

NOTICE OF CLASS ACTION SETTLEMENT

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in the class action lawsuit entitled *Alejandro Zamarripa v. Superior Talent Resources, Inc.*, California Superior Court, County of Orange, Case No. 30-2019-01060339-CU-OE-CXC (the “Action”). The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the case, and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will be considered part of the Settlement Class and will receive settlement benefits. You will also give up your rights to pursue a separate legal action against Acara Solutions, Inc. (“Defendant”), sued as Superior Talent Resources, Inc., for the claims released under the Settlement.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	You may have the option to pursue separate legal action against Defendant about the claims in this lawsuit. If you choose to do so, you must exclude yourself, in writing, from the Settlement. However, if you do so, you will not receive any payment under the Settlement. You may, but are not required to, use the enclosed Exclusion Form.
OBJECT	To object to the Settlement, you must write to the Settlement Administrator about why you don’t like the Settlement. This option is available only if you do not exclude yourself from the Settlement. You may, but are not required to, use the enclosed Objection Form.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following Class:

All non-exempt employees of Defendant who worked for Defendant in California during the time period of March 29, 2015 through July 29, 2020.

According to Defendant’s records, you are a member of the Class (a “Class Member”).

What is this case about?

In the Action, Plaintiff alleges on behalf of himself and the Class the following claims against Defendant: (1) failure to maintain required records; (2) failure to furnish accurate, itemized wage statements; (3) violation of the California Investigative Consumer Reporting Agencies Act; (4) violation of the California Consumer Credit Reporting Agencies Act; (5) violation of the California Unfair Competition Law; (6) violation of the Fair Credit Reporting Act; and (7) and violation of California Private Attorneys’ General Act, California Labor Code § 2699 *et seq.*, predicated on any of the violations of the California Labor Code and applicable IWC Wage Order alleged in the Operative Complaint.

Defendant denies any and all wrongdoing and liability, and maintains that it has complied with all laws alleged to have been violated in the Operative Complaint. Defendant notes that this Settlement was established specifically to avoid the cost of proceeding with litigation and does not constitute an admission of liability by Defendant. The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses, however, the Court has granted preliminary approval of this Settlement.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff and Class Counsel believe this Settlement is in the best interests of the Class.

Who are the attorneys in this Lawsuit?

Class Counsel

LAW OFFICE OF SCOTT E. WHEELER

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Claremont, California 91711
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Defendant's Counsel

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What will I receive under the Settlement?

Subject to final Court approval, Defendant will pay \$780,000 (the "Gross Settlement Amount"). It is estimated that, subject to Court approval, after deducting the attorney's fees in the amount of \$260,000 and costs in the amount of \$20,000, a service award in amount of \$5,000 to Plaintiff, payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of \$15,000 for PAGA penalties, and settlement administration costs in the amount of \$40,950 to Phoenix Settlement Administrators, from Gross Settlement Amount, there will be a Net Settlement Amount of at least \$439,050.

From this Net Settlement Amount, Individual Settlement Payments will be paid to each Class Member who does not opt out of the Settlement Class ("Settlement Class Member"). The Net Settlement Amount shall be divided among all Settlement Class Members based on the ratio of the number of Compensable Workweeks worked by each Settlement Class Member to the total number of Workweeks worked by all Settlement Class Members, calculated based on Defendant's records.

According to Defendant's records, during the period from March 29, 2015 through July 29, 2020, you worked ___ Compensable Workweeks for Defendant in California as a non-exempt employee.

If you wish to dispute the number of Compensable Workweeks credited to you, you must submit a written dispute to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863 by mail, postmarked no later than June 1, 2021. The dispute must: (1) contain your full name, current address, telephone number, the last four digits of your Social Security number or full employee ID number, and be signed by you; (2) contain the case name and case number; and (3) contain a clear statement explaining that you wish to dispute the number of Compensable Workweeks and the basis for your dispute. You may also wish to attach any documentation demonstrating that you were not credited with the correct number of Compensable Workweeks.

Based on your Compensable Workweeks, your settlement payment is estimated to be \$_____.

Your settlement payment is only an estimate. Your actual settlement payment may be higher or lower than estimated.

When and how will I receive payment?

If the Court grants final approval of the Settlement, and only after the Effective Date of the Settlement defined below, the Settlement Administrator will send you a settlement check. The settlement approval process takes time so please be patient.

Any and all settlement checks mailed to you under the Settlement shall remain negotiable for 120 days. If you do not negotiate (e.g. cash or deposit) a settlement check within this time period, you will be unable to receive those funds, but you will remain bound by the terms of the Settlement.

The settlement payment check issued to you will be allocated as 100% for penalties. None of the Parties or attorneys make any representations concerning the tax implications of this payment. Settlement Class Members may wish to consult with their own tax advisors concerning the tax consequences of the Settlement.

How will the lawyers be paid and how will other funds under the Settlement be distributed?

Class Counsel will ask the Court to award attorneys' fees up to \$260,000 (1/3 of the Gross Settlement Amount) and reimbursement of reasonable litigation costs of up to \$20,000. In addition, Class Counsel will ask the Court to authorize a Class Representative Service Award payment of up to \$5,000 to Plaintiff for his efforts in representing the Class. The cost of administering the Settlement will not exceed \$40,950. A payment in the amount of \$15,000 will also be made to the LWDA for PAGA penalties. Any of these amounts not awarded by the Court will be included in the Net Settlement Amount of at least \$439,050 which will be distributed to Settlement Class Members.

What claims are being released by the proposed Settlement?

As of the Effective Date, Settlement Class Members shall fully and finally release and discharge Released Parties, from March 29, 2015 through July 29, 2020, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, including any claims for: (1) failure to maintain required records, California Labor Code §§ 226, 1174; (2) failure to furnish accurate, itemized wage statements, California Labor Code §§ 226, 1174; (3) violation of the California Investigative Consumer Reporting Agencies Act, California Civil Code § 1786 *et seq.*; (4) violation of the California Consumer Credit Reporting Agencies Act, California Civil Code § 1785.1 *et seq.*; (5) violation of the California Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 *et seq.*; (6) violation of the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*; and (7) and violation of California Private Attorneys' General Act, California Labor Code § 2699 *et seq.*, predicated on any of the violations of the California Labor Code and applicable IWC Wage Order alleged in the Operative Complaint.

The Effective Date is the date on which the Superior Court's Final Approval Order and Judgment becomes final. The Superior Court's Final Approval Order and Judgment "becomes final" upon the latter of: (1) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is entered by the Court; (2) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is entered by the Court; or (3) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days following the date that the Final Approval Order and Judgment is entered by the Court, then, when any such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief.

What are my options?

You have two options under this Settlement. You may: (A) remain in the Class and receive payment under the Settlement; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement.

OPTION A. Remain in the Class. If you remain in the Class, you will be represented by Class Counsel. If you wish to remain in the Class and be eligible to receive a payment under the Settlement, you do *not* need to take any action. By remaining in the Class and receiving settlement monies, you consent to the release of the Released Claims as described above.

OPTION B. If You Do Not Want To Be Bound By The Settlement. If you do not want to be part of the Settlement, you must mail a Request for Exclusion to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863. In order to be valid, your Request for Exclusion must: (1) contain your full name and the last four digits of your social security number or full employee ID number, and be signed by you; (2), contain the case name and case number; and (3) a clear statement you are electing to be excluded from the Settlement. In order to be timely, your Request for Exclusion must be postmarked on or before **June 1, 2021**. If you do not submit a valid and timely Request for Exclusion, your Request for Exclusion will be rejected, you will be deemed a member of the Settlement Class, and you will be bound by the release of Released Claims as described above. If you submit a valid and timely Request for Exclusion, you will not be entitled to any benefit as a result of the

Settlement, but you will preserve all of the legal claims asserted in this Action against Defendant. You may complete and submit the enclosed Request for Exclusion Form, or draft and submit your own exclusion form, whichever you prefer.

Objecting to the Settlement: If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you must mail to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863, a written statement of objection. The Objection must: (1) contain your full name and the last four digits of your social security number or full employee ID number, and be signed by you; (2), contain the case name and case number; and (3) state the basis for the Objection. In order to be timely, the Objection must be postmarked on or before **June 1, 2021**. Absent good cause found by the Court, if you fail to make an Objection in the manner specified herein, you shall be deemed to have waived your Objection. Class Counsel will provide the Court with your Objection prior to the final approval hearing. You can also hire an attorney at your own expense to represent you in your Objection. You may complete and submit the enclosed Objection Form, or draft and submit your own objection, whichever you prefer.

You cannot object to the Settlement if you request exclusion from the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a final approval hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement and the plan of distribution of the payments described herein, on July 1, 2021 at 2:00 p.m. in Department CX101 of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, CA 92701. The final approval hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Orange County Superior Court Civil Complex Center, or the website for the court: <https://ocapps.occourts.org/civilwebShoppingNS/Search.do>. You can also visit the settlement website located at: www.phoenixclassaction.com/zamarripa-v-str for more information, including a copy of the Settlement Agreement.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE