]. The Settlement website allows interested persons to view the Settlement Agreement, all papers filed by Class Counsel to obtain Court approval of the Settlement Agreement, and this Notice of Settlement (in generic form). The Settlement website also provides contact information for Class Counsel and the Settlement Administrator.

3. How Will The Settlement Payment Be Distributed?

The total settlement amount is \$4,250,000.00, which Defendants will pay into a settlement fund. This amount will mostly be distributed to the current and former employees who meet the definitions for participating in the Settlement, but it will also be used to pay for attorneys' fees and costs awarded by the Court, any enhancement payments to Plaintiffs that are awarded by the Court, the Settlement Administrator's costs, a payment to the California Labor and Workforce Development Agency (LWDA) that is required by PAGA, as well as employers' share of any payroll taxes to be paid in connection with the Settlement (e.g., FICA, FUTA, payroll taxes, or any similar taxes or charges).

The attorneys for Plaintiffs and the Settlement Class (referred to as "Class Counsel") will ask the Court to award them 1/3 of the settlement amount, which is \$1,416,666.52, to compensate them for their services in this matter. Class Counsel will also request reimbursement for their costs spent in litigating this case, not to exceed \$50,000. Class Counsel will file a motion with the Court setting forth the bases for their requested costs and fees.

Plaintiffs David Chavez and Vincent Slaughter will ask the Court to award them \$12,000 and \$10,000, respectively, for their role as the named plaintiffs prosecuting this lawsuit on the behalf of all Class Members. This payment would also come from the settlement fund.

The Settlement Administrator's costs are capped at \$85,000, and this payment will also come from the settlement fund.

The payment to the LWDA and Aggrieved Employees in connection with the PAGA component of the Settlement will be \$30,000, and this payment will also come from the settlement fund.

The remainder of the settlement fund after subtracting the amounts described above is the Net Settlement Amount that will be distributed to Participating Individuals.

<p>4. If I Choose To Participate In The Settlement, How Do I Receive Payment And How Much Can I Expect To Receive?</p>

You do not need to do anything to be sent your settlement payment. Just watch your mail for a check and cash it when you get it. You will have 180 days from issuance of the check to cash it.

According to records maintained by Defendants, your total estimated settlement payment will be at least \$ [REDACTED]. This amount is an estimated amount, and your final settlement payment is expected to differ from this amount (i.e., it could be higher or lower) and will be calculated as set forth below. All Settlement Award determinations will be based on Defendants' timekeeping, payroll, and/or other records for Settlement Class members. Based on Defendants' records, you are estimated to have worked [REDACTED] workweeks for at least one of the Defendants during the relevant period in the State of California, and [REDACTED] workweeks for at least one of the Defendants during the relevant period in the United States of America, outside of the State of California.

If you dispute the number of workweeks as shown on this Notice of Settlement, you may produce evidence to the Settlement Administrator establishing the dates you contend to have worked for Defendants. To do so, send a letter to the Settlement Administrator explaining the basis for your dispute and attach copies of the supporting evidence. Unless you present convincing evidence proving you worked more workweeks than shown by Defendants' records, your Settlement Award will be determined based on Defendants' records. Any disputes must be postmarked by [INSERT DATE] and should be mailed to [INSERT SETTLEMENT ADMINISTRATOR ADDRESS]. The Settlement Administrator will notify you of the decision on the dispute.

Payments to participating Rule 23 Settlement Class Members will be calculated on the number of eligible workweeks. Each participating Rule 23 Settlement Class Member will be eligible to receive a *pro rata* share of the Net Settlement Amount based on the total number of eligible workweeks that the individual was employed by Defendants from March 13, 2015, through the date of [date of preliminary approval] in the state of California. Participating Individuals will receive a *pro rata* share of the Net Settlement Amount as follows:

1. For each week during which the Participating Individual was employed by at least one of the Defendants at any time from March 13, 2015 for Rule 23 Settlement Class Members, and from March 13, 2016 or three years prior to the Opt-In Date for Collective Members who timely Opt-In to this Action, through the Notice Deadline, he or she shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of workweeks the Participating Individual worked. Each workweek will be equal to one (1) settlement share. To reflect the increased value of state law claims, workweeks during which work was performed in California will be equal to three (3) settlement shares.
2. The total number of settlement shares for all Participating Individuals will be added together and the resulting sum will be divided into the Net Settlement Amount to reach a per share dollar figure. That figure will then be multiplied by each Participating Individual's number of settlement shares to determine the

Participating Individual's share of the Net Settlement Amount.

When calculating the individual Settlement Awards for purposes of these Notices of Settlement, the Settlement Administrator has assumed that no Rule 23 Settlement Class Members opt-out and all Collective Members opt-in. When calculating the individual Settlement Awards to Rule 23 Settlement Class Members following Final Approval (for purposes of preparing individual Settlement Award checks), the Settlement Administrator will not include Rule 23 Settlement Class Members who validly request exclusion from the Settlement or any Collective Member who fails to timely opt-in to this Action. This means that for purposes of the Notices of Settlement, the Settlement Administrator has assumed that all potential Rule 23 Settlement Class Members and Collective Members will participate in this Settlement, even though that may not remain the case following Final Approval. It is thus likely that your total estimated settlement payment will be higher than indicated in this Notice.

Whether or not they otherwise opt out of the Settlement, Aggrieved Employees who worked for Defendants between October 19, 2017 and [date of preliminary approval] (the "PAGA Period") in the state of California will be Participating Individuals for purposes of the settlement of the PAGA claim in the lawsuit and will receive a *pro rata* share of the Net PAGA Amount (i.e., \$7,500.00) based on their number of workweeks employed by Defendants as non-exempt employees during the PAGA Period.

For tax reporting purposes, Settlement Awards to Participating Individuals will be allocated as follows: any portion of each Settlement Award that is provided from the Net PAGA Amount shall be allocated as penalties; for the remainder of each Settlement Award, twenty percent (20%) of each Settlement Award shall be allocated as wages, sixty (60%) of each Settlement Award shall be allocated as penalties and interest, and twenty percent (20%) of each Settlement Award shall be allocated as expense reimbursements. None of the Parties or attorneys makes any representations concerning the tax consequences of this Settlement or your participation in it. Participating Individuals should consult with their own tax advisors concerning the tax consequences of the Settlement.

If you participate in the Settlement, you will have 180 days to cash the check that will be sent to you. If at the conclusion of the 180-day check void period, there are any uncashed checks, those monies will be paid to the Parties' agreed upon *cy pres* recipient, Legal Aid at Work, subject to the Court's approval in the Final Approval Order, if the total residual amount is less than \$50,000. If the total residual amount is \$50,000 or greater, a second distribution will occur to those Participating Individuals who cashed their check on a *pro rata* basis.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your monetary Settlement Award. If you fail to keep your address current, you may not receive your Settlement Award.

5. What Are The Releases?

Upon Final Approval of the Settlement Agreement and payment of amounts set forth under the Settlement, Participating Individuals release claims as follows ("Released Claims") against Defendants, their present and former parent companies, subsidiaries, related or affiliated

companies, and their shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity that could be liable for any of the Released Claims (collectively, the “Releasees”):

- Released California Class Claims: Members of the Rule 23 Settlement Class who do not request exclusion from the settlement shall release the Released Class Claims, which include all claims, penalties, costs, expenses, attorneys’ fees, liabilities, damages, actions or causes of action of every nature and description, known and unknown, that were pled or could have been pled based on the factual allegations in the Second Amended Complaint, through [date of Preliminary Approval], including, statutory, constitutional, contractual or common law claims for wages (including minimum wage, overtime, and premium wages,), damages, business expenses, or penalties (including waiting time penalties), liquidated damages, punitive damages, interest, restitution, equitable relief, or other relief, based on applicable statutes (including without limitation the California Labor Code, the California Industrial Welfare Commission wage orders, Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, et seq.) (“PAGA”), California Business and Professions Code § 17200, *et seq.*, or other law, including, but not limited to, claims based on the following categories of allegations: (a) claims for unpaid overtime; (b) claims for meal and rest period violations; (c) claims for unpaid minimum wages; (d) claims for untimely payment of wages upon termination; (e) claims for untimely payment of wages during employment; (f) claims for failure to pay wages; (g) claims for failure to provide accurate or otherwise proper itemized wage statements; (h) claims for failure to keep complete and accurate payroll records; (i) claims for failure to reimburse necessary business-related expenses and costs; (j) claims asserted, or which could have been asserted, under PAGA arising out of the aforementioned claims; (k) claims asserted through California Business & Professions Code § 17200 *et seq.* arising out of the aforementioned claims; and (l) other claims for penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, equitable relief, or additional damages that were pled or could have been pled based on the factual allegations in the Second Amended Complaint. Members of the Rule 23 Settlement Class who do not timely and validly request exclusion from the Settlement shall also release any and all claims, penalties, costs, expenses, attorneys’ fees, liabilities, damages, actions or causes of action of whatever kind or nature under the Fair Labor Standards Act, 29 U.S.C. §§ 201, et seq., through the date of Preliminary Approval of the Settlement, known and unknown, which were or could have been made based on the facts pled in the Second Amended Complaint in the Federal Action.
- Released PAGA Claims: Aggrieved Employees shall release the Released PAGA Claims, which include any and all claims under the Private Attorneys’ General Act (“PAGA”) of 2004 (Cal. Lab. Code §§ 2698, et seq.), known and unknown, based on or arising out of claims under California Labor Code § 1194; § 510; § 204; §§ 226.7 and 512; § 226; §§ 201-203; § 2802; and California Business and Professions Code §§ 17200 et seq., which were or could have been made based on the facts pled in the Second Amended Complaint in the Federal Action. The release period for the Released PAGA Claims runs from October 19, 2017 through [date of Preliminary Approval]. Aggrieved Employees cannot opt out or otherwise exclude himself or herself from the PAGA component of the Settlement.

- As set forth above, the Released Class Claims encompass known and unknown claims which were or could have been made based on the facts pled in the Second Amended Complaint in the Federal Action. Accordingly, the participating members of the Rule 23 Settlement Class acknowledge, waive, and relinquish all rights they have or may have based on the facts pled in the Second Amended Complaint in the Federal Action with respect to, respectively, the Released Class Claims, under Section 1542 of the California Civil Code, which states as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

In addition, if you cash or deposit your Settlement check, you will also be deemed to have opted-in to this action pursuant to the FLSA and will thereby release, and agree to release, the Released FLSA Claims, which include any and all claims, penalties, costs, expenses, attorneys' fees, liabilities, damages, actions or causes of action of whatever kind or nature under the FLSA through [date of Preliminary Approval], known and unknown, which were or could have been made based on the facts pled in the Second Amended Complaint in the lawsuit.

6. What Are My Rights?

- **Do Nothing:** If you are a Rule 23 Settlement Class Member and do not timely and validly opt-out, you will automatically become a part of the Settlement Class and receive your prorated Settlement Award, and will be bound by the Settlement including its release provisions.
- **Opt-Out:** If you are a member of the Rule 23 Settlement Class and do not wish to be bound by the Settlement, you must submit a written request for exclusion from the Settlement (“opt-out”), postmarked by [INSERT]. The written request for exclusion must contain your full name, address, telephone number, email address (if applicable), last four digits of your social security number, and must be signed individually by you. No opt-out request may be made on behalf of a group. The opt-out request must be sent by mail to the Settlement Administrator at [INSERT SETTLEMENT ADMINISTRATOR ADDRESS]. **Any person who requests exclusion (opts out) of the settlement will not be entitled to any Settlement Award and will not be bound by the Settlement Agreement or have any right to object, appeal or comment thereon.** (Notwithstanding the foregoing, you cannot opt out or otherwise exclude yourself from the PAGA component of the Settlement—if you are an Aggrieved Employee, whether or not you submit a written request for exclusion from the Settlement, you will receive a pro rata portion of the Net PAGA Amount and you will be bound by the release of the Released PAGA Claims described above.)
- **Object:** If you received this Notice and wish to object to the Settlement, you must submit a written statement objecting to the Settlement by [INSERT DATE]. The statement must state the factual and legal grounds for your objection to the settlement. The statement must state your full name, address, telephone number, and email address (if applicable), and

must be signed by you. The statement must be mailed to the Court at the following address: United States District Court, Office of the Clerk, 450 Golden Gate Avenue, San Francisco, California 94102-3489. You must also mail a copy of your objection to counsel for Defendants and Class Counsel, at the addresses listed in Section 8 of this Notice by [INSERT DATE].

You may also, if you wish, appear at the Final Approval Hearing to discuss your objection with the Court and the parties to the Lawsuit. If you mailed a written objection, your written objection must state whether you will attend the Final Approval Hearing, and your written notice of your intention to appear at the Final Approval Hearing must be filed with the Court and served upon Class Counsel and Defendants' counsel on or before the Notice Deadline. To be heard at the Final Approval Hearing you must also not opt out of the Settlement. The postmark date of mailing to Class Counsel and Defendants' counsel shall be the exclusive means for determining that an objection is timely mailed to counsel. Objections shall only be considered if the Settlement Class Member has not opted out of the Settlement. The failure to submit a written objection as a prerequisite to appearing in court to object to the settlement may be excused upon a showing of good cause.

You may also withdraw your objection in writing by mailing a withdrawal statement to the Court and counsel for the Parties postmarked no later than [INSERT DATE – 10 business days before final approval hearing], orally at the Final Approval hearing, or as otherwise ordered by the Court.

7. Can Defendants Retaliate Against Me for Participating in this Lawsuit?
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No. Your decision as to whether or not to participate in this Lawsuit will in no way affect your work or employment with Defendants or future work or employment with Defendants. It is unlawful for Defendants to take any adverse action against you as a result of your participation in this Lawsuit. In fact, Defendants encourage you to participate in this Settlement.

8. Who Are the Attorneys Representing Plaintiff and the Settlement Class?

Plaintiff and the Settlement Class are represented by the following attorneys acting as Class Counsel:

Carolyn H. Cottrell

Ori Edelstein

Michelle S. Lim

SCHNEIDER WALLACE

COTTRELL KONECKY LLP

2000 Powell Street, Suite 1400

Emeryville, CA 94608

Telephone: (800) 689-0024

Facsimile: (415) 421-7105

9. How Will the Attorneys for the Settlement Class Be Paid?

Class Counsel will be paid from the Gross Settlement Amount of \$4,250,000. You do not have to pay the attorneys who represent the Settlement Class. The Settlement Agreement provides that Class Counsel will receive attorneys' fees of up to one-third (1/3) of \$4,250,000.00 (i.e., \$1,416,666.52) plus their out-of-pocket costs, not to exceed \$50,000.00. Class Counsel will file a Motion for Attorneys' Fees and Costs with the Court. The amount of attorneys' fees and costs awarded will be determined by the Court at the Final Approval Hearing.

10. Where can I get more information?

If you have questions about this Notice, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Settlement, you should contact the Class Counsel.

This Notice is only a summary. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at the Settlement website at [INSERT URL], or by contacting Class Counsel toll-free at (800) 689-0024, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>.

PLEASE DO NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANTS FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT.

EXHIBIT D

*Chavez, et al. v. Stellar Management Group VII, LLC, et al.,
Case No. 3:19-cv-01353-JCS (N.D. Cal.)*

NOTICE OF COLLECTIVE ACTION SETTLEMENT
PLEASE READ THIS NOTICE CAREFULLY.

A federal court authorized this notice. This is not a solicitation from a lawyer.

You have been sent this Notice because there is a proposed settlement (the “Settlement”) of a collective action lawsuit that Plaintiffs David Chavez and Victor Slaughter (“Plaintiffs”) filed against Stellar Management Group VII, LLC; Stellar Management Group, Inc. d/b/a QSI Quality Service Integrity; and The Vincit Company, LLC d/b/a The Vincit Group and Vincit Enterprises (collectively, “Defendants”). You are receiving this Notice either because you previously completed an Opt-In Consent Form to join this case or because Defendants’ records show that you were employed by Defendants as a non-exempt employee in the United States at some time between March 13, 2016 and [date of preliminary approval] and that you did not exclusively work at Defendants’ corporate offices. The purpose of this Notice is to inform you of the pending Settlement and your rights under it.

Please understand that this is not a notice of a lawsuit against you. You have not been sued. You are not required to appear in Court in response to this Notice. Please review this Notice and consider your options carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
CASH THE CHECK YOU WILL RECEIVE IF THE SETTLEMENT IS APPROVED, WHICH WILL CONTAIN YOUR PORTION OF THE SETTLEMENT	If you cash the check you will be sent in the mail in this matter in several months, you will be “opting in” to the Settlement, and the Settlement and the release of claims described below will apply to you. (Please note that the check is not enclosed with this notice—it will be sent later if the Court finally approves the Settlement.)
DO NOT CASH THE CHECK YOU WILL RECEIVE	If you do not cash the check, you will be choosing not to be part of the Settlement, and the release of claims will not apply to you

1. Why Should You Read This Notice?

This Notice explains your right to share in the monetary proceeds of this Settlement by “opting in” to the Settlement and the procedure to opt in. **If you do not “opt in” to the settlement by cashing the check you will receive if the Settlement is finally approved, you will not receive a Settlement Award and will not be bound by the Settlement Agreement.**

The United States District Court for the Northern District of California has preliminarily approved the Settlement as fair and reasonable. The Court will hold a Final Approval Hearing on [REDACTED], 2021 at [REDACTED], before the Honorable Chief Magistrate District Judge Joseph C. Spero remotely via the online platform Zoom, <https://cand-uscourts.zoomgov.com/j/1619260804?pwd=RE5qWDhGOTdWWTZUOFIOKzhNc3pjZz09>, Webinar ID: 161 926 0804, Password: 050855, Dial in: US: +1 (669) 254-5252 or +1 (646) 828-7666, International numbers: <https://cand-uscourts.zoomgov.com/u/advFLxrTkx>.

2. What Is This Case About?

This lawsuit alleges that individuals whom Defendants employed as non-exempt employees throughout the United States, between March 13, 2016 and [date of preliminary approval] and that did not exclusively work at Defendants’ corporate offices were not compensated for all hours worked, were not properly paid minimum, straight time, or overtime wages. This lawsuit seeks recovery of unpaid wages, statutory damages, civil penalties interest, attorneys’ fees and costs. The claims in this lawsuit are brought under federal law.

Defendants contend that they have strong legal and factual defenses to these claims, but they recognize the risks, distractions, and costs associated with litigation. Defendants contend that the wage and hour policies and practices at issue are lawful and have been lawful throughout the relevant time period. Defendants also contend that Plaintiffs’ claims do not meet the requirements for a collective action.

This Settlement is the result of good faith, arm’s length negotiations between Plaintiff and Defendants, through their respective attorneys. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Collective Members. This Settlement is a compromise and is not an admission of liability on the part of Defendants.

The Court has not ruled on the merits of Plaintiffs’ claims or Defendants’ defenses.

The Settlement Administrator has created a Settlement website, which can be accessed at [INSERT URL]. The Settlement website allows interested persons to view the Settlement Agreement, all papers filed by Class Counsel to obtain Court approval of the Settlement Agreement, and this Notice of Settlement (in generic form). The Settlement website also provides contact information for Class Counsel and the Settlement Administrator.

3. How Will The Settlement Payment Be Distributed?

The total settlement amount is \$4,250,000.00, which Defendants will pay into a settlement fund. This amount will mostly be distributed to the current and former employees who meet the

definitions for participating in the Settlement (which includes individuals like you who work or worked for Defendants outside California and individuals who work or worked for Defendants in California). The settlement amount will also be used to pay for attorneys' fees and costs awarded by the Court, any enhancement payments to Plaintiffs that are awarded by the Court, the Settlement Administrator's costs, and a payment to the California Labor and Workforce Development Agency (LWDA) that is required by the Labor Code Private Attorneys General Act of 2004 (PAGA), as well as employers' share of any payroll taxes to be paid in connection with the Settlement (e.g., FICA, FUTA, payroll taxes, or any similar taxes or charges).

The attorneys for Plaintiffs and the Settlement Class (referred to as "Class Counsel") will ask the Court to award them 1/3 of the settlement amount, which is \$1,416,666.52, to compensate them for their services in this matter. Class Counsel will also request reimbursement for their costs spent in litigating this case, not to exceed \$50,000. Class Counsel will file a motion with the Court setting forth the bases for their requested costs and fees.

Plaintiffs David Chavez and Vincent Slaughter will ask the Court to award them \$12,000 and \$10,000, respectively, for their role as the named plaintiffs prosecuting this lawsuit on the behalf of all Class Members. This payment would also come from the settlement fund.

The Settlement Administrator's costs are capped at \$85,000, and this payment will also come from the settlement fund.

The payment to the LWDA and Aggrieved Employees in connection with the PAGA component of the Settlement will be \$30,000, and this payment will also come from the settlement fund.

The remainder of the settlement fund after subtracting the amounts described above is the Net Settlement Amount that will be distributed to Participating Individuals.

4. How Much Can I Expect to Receive?

According to records maintained by Defendants, your total estimated settlement payment will be at least \$[REDACTED]. This amount is an estimated amount, and your final settlement payment is expected to differ from this amount (i.e., it could be higher or lower) and will be calculated as set forth above. All Settlement Award determinations will be based on Defendants' timekeeping, payroll, and/or other records for Settlement Class members. Based on Defendants' records, you are estimated to have worked [REDACTED] workweeks for at least one of the Defendants during the relevant period in the United States. **To receive payment under the settlement as a Collective Member, you MUST cash the settlement check you that will be sent to you in several months.**

If you dispute the number of workweeks as shown on this Notice of Settlement, you may produce evidence to the Settlement Administrator establishing the dates you contend to have worked for Defendants. To do so, send a letter to the Settlement Administrator explaining the basis for your dispute and attach copies of the supporting evidence. Unless you present convincing evidence proving you worked more workweeks than shown by Defendants' records, your Settlement Award will be determined based on Defendants' records. Any disputes must be postmarked by [INSERT

[DATE] and should be mailed to [INSERT SETTLEMENT ADMINISTRATOR ADDRESS]. The Settlement Administrator will notify you of the decision on the dispute.

Payments to participating Collective Members will be calculated on the number of eligible workweeks. Each participating Collective Member will be eligible to receive a *pro rata* share of the Net Settlement Amount based on the total number of eligible workweeks that the individual worked for Defendants from March 13, 2016, through the date of [date of preliminary approval]. Participating Individuals will receive a *pro rata* share of the Net Settlement Amount as follows:

1. For each week during which the Participating Individual was employed by at least one of the Defendants at any time from March 13, 2015 (for Rule 23 Settlement Class Members), and from March 13, 2016 or three years prior to the Opt-In Date (for Collective Members who timely Opt-In to this Action), through the date of [date of preliminary approval], he or she shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of workweeks the Participating Individual was employed. Each workweek will be equal to one (1) settlement share. To reflect the increased value of state law claims, workweeks during a Participating Individual was employed in California will be equal to three (3) settlement shares.
2. The total number of settlement shares for all Participating Individuals will be added together and the resulting sum will be divided into the Net Settlement Amount to reach a per share dollar figure. That figure will then be multiplied by each Participating Individual's number of settlement shares to determine the Participating Individual's share of the Net Settlement Amount.

When calculating the individual Settlement Awards for purposes of these Notices of Settlement, the Settlement Administrator has assumed that no Rule 23 Settlement Class Members opt out and all Collective Members opt in. When calculating the individual Settlement Awards to Rule 23 Settlement Class Members following Final Approval (for purposes of preparing individual Settlement Award checks), the Settlement Administrator will not include Rule 23 Settlement Class Members who validly request exclusion from the Settlement or any Collective Member who fails to timely opt in to this Action. This means that for purposes of the Notices of Settlement, the Settlement Administrator has assumed that all potential Rule 23 Settlement Class Members and Collective Members will participate in this settlement, even though that may not remain the case following Final Approval. It is thus likely that your total estimated settlement payment will be higher than indicated in this Notice.

For tax reporting purposes, Settlement Awards to participating Collective Members will be allocated as follows: twenty percent (20%) of each Settlement Award shall be allocated as wages, sixty (60%) of each Settlement Award shall be allocated as penalties and interest, and twenty percent (20%) of each Settlement Award shall be allocated as expense reimbursements. None of the Parties or attorneys makes any representations concerning the tax consequences of this Settlement or your participation in it. Participating Collective Members should consult with their own tax advisors concerning the tax consequences of the Settlement.

If you participate in the Settlement, you will have 180 days to cash the check that will be sent to

you. If at the conclusion of the 180-day check void period, there are any uncashed checks, those monies will be paid to the Parties' agreed upon *cy pres* recipient, Legal Aid at Work, subject to the Court's approval in the Final Approval Order, if the total residual amount is less than \$50,000. If the total residual amount is \$50,000 or greater, a second distribution will occur to those Participating Individuals who cashed their check on a *pro rata* basis.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your monetary Settlement Award. If you fail to keep your address current, you may not receive your Settlement Award.

5. What Are The Releases for Collective Members Who Opt In?

Upon Final Approval of the Settlement Agreement and payment of amounts set forth under the Settlement, all Collective Members who opt in by cashing their settlement checks will release claims as follows against Defendants, their present and former parent companies, subsidiaries, related or affiliated companies, and their shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity that could be liable for any of the Released Claims (collectively, the "Releasees"):

- **Released FLSA Claims:** Members of the FLSA Settlement Collective who have previously consented to join the FLSA claim or who opt in and consent to the Settlement by cashing their settlement checks shall release the Released FLSA Claims, which include any and all claims, penalties, costs, expenses, attorneys' fees, liabilities, damages, actions or causes of action of whatever kind or nature under the Fair Labor Standards Act, 29 U.S.C. §§ 201, *et seq.*, through [date of Preliminary Approval], known and unknown, which were or could have been made based on the facts pled in the Second Amended Complaint in the Federal Action.
- The Released FLSA Claims encompass known and unknown claims which were or could have been made based on the facts pled in the Second Amended Complaint in the Federal Action. Accordingly, the participating members of the FLSA Settlement Collective acknowledge, waive, and relinquish all rights they have or may have based on the facts pled in the Second Amended Complaint in the Federal Action with respect to, respectively, the Released FLSA Claims and Released Class Claims, under Section 1542 of the California Civil Code, which states as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

6. What Are My Rights and What Are My Options?

Please see Section 4 above for an estimate of how much you will receive under the settlement as a Collective Member. To receive payment under the settlement as a Collective Member, you

MUST cash the settlement check that will be sent to you in several months. Therefore, you have two options:

- **Opt-In:** Cash the settlement check that will be sent to you to participate in the Settlement and receive a payment as a Collective Member.
- **Do Nothing:** Do not cash the settlement check that will be sent to you. If you do not cash the settlement check, you will not receive any payment under the Settlement as a Collective Member, and your claims against Defendants under the FLSA will not be released.

7. Can Defendants Retaliate Against Me for Participating in this Lawsuit?

No. Your decision as to whether or not to participate in this Lawsuit will in no way affect your work or employment with Defendants or future work or employment with Defendants. It is unlawful for Defendants to take any adverse action against you as a result of your participation in this Lawsuit. In fact, Defendants encourage you to participate in this Settlement.

8. Who Are the Attorneys Representing Plaintiff and the Settlement Class?

Plaintiff and the Settlement Class are represented by the following attorneys acting as Class Counsel:

Carolyn H. Cottrell
Ori Edelstein
Michelle S. Lim
SCHNEIDER WALLACE
COTTRELL KONECKY LLP
2000 Powell Street, Suite 1400
Emeryville, CA 94608
Telephone: (800) 689-0024
Facsimile: (415) 421-7105

9. How Will the Attorneys for the Settlement Class Be Paid?

Class Counsel will be paid from the Gross Settlement Amount of \$4,250,000. You do not have to pay the attorneys who represent the Settlement Class. The Settlement Agreement provides that Class Counsel will receive attorneys' fees of up to one-third (1/3) of \$4,250,000.00 (i.e., \$1,416,666.52) plus their out-of-pocket costs, not to exceed \$50,000.00. Class Counsel will file a Motion for Attorneys' Fees and Costs with the Court. The amount of attorneys' fees and costs awarded will be determined by the Court at the Final Approval Hearing.

10. Where can I get more information?

If you have questions about this Notice, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Settlement, you should contact the Class Counsel.

This Notice is only a summary. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at the Settlement website at [INSERT URL], by contacting Class Counsel toll-free at (800) 689-0024, or by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>.

PLEASE DO NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANTS FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT.