#### NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Maria Guadalupe Hernandez v. YZER, LLC, et al. Alameda County Superior Court Case No. 23CV025345

IF YOU ARE OR WERE employed by YZER, LLC ("YZER") as a non-exempt employee in California or are or were issued wage statements by PEOPLEASE, LLC ("PEOPLEASE") while employed by YZER as a non-exempt employee in California anytime between July 26, 2021 through April 17, 2024 YOU ARE ENTITLED TO RECEIVE MONEY FROM A CLASS ACTION SETTLEMENT.

A court approved this Notice. This is not an advertisement.
You are not being sued. However, your legal rights are affected whether you act or not.

PLEASE READ THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT			
INCLUDE THE FOLLOWING:			
Do Nothing	If you do nothing, you will <u>automatically</u> receive a payment from the Settlement. No action is required for you to receive a share of this Settlement.		
EXCLUDE YOURSELF (OPT-OUT OF THE SETTLEMENT)	If you exclude yourself from the Settlement, you will not receive a payment from the Settlement. This is the only option that allows you to file your own lawsuit against Defendants for claims released in this Settlement.		
	However, if you exclude yourself and you are an "Aggrieved Employee" (i.e., are or were employed by YZER as a non-exempt employee in California anytime between January 6, 2022 through April 17, 2024 or are or were issued wage statements by PEOP <i>LEASE</i> while employed by YZER as a non-exempt employee in California anytime between January 6, 2022 through April 17, 2024) you will still receive a portion of the monies allocated to settle the claims under the Private Attorneys General Act of 2004 ("PAGA"). See below, at Section 4, for more information.		
Овјест	If you have not requested exclusion, you may object to this Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from receiving a portion of the Settlement. If the Court overrules your objection and approves the Settlement, you will receive a portion of the Settlement. See below, at Section 4, for more information.		

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#### 1. Why Should You Read This Notice?

This Notice informs you of your rights to share in the Settlement and of the claims being released under the Settlement. You have received this Notice because YZER's records indicate that (1) you are or were employed by YZER in California as a non-exempt employee sometime between July 26, 2021 through April 17, 2024 (this time period is defined as the "Class Period"); and/or (2) while employed by YZER in California during the Class Period, you received a wage statement issued by PEOPLEASE. The Class is comprised of individuals who fit either of these descriptions. All individuals fitting this description are considered "Class Members."

If (1) you are or were employed by YZER in California as a non-exempt employee sometime between January 6, 2022 and April 17, 2024 (defined as the "PAGA Period"); and/or (2) while employed by YZER in California during the PAGA Period, you received a wage statement issued by PEOPLEASE, then you are also an "Aggrieved Employee" and will automatically receive a portion of the PAGA Payment made under this Settlement. All individuals who fit either of these descriptions are considered "Aggrieved Employees."

The Court preliminarily approved the Settlement on November 7, 2024, in Department 23 in the Alameda County Superior Court, State of California. At this hearing, the Court determined that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable and ordered that you receive this Notice.

The Court will hold a Final Approval Hearing concerning the proposed Settlement on February 20, 2025 at 10:00 a.m. in Department 23 of the Alameda County Superior Court, located at the Administration Building at 1221 Oak St, Oakland, California 94612. The Final Approval Hearing may be continued to another date without further notice.

#### A. How Will I Know If The Court Changes The Date Or Location Of The Final Approval Hearing?

If the Court changes the date of the Final Approval Hearing, you will not receive notice of the change. It is strongly suggested that, prior to the scheduled Final Approval Hearing, you: (1) contact the Settlement Administrator to find out if the Final Approval Hearing is still scheduled for February 20, 2025 at 10:00 a.m. in Department 23; (2) contact Class Counsel; or (3) check the Court's docket for this Class Action to see if the hearing is still scheduled on February 20, 2025 at 10:00 a.m. in Department 23. You can also check the Settlement Administrator's website at www.HernandezWageSettlement.com for any updates to the date and time for the Final Approval Hearing.

To check the Court's docket, go to <a href="https://www.alameda.courts.ca.gov/">https://www.alameda.courts.ca.gov/</a>. Under "Services," click on "View Case Records." Under "eCourt Public Portal," click on the blue "eCourt Public Portal" button. If you do not already have an account, you will need to create an account to access the Court's docket. Click on "Create an Account" and select "Public Users." Fill out your personal information, then click on the green "Create a new account" button at the bottom of the page.

After you have created an account, you can login to your account and access the eCourt Public Portal. Click on "Searches." Click on "Case Number Search." Type in "23CV025345" into the Case Number search bar, select "Civil Unlimited" from the Case Type drop down list, click on the box to indicate you are not a robot, then click the blue "Search" button. This case should appear in the search results as: "Hernandez vs YZER, LLC, a Florida Limited Liability Company, et al." Click on the case name to access the Court's docket, which lists all documents that were filed, all participants in the lawsuit, and any hearings scheduled in the case. This process is free. If you wish to download or view a document, the Court will charge a fee.

Alternatively, you can request any of these documents from Class Counsel and Class Counsel will provide them to you at no charge.

#### B. Can I Attend The Final Approval Hearing?

You can attend the Final Approval Hearing scheduled for February 20, 2025 at 10:00 a.m. in Department 23 of the Alameda Superior Court, located at the Rene C. Davidson Courthouse at Administration Building at 1221 Oak St, Oakland, California 94612. At the Final Approval Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Settlement will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually. Please check the Court's website for the most current information. You can also contact Class Counsel if you have any questions about how to attend the hearing.

# C. If I Do Not Go To The Final Approval Hearing, How Will I Know If The Court Granted Final Approval Of The Settlement And Entered Final Judgment?

You may contact the Settlement Administrator or Class Counsel to find out if the Court granted Final Approval of the Settlement and entered Judgment. If you wish to obtain a copy of the Judgment, it will be posted on the Settlement Administrator's website at <a href="https://www.HernandezWageSettlement.com">www.HernandezWageSettlement.com</a> and is also available on the Court's docket. To check the Court's docket, please follow the steps detailed above in Section A on page 2.

#### 2. What Is this Case About?

On January 9, 2023, Plaintiff Maria Guadalupe Hernandez filed a class action lawsuit in Alameda County Superior Court, case number 23CV025345. On March 27, 2023, Plaintiff Hernandez filed a representative lawsuit in Alameda County Superior Court, case number 23CV030098, alleging a single cause of action for violation of the Private Attorneys General Act ("PAGA"). On May 23, 2023, Plaintiff filed a First Amended Complaint in the class action lawsuit, adding the PAGA claim to the initial lawsuit. Thereafter, on July 10, 2023, Plaintiff dismissed the second lawsuit. On August 5, 2024, Plaintiff filed a Second Amended Complaint, alleging additional claims under PAGA.

The lawsuit alleges the following claims: (1) recovery of unpaid minimum wages and liquidated damages; (2) recovery of unpaid overtime wages; (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) violations of Labor Code section 226; (6) failure to timely pay all wages due upon separation of employment; (7) failure to reimburse business expenses; (8) unfair completion; and (9) penalties for violation of the PAGA. The lawsuit seeks recovery of unpaid wages, restitution, damages, statutory penalties, civil penalties, interest, attorney's fees and costs.

Defendants YZER, LLC and PEOPLEASE, LLC (collectively, "Defendants") deny all allegations raised in the lawsuit and believe they have no liability for any of Plaintiff's or the Class Members' or Aggrieved Employees' claims under any statute, wage order, common law, or equitable theory. The Court has not expressed any opinion as to the validity of the claims raised in these lawsuits and has not ruled on any of the causes of action prior to the Parties' agreement to settle.

The Parties reached a settlement subject to Court approval as represented in the Class Action and PAGA Settlement Agreement (the "Settlement"). Class Counsel believes that the Settlement is fair, reasonable, and adequate, and that it is in the best interests of Class Members. Likewise, Defendants have decided that settlement is favorable because it avoids the time, risk, and expense of a lengthy lawsuit, and settlement immediately resolves, finally and completely, the pending and potential claims. Defendants do not admit, concede, or imply that they have done anything wrong or legally actionable by settling this lawsuit.

# 3. How Will Payments Be Made and How Much Can I Expect to Receive?

YZER will pay a total sum of \$1,000,000.00 ("Gross Settlement Amount"). The following payments will be deducted from the Gross Settlement Amount: (1) the Class Representative Service Payment, in an amount estimated not to exceed \$10,000.00; (2) the Settlement Administrator's costs and fees incurred to administer this settlement, in an amount estimated not to exceed \$15,000.00; (3) the PAGA Payment of \$35,000.00 (75% or \$26,250.00 of which will be sent to the California Labor and Workforce Development Agency ("LWDA") and 25% or \$8,750.00 of which will be distributed proportionately to Aggrieved Employees); (4) attorney's fees, in an amount not to exceed \$333,333.33 (33.3% of the Gross Settlement Amount); and (5) litigation costs, in an amount not to exceed \$20,000.00. All of these payments are subject to Court approval and the Court has the discretion to award less than the amounts listed above. YZER's portion of payroll taxes as the Class Members' current or former employer will be paid by YZER separately from and in addition to the Gross Settlement Amount.

#### A. When Will Payments Be Made?

The Settlement will be funded by YZER no later than fourteen (14) days after the Effective Date<sup>1</sup>, or by October 9, 2024, whichever date is later. The Settlement Administrator will disburse all payments under the Settlement within fourteen (14) days after receipt of all funds due under the Settlement.

### B. How Are Payments to Class Members Calculated?

After deducting the above-referenced items, the remaining Net Settlement Amount will be proportionately distributed amongst all Class Members who have not requested exclusion from the Settlement. Each Class Member's proportionate share of the Net Settlement Amount will be calculated as follows: (a) dividing the Net Settlement Amount by the total number of workweeks worked by all Class Members who did not seek exclusion during the Class Period and (b) multiplying the result by each Class Member's workweeks.

#### C. How Are Payments to PAGA Members Calculated?

Each Aggrieved Employee will receive a proportionate share of the \$8,750.00 PAGA Payment earmarked for distribution to Aggrieved Employees. This payment will be calculated by dividing the number of pay periods an individual Aggrieved Employee worked for YZER in California during the PAGA Period, by the total number of pay periods by all Aggrieved Employees during the PAGA Period and multiplied by \$8,750.00. The number of pay periods by all Aggrieved Employees will be derived from YZER's records.

#### D. What Is My Estimated Payment?

Although your exact individual settlement payment cannot be precisely calculated until after the time during which Class Members may request to exclude themselves from the Settlement concludes, based upon the calculations above, your estimated individual settlement payments are as follows:

YZER's records indicate that you were employed approximately <<CMWorkweeks>> workweeks between July 26, 2021 through April 17, 2024. Based on these records, your total estimated payment as a Class Member would be \$<<EstimatedPayment>>, less applicable taxes. YZER's records indicate that you were employed approximately <<PAGAPayPeriods>> pay periods between January 6, 2022 through April 17, 2024. Based on these records, your total estimated payment as an Aggrieved Employee would be \$<<EstimatedPAGAPayment>>.

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<sup>&</sup>lt;sup>1</sup> "Effective Date" is defined in the Parties' Settlement as: "the date when all of the following events have occurred: (a) this Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; (b) the Court has given Preliminary Approval of the Agreement; (c) notice has been given to the Class Members providing them with an opportunity to opt-out of the Settlement; (d) the Court has held a Final Approval Hearing and entered a Final Approval Order and judgment approving this Agreement from which no appeal can be taken; and (e) in the event there are written objections filed prior to the Final Approval Hearing that are not later withdrawn, the later of the following events: (i) when the period for filing any appeal, writ, or other appellate proceeding opposing the Agreement and Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; or (ii) when any appeal, writ, or other appellate proceeding opposing the Agreement and Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or (iii) when any appeal, writ, or other appellate proceeding has upheld the Court's Final Approval Order with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Agreement and Settlement shall not become effective until the Court's order approving the Agreement and Settlement is completely final and there is no further recourse for an appellant or objector who seeks to contest the Agreement and Settlement. If no objections are filed, the Effective Date shall be after steps (a) through (d) have been completed."

#### E. My Work Week Count Is Incorrect. How Do I Dispute It?

If you think the number of weeks or pay periods you worked during the Class Period or PAGA Period are incorrect, you may contact the Settlement Administrator to dispute your workweek allotment and provide any documentation supporting your dispute. This documentation must be returned by mail to the Settlement Administrator and postmarked on or before the February 8, 2025 deadline. The postmark date will be the exclusive means to determine whether a dispute was submitted on time.

The Settlement Administrator will investigate your dispute, request additional information from YZER, and make a final decision as to the number of eligible workweeks and pay periods that should be used to determine your individual settlement payment. Absent evidence demonstrating YZER's records are incorrect, YZER's records will be presumed correct.

#### F. How Will My Settlement Payment Be Taxed?

33.3% of each individual settlement payment will be allocated as wages and 66.7% will be allocated as non-wages for penalties and interest. The portion allocated to wages will be reported on an IRS Form W-2 and the portion allocated to non-wages will be reported on an IRS Form 1099 by the Settlement Administrator. No tax withholding shall be made on the non-wages portion of the individual settlement payment. The Settlement Administrator will issue the checks and IRS Forms to each Class Member.

#### G. What Happens If I Do Not Cash My Settlement Check?

Any checks issued by the Settlement Administrator must be cashed or deposited within 180 calendar days. After 180 calendar days from the date of mailing, the checks shall become null and void, cancelled, and the uncashed funds shall be donated to the United Way.

#### H. Moving? Update Your Address With The Settlement Administrator.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your payment under the Settlement.

#### 4. What Are My Rights? How Will My Rights Be Affected?

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

<u>Important Note</u>: Defendants will not retaliate against you in any way for either participating or not participating in this Settlement. California law protects Class Members from retaliation based on their decision to participate in a class action settlement.

Do Nothing:	If you do nothing and the Court grants Final Approval of the Settlement, you will become part of this Class Action and <u>automatically</u> receive an individual settlement payment. You will be bound to the release of the Released Claims as defined in the Settlement and the Judgment. You will also give up your right to pursue the Released Claims as defined below.
REQUEST EXCLUSION	If you do <b>not</b> want to take part in the Settlement, you must fax, email, or mail a written request for exclusion to the Settlement Administrator.
("ОРТ ОПТ"):	The written request for exclusion must include your full name and a statement indicating that you wish to exclude yourself from the Class and that you do not want to participate in the Settlement.

The Request for Exclusion must be timely faxed, emailed, or postmarked on or before February 8, 2025. The postmark, fax receipt, or email date will be the exclusive means to determine whether the request for exclusion was submitted on time.

Following Final Approval of the Settlement, the Court will enter Judgment. The Judgment will bind all Class Members who do not request exclusion from the Settlement on time. If you request exclusion from the Settlement, you retain your rights to sue the Released Parties for the Released Claims and will not receive an individual settlement payment. However, if you request exclusion from the Settlement and are also an Aggrieved Employee, you will still receive your proportionate payment of the PAGA Payment and will still release the Defendants from any PAGA claims that were alleged in the lawsuit.

#### **OBJECT:**

If you have not requested exclusion from (i.e. opted out of) the Settlement, you may object to the Settlement, personally or through an attorney, by faxing (1-888-326-6411), emailing (<u>HernandezWageSettlement@AtticusAdmin.com</u>), or mailing your written objection to the Settlement Administrator at Hernandez v YZER, LLC c/o Atticus Administration PO Box 64053 St. Paul, MN 55164.

The written objection should state your full name and a statement that you object to the Settlement, including any facts or arguments in support of the objection. The Settlement Administrator will provide your objection to Class Counsel, who will file it with the Court. The Court will rule on your objection at the Final Approval Hearing.

You may appear (but are not required to appear) at the Final Approval Hearing, in person or through an attorney. The Court will hear from any Class Member who attends the Final Approval Hearing and asks to speak regarding his or her objection. If counsel will be representing you, the parties request that you provide your counsel's name, address, telephone, and bar number with your statement objecting to the Settlement.

The written objection must be postmarked, faxed, or emailed before February 8, 2025. The postmark, fax receipt, or email date will be the exclusive means to determine whether the written objection was submitted on time. If the Court rejects or overrules your objection, you will receive your individual settlement payment and be bound by the terms of the Settlement.

## **Effect of the Settlement on Your Rights:**

#### A. Class Released Claims

The Judgment entered by the Court upon Final Approval of the Settlement shall have *res judicata* effect and be final and binding upon Plaintiff and all Class Members who have not expressly requested to be excluded from the Settlement. Upon YZER's funding of the Gross Settlement Amount, all Class Members who do not request to be excluded from the Settlement will release the Released Parties<sup>2</sup> from the following Released Claims for the Class Period:

"All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that

shareholders, stockholders, attorneys, equity sponsors, divisions, assigns, predecessors, successors, insurers, and consultants."

<sup>&</sup>lt;sup>2</sup> "Released Parties" is defined in the Parties' Settlement as: "(a) Defendants and (b) their past, present, and/or future parent, subsidiary, affiliated, or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), including each related company, corporation, and/or partnership (defined as a company, corporation, and/or partnership that is, directly or indirectly, under common control with that Defendant or any of its parents and/or affiliates), and (c) each of the previously listed persons' and entities' respective past, present, and future agents, contractors, employees, servants, officers, directors, principals, partners, members, trustees, fiduciaries, representatives,

were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, including, any and all claims involving any alleged failure to pay minimum wages and liquidated damages; failure to pay overtime wages; failure to authorize and provide meal periods or compensation in lieu thereof; failure to authorize and provide rest periods or compensation in lieu thereof; inaccurate wage statements; failure to timely pay wages upon termination of employment; failure to reimburse business expenses; failure to comply with any provisions of the California Labor Code identified in Plaintiff's claim for civil penalties under PAGA; and violation of the Unfair Competition Law, California Business and Professions Code section 17200 et seq., during the Class Period. Participating Class Members only release these claims for the duration of the Class Period. Except as set forth in paragraph 5.3 of this Agreement, 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."

#### B. PAGA Released Claims

The Judgment entered by the Court upon Final Approval of the Settlement shall also have *res judicata* effect and be final and binding upon Plaintiff, Aggrieved Employees, and the California Labor and Workforce Development Agency. If you are an Aggrieved Employee, this Settlement will release the following PAGA Claims, regardless of whether or not you requested exclusion from the Settlement, upon YZER's funding of the Gross Settlement Amount:

"Plaintiff, as the proxy and agent of the California Labor and Workforce Development Agency ("LWDA") and as the representative of all Aggrieved Employes, on behalf of the LWDA and its respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, by the LWDA based on the facts stated in the PAGA Notice and the amended PAGA Notice referenced in paragraph 5.4 [of the parties' Settlement], including claims for any alleged failure to pay minimum wages and liquidated damages; failure to pay overtime wages; failure to authorize and provide meal periods or compensation in lieu thereof; failure to authorize and provide rest periods or compensation in lieu thereof; inaccurate wage statements; failure to timely pay wages upon termination of employment; failure to reimburse business expenses; failure to keep accurate records; failure to produce records; statutory wage violations; refusal to make payment; standard conditions of labor violations; unlawful deductions; sick leave violations; failure to provide supplemental paid sick leave; failure to pay vested vacation wages; unlawful agreements; and unlawful criminal history inquiries during the PAGA Period. Plaintiff, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees only releases these claims on behalf of the LWDA for the duration of the PAGA Period."

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

# **Class Counsel / Plaintiff's Counsel:**

Jamie Serb, Esq. Zachary Crosner, Esq. Michael Jones, Esq. CROSNER LEGAL, PC

9440 Santa Monica Blvd., Ste. 301

Beverly Hills, CA 90210 Telephone: (866) 276-7697

#### **YZER's Counsel:**

James A. Eckhart

SCOPELITIS, GARVIN, LIGHT, HANSON & FEARY, P.C.

10 West Market St, Ste 1400 Indianapolis, IN 46204 Telephone: (317) 492-9306

#### PEOPLEASE's Counsel:

Spencer W. Waldron

FISHER & PHILLIPS LLP

2050 Main Street, Suite 1000 Irvine, California 92614 Telephone: (949) 851-2424

Facsimile: (949) 851-0152

You do not need to hire your own attorney because Class Counsel are working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

#### 6. How Do I Obtain More Information?

This Notice does not contain all of the terms of the proposed Settlement or all of the details of these proceedings. For more detailed information, you can request copies of documents filed with the Court, free of charge, from Class Counsel or the Settlement Administrator.

The pleadings and other records in this litigation may also be examined online on the Alameda County Superior Court's website, known as "eCourt Public Portal," at <a href="https://eportal.alameda.courts.ca.gov">https://eportal.alameda.courts.ca.gov</a>. After arriving at the website, click the "Search" tab at the top of the page, then select the Document Downloads link, enter the case number and click "Submit." Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

**IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS**, you may call Class Counsel at the information listed above or contact the Settlement Administrator at 1-800-292-7531.

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