

NOTICE OF CLASS ACTION SETTLEMENT
SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA

Irma Eubanks v. Yapstone, Inc. DBA Rentpayment.com
Contra Costa County Superior Court Case No. MSC18-00956

This Notice has been approved by the Court. This is not a solicitation from an attorney.

TO: ALL CURRENT AND FORMER HOURLY-PAID OR NON-EXEMPT EMPLOYEES WHO WORKED FOR YAPSTONE, HOLDINGS INC. SUED AS YAPSTONE, INC. DBA RENTPAYMENT.COM. WITHIN THE STATE OF CALIFORNIA AT ANY TIME DURING THE PERIOD FROM MAY 11, 2014 THROUGH JANUARY 14, 2022.

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.
YOU MAY BE ENTITLED TO RECEIVE MONEY FROM
THE PROPOSED CLASS ACTION SETTLEMENT.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT

DO NOTHING	If you do nothing and the Settlement is granted final approval by the Court, you will receive an Individual Settlement Payment and give up your rights to ever sue any of the Released Parties for any of the Released Claims set forth below.
EXCLUDE YOURSELF	If you request exclusion from the Settlement by submitting a timely and valid Request for Exclusion to the Settlement Administrator by April 22, 2022 you will receive no monetary benefit from the Settlement and will not be bound by the Settlement, including the release of Released Claims against the Released Parties.
OBJECT	If you do not request to be excluded from the Settlement, you may object to the Settlement by submitting a timely and valid Notice of Objection to the Settlement Administrator by April 22, 2022 , and you will remain subject to the Settlement and will still receive an Individual Settlement Payment if the Settlement is granted final approval by the Court.

If your name or address changes or is different from the one on the envelope enclosing this Notice, please notify the Settlement Administrator by calling (800) 523-5773 to provide corrected information.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because records of Yapstone, Holdings Inc. sued as Yapstone, Inc. DBA Rentpayment.com. (“Defendant”) indicate that you are a member of the following Class: all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the period from May 11, 2014 through January 14, 2022 and may be entitled to receive money from the proposed class action settlement.

This Notice describes a proposed class action settlement of the lawsuit entitled *Irma Eubanks v. Yapstone, Inc. DBA Rentpayment.com*, Superior Court of California, County of Contra Costa, Case No. MSC18-00956 (the “Action”). The Class Action Complaint for Damages (the “Complaint”) was filed in the Action on May 11, 2018. This Notice is being sent to you by the order of the Superior Court of the State of California for the County of Contra Costa, which preliminarily approved the Stipulation of Settlement of Class Action and Release of Claims (“Settlement” or “Settlement Agreement”) on January 14, 2022. This Notice informs you of the terms of the proposed Settlement, describes your rights in connection with the Settlement, and explains what steps you may take to object to, or exclude yourself from, the Settlement. **If you do not exclude yourself from the Settlement and the Court grants final approval of the Settlement, you will receive an Individual Settlement Payment and be bound by the terms of the Settlement and any final order and judgment.**

2. WHAT IS THIS LAWSUIT ABOUT?

The Action was filed by Plaintiff Irma Eubanks (“Plaintiff”) on behalf of all hourly-paid and non-exempt employees who worked for Defendant during the period from May 11, 2014 through January 14, 2022 (“Class Period”) in the State of California.

The Complaint in the Action contains class allegations against Defendant for: (1) failure to pay overtime wages; (2) failure to provide meal period premiums; (3) failure to provide rest period premiums; (4) failure to pay minimum wages; (5) failure to timely pay all wages due upon separation of employment; (6) failure to timely pay wages during employment; (7) failure to issue wage statements in compliance with California Labor Code § 226; (8) failure to keep requisite payroll records; (9) failure to reimburse business expenses; and (10) violation of California Business & Professions Code § 17200 *et seq.* based on the alleged failures set forth in (1) through (9). Defendant and the other Released Parties (as defined below) deny each and all of the claims and contentions alleged by Plaintiff. The Court has not made any rulings regarding the merits of the Action. The Released Parties deny and continue to deny all of Plaintiff’s allegations.

After engaging in extensive investigation and a day of mediation before an experienced mediator, during which both sides recognized the substantial risks of an adverse result in the Action for either side, and extensive post mediation negotiations, Plaintiff and Defendant (together, “Parties”) agreed to the Settlement that was preliminarily approved by the Court on January 14, 2022. The Court preliminarily appointed Plaintiff as representative of the Class (“Class Representative”) and Plaintiff’s counsel as counsel for the Class (“Class Counsel”). The Parties believe that this Settlement is a fair result for the Class.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by any of the Released Parties that Plaintiff’s claims in the Action have merit or that they have any liability to Plaintiff or the Class on those claims. The Parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation.

3. WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Irma Eubanks is the Class Representative or Plaintiff in the Action, and she asserts claims on behalf of herself and the Class. Yapstone Holdings, Inc. sued as Yapstone, Inc. DBA Rentpayment.com. is the Defendant. A class action allows the Court to resolve the claims of all the class members at the same time. A class member is bound by the determination or judgment entered in the case and may not file his or her own lawsuit on the same claims that were decided in the class action unless he or she excludes him or herself from the settlement. A class action allows one court to resolve all of the issues in a lawsuit for all the class members who choose not to exclude themselves from the settlement.

4. WHO IS INCLUDED IN THE CLASS?

A Class Member is anyone who is a member of the Class, defined as all current or former hourly-paid or non-exempt employees who were employed by Defendant Yapstone Holdings, Inc. in the State of California at any time from May 11, 2014 to January 14, 2022.

Settlement Class Members are Class Members who do not submit a timely and valid Request for Exclusion.

5. WHAT ARE THE TERMS OF THE SETTLEMENT?

In exchange for the release of Released Claims against Released Parties, Defendant will pay One Million Five Hundred Thousand Dollars (\$1,500,000) (“Gross Settlement Amount”). After the below-listed amounts are deducted from the Gross Settlement Amount, the remaining amount (“Net Settlement Amount”) will be available for payment to Settlement Class Members.

- **Enhancement Payment:** Plaintiff will request from the Court an award of Fifteen Thousand Dollars (\$15,000) in recognition of her efforts and the risks in assisting with the prosecution of the Action.
- **Attorneys’ Fees and Costs:** Class Counsel will request from the Court no more than Six Hundred Thousand Dollars (\$600,000) as attorneys’ fees for litigation and resolution of the Action, and no more than Seventy-Five Thousand Dollars (\$75,000) for reimbursement of actual litigation costs and expenses. Class Counsel has been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.
- **Settlement Administration Costs:** The costs of settlement administration are estimated not to exceed Nine Thousand Dollars (\$9,000), which pays for tasks such as mailing and tracking this Notice, mailing checks and tax forms, and reporting to the Parties and the Court.

Defendant will pay the Gross Settlement Amount over the course of three years after the Court has granted final approval of the Settlement and the Effective Date, as defined in the Settlement Agreement, has lapsed. Following the Effective Date, Defendant will fund the Settlement in three (3) installments, as follows: (1) the first installment payment in the amount of \$750,000 (“First Installment Payment”) within sixty (60) calendar days after the Court’s Final Approval of the Settlement, (2) the second installment payment of \$375,000 (“Second Installment Payment”) no later than one (1) year after the First Installment Payment date, and (3) the third installment of \$375,000 (“Third Installment Payment”) no later than two (2) years after the Second Installment Payment date.

There shall be a grace period of ten (10) calendar days to fund each installment payment (“grace period”). Time being of the essence, in the event of late payment of any of the installment payments as provided in the Settlement, after the grace period, Defendant shall be required to pay statutory interest in accordance with California state law between the date the payment was originally due and the date the payment is made, and such interest will be distributed to the Settlement Class Members. Additionally, if an installment payment that is due has not been paid within thirty (30) calendar days of the original due date (“late payment”), any and all remaining installment payments will be accelerated such that the remaining installment payment(s) and balance of the settlement must be paid within sixty (60) calendar days after the date the late payment was originally due.

Without the approval of the Court, the Parties may mutually agree to early payment of any or all installment(s).

If you do not request to be excluded from the Settlement and the Court grants final approval of the Settlement, you will be issued your Individual Settlement Payment by way of two (2) installments as follows: two-thirds of your Individual Settlement Payment within fourteen (14) calendar days after the First Installment Payment and the remaining one-third of your Individual Settlement Payment within fourteen (14) calendar days after the Second Installment Payment.

If the Settlement Administrator deems it necessary in order to comply with applicable tax requirements, it will proportionally withhold and remit the employee’s share of taxes in connection with the wages portion of the Individual Settlement Payment from each partial Individual Settlement Payment distribution. If a Settlement Class Member fails to cash or negotiate his or her first partial payment check from the First Installment Payment within one hundred eighty (180) calendar days of issuance, then, that check will be cancelled, the funds associated with that cancelled check will be included in the second check to be issued to the Settlement Class Member, and the Settlement Administrator may withhold and remit any and all of said employee’s share of taxes on the wages portion of the Individual Settlement Payment from the check issued from the second distribution to Participating Class Members irrespective of any prior withholding and remittance undertaken in connection with issuance of the first check.

Any checks issued to Settlement Class Members from the second distribution will remain valid and negotiable for one hundred and eighty (180) calendar days from the date of their issuance. After that time, the amount of any such unclaimed checks will be transmitted to the Unclaimed Property Fund of the State Controller's Office in the Settlement Class Member's name.

6. HOW DO I RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT?

You do not need to do anything in order to receive an Individual Settlement Payment from the Net Settlement Amount.

All Settlement Class Members (i.e., Class Members who do not request exclusion from the Settlement) are eligible to receive money from the Net Settlement Amount. Each estimated Individual Settlement Payment is the *pro rata* allocation of the Net Settlement Amount based on the Class Members' total Workweeks.

Settlement Class Member's Individual Settlement Payment will be determined by dividing the total number of workweeks worked by the Settlement Class Member during the Class Period by the total number of Workweeks of all Class Members, and multiplying the resulting figure by the Net Settlement Amount.

The Workweeks of each Class Member were calculated based on Defendant's records. According to Defendant's records:

During the period from May 11, 2014 through January 14, 2022, you were employed by Defendant as an hourly-paid or non-exempt employee in the State of California for a total of [# of WW] Workweeks. Your estimated Individual Settlement Payment is [est. ISP].

Your Individual Settlement Payment reflected on this Notice is only an estimate. If the Court grants final approval of the Settlement, your actual Individual Settlement Payment may be higher or lower than estimated. The Individual Settlement Payment is subject to reduction for the employee's share of taxes with respect to the wages portion of the Individual Settlement Payment.

If you dispute the number of Workweeks allocated to you, you can submit a written dispute ("Workweek Dispute"). To be valid, your Workweek Dispute must include documentation and/or an explanation to show contrary information. For the Workweek Dispute to be timely, it must be mailed to the Settlement Administrator, post-marked on or before **April 22, 2022** at the following contact information:

Irma Eubanks v. Yapstone, Inc. DBA Rentpayment.com
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

If your address changes before you receive your Individual Settlement Payment checks, please contact the Settlement Administrator to update your address.

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

You have the right to request exclusion from the Settlement. To do so, you must submit a timely and valid Request for Exclusion to the Settlement Administrator.

For the Request for Exclusion to be valid, it must include: (i) the case name and number of the Action (*Eubanks v. Yapstone, Inc. DBA Rentpayment.com*, Contra Costa Superior Court, Case No. MSC18-00956); (ii) your full name, signature, address, telephone number, and last four digits of your Social Security number; and (iii) a clear statement of your request to be excluded from the Settlement. For the Request for Exclusion to be timely, it must be mailed to the Settlement Administrator at the contact information listed above, post-marked on or before **April 22, 2022**.

Any Class Member who does not submit a Request for Exclusion to the Settlement Administrator, or who fails to otherwise comply with the specific and technical requirements of this section, will be subject to the Settlement and release of Released Claims against the Released Parties. Class Members who submit a timely and valid Request for Exclusion are not subject to the Settlement and cannot submit a Notice of Objection.

If you timely request to be excluded from the Settlement, you will not be entitled to receive any payment under the Settlement. Class Counsel will not represent your interests if you request to be excluded.

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

Any Class Member who has **not** requested to be excluded from the Settlement may object to the Settlement by submitting a valid and timely Notice of Objection and may appear at the Final Approval Hearing described below. The Final Approval Hearing is scheduled to take place on **June 30, 2022 at 9:00 a.m.** in Department 39 of the Superior Court of the State of California for the County of Contra Costa, located at 725 Court Street, Martinez, California 94553.

For the Notice of Objection to be valid, it must include: (i) the case name and number of the Action (*Eubanks v. Yapstone, Inc. DBA Rentpayment.com*, Contra Costa Superior Court, Case No. MSC18-00956); (ii) the objector's full name, signature, address, telephone number, and last four digits of his or her Social Security number; (iii) a written statement of all grounds for the objection; and (iv) whether the Settlement Class Member intends to appear at the Final Approval Hearing.

For the Notice of Objection to be timely, it must be mailed to the Settlement Administrator, post-marked on or before **April 22, 2022**. Any Class Member who does not submit a timely written objection to the Settlement Administrator, or who fails to otherwise comply with the specific and technical requirements of this section, will be foreclosed from objecting to the Settlement and seeking any adjudication or review of the Settlement, by appeal or otherwise. Class Members who submit Notices of Objection must make themselves available for deposition.

You have the right to hire your own attorney, at your own expense, to submit an objection or to appear on your behalf at the Final Approval Hearing. You may, but are not required, to appear at the hearing to have your objection considered.

Submitting an objection will *not* exclude you from the Settlement. You will still have the right to receive an Individual Settlement Payment, unless you have requested to be excluded from the Settlement.

9. WHAT CLAIMS DO I RELEASE IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

If you do not exclude yourself from the Settlement, upon the Effective Date and conditioned upon full satisfaction of Defendant's payment obligations, you and all Participating Class Members will be deemed to have released the Released Claims against the Released Parties.

The Released Claims means any and all claims for damages, fees, costs, statutory penalties, and interest, that have been alleged, including any other claims that were or could have been alleged during the Class Period based on the factual allegations pled in the Operative Complaint for: (1) Failure to Pay Overtime Wages under California Labor Code sections 510 and 1198; (2) Failure to Pay Meal Period Premiums under California Labor Code sections 226.7 and 512(a); (3) Failure to Pay Rest Period Premiums under California Labor Code section 226.7; (4) Failure to Pay Minimum Wages under California Labor Code sections 1194, 1197, and 1197.1; (5) Failure to Pay Final Wages On Time under California Labor Code sections 201, 202, and 203; (6) Failure to Pay Wages Timely under California Labor Code section 204 and 210; (7) Failure to Furnish Accurate Wage Statements under California Labor Code section 226(a); (8) Failure to Maintain Payroll Records under California Labor Code section 1174(d); (9) Failure to Reimburse Business Expenses under California Labor Code sections 2800 and 2802; and (10) Unfair Business Practices under California Business and Professions Code section 17200, *et seq.*

Released Parties means Defendant Yapstone Holdings, Inc. and its subsidiaries, predecessors, successors, affiliates, past and present parents, and any of their respective past or present assigns, officers, directors, members, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, attorneys, consultants, and each of their respective successors and predecessors in interest.

10. DO I HAVE A LAWYER IN THIS CASE?

The Court has ordered that, for purposes of this Settlement, the interests of Plaintiff and the Class Members are represented by Lawyers *for* Justice, PC to serve as Class Counsel. Class Counsel's contact information is as follows:

Edwin Aiwazian, Esq.
Arby Aiwazian, Esq.
Joanna Ghosh, Esq.
LAWYERS *for* JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: 818.265.1020
Fax: 818.265.1021

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

11. WHAT IF MY INFORMATION IS INCORRECT OR CHANGES?

If your name or address are incorrect, or if they change after you receive this Notice, it is your responsibility to inform the Settlement Administrator of your updated information. You may contact the Settlement Administrator at the following contact information:

Irma Eubanks v. Yapstone, Inc. DBA Rentpayment.com
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

12. FINAL APPROVAL HEARING

A hearing will be held in Department 39 of the Superior Court of the State of California for the County of Contra Costa, located at 725 Court Street, Martinez, California 94553, on June 30, 2022 at 9:00 a.m. to determine whether final approval of the Settlement should be granted ("Final Approval Hearing"). The Court will also decide whether to approve the allocations for Attorneys' Fees and Costs, Enhancement Payment, and Settlement Administration Costs. The Court may reschedule the Final Approval Hearing without additional notice to Class Members. It is not necessary for you to appear at this hearing.

13. FURTHER INFORMATION

The foregoing is only a summary of the Settlement. To see a copy of the Stipulation of Settlement of Class Action and Release of Claims (which sets forth the precise terms and conditions of the Settlement), the Court's Preliminary Approval Order, and the operative Complaint filed in the Action, you may view all such files in the following ways: 1) online at the Settlement Administrator's website: <http://www.phoenixclassaction.com/>; and 2) online on the Contra Costa County Superior Court's website: <http://icms.cc-courts.org/tellme/> and input the Case Number: MSC18-00956

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at (800) 523-5773 or the Class Counsel listed above in section 10.

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT.