NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FINAL APPROVAL HEARING

Stoddard and Medina, etc. v. Equilon Enterprises, LLC, et al. Orange County California Superior Court Case No. 30-2010-00395208-CU-OE-CXC

<u>THE COURT AUTHORIZED THIS NOTICE.</u> <u>THIS IS NOT A SOLICITATION FROM A LAWYER.</u>

Pursuant to the Order of the Superior Court for the State of California for the County of Orange, you are hereby notified that a proposed settlement has been reached in the above-referenced case brought on behalf of the following individuals:

All persons who were employed by R&M Pacific Rim, Inc. and who worked at a Shell branded station operated by R&M and owned by Equilon Enterprises, LLC at any time during the period from August 2, 2006 to September 1, 2008.

You have been identified as a member of the above Settlement Class. This notice provides you with a brief description of the Class Action, the terms of the Settlement, and a description of your rights in connection with the Settlement. **Please read this entire notice carefully**. It may affect your legal rights, including your right to money you may be owed.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT				
Participate in the Settlement	If the Court grants final approval of the Settlement, you do not need to do anything if you wish to receive your Individual Settlement Payment. However, it is highly recommended that you review the information on the attached Information Sheet [Enclosure A] and make any necessary corrections, including updating your contact information. Corrections must be submitted to the Settlement Administrator either electronically or by fax or mail as explained in Paragraph 9 below.			
Exclude Yourself from the Settlement (Opt- Out)	If you do not want to participate in the Settlement and be bound by the releases therein, you must timely submit a signed written Request for Exclusion to the Settlement Administrator no later than June 25, 2021 or else you will be bound by the Settlement. Your Request for Exclusion must be submitted by mail or fax. In the case of mail Requests for Exclusion, the postmark shall determine whether that request was timely. Please refer to Paragraph 10 below for instructions on excluding yourself.			
Object to the Settlement	If you wish to object to the Settlement, you must mail an appropriate written objection to the Settlement Administrator postmarked no later than June 25, 2021 and/or object in person or through an attorney at the Final Approval Hearing on July 16, 2021 at 9:30 a.m. in Department C-16. Please refer to Paragraph 11 below for instructions on objecting.			

Which option(s) you choose is entirely up to you.

<u>THESE RIGHTS AND OPTIONS, INCLUDING THE DEADLINES BY WHICH TO</u> <u>EXERCISE THEM, ARE EXPLAINED IN THIS NOTICE.</u>

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GENERAL INFORMATION REGARDING THIS NOTICE

WHAT IS THIS NOTICE ABOUT?

This Notice pertains to the settlement ("Class Action Settlement" or "Settlement") of claims against R&M Pacific Rim, Inc. ("R&M") in a class action lawsuit entitled *Stoddard and Medina, etc. v. Equilon Enterprises, LLC; R&M Pacific Rim, Inc. et. al.*, Orange County Superior Court Case No. 30-2010-00395208-CU-OE-CXC (the "Class Action").

This Class Action Settlement applies to all persons who were employed by R&M and who worked at a Shell branded station operated by R&M and owned by Equilon Enterprises, LLC at any time during the period from August 2, 2006 to September 1, 2008 (the "Settlement Class"). The Settlement Class is divided into two subclasses: (1) the Settlement Misclassification Subclass and (2) the Settlement Break Subclass. The Settlement Misclassification Subclass consists of all employees during this period who were declared by R&M as exempt employees and paid a salary but does not include any Settlement Class Member during any portion of the Class Period such Settlement Class Member was an Area Manager. The Settlement Break Subclass consists of all employees during this Class Period who were paid an hourly wage. You may be part of both subclasses.

The Orange County Superior Court (the "Court") has preliminarily approved the Settlement and has directed the parties to notify the Settlement Class Members of the Settlement. If the proposed Class Action Settlement is finally approved by the Court, your legal rights may be affected. This Notice of Proposed Class Action Settlement summarizes the Class Action and the settlement, and what you need to do (i) if you want to be excluded or "opt-out" of the Settlement Class, (ii) if you want to object to the settlement, (iii) if you want to dispute the information on which your Individual Settlement Payment will be calculated and/or (iv) if you want to correct or supplement information contained in the accompanying Information Sheet [Enclosure A].

This Notice summarizes, but does not fully describe, the Class Action. You may inspect the court files at the Central Justice Center, 700 Civic Center Drive West, Santa Ana, CA 92701 from 8:30 a.m. to 4:30 p.m. Monday through Friday, holidays excepted. You may also review papers filed in the Class Action at the following web address, by accepting terms, inputting under the Case Tab the following case number (30-2010-00395208) and indicating 2010 the year filed: as https://ocapps.occourts.org/civilwebShoppingNS/Login.do. The Register of Actions lists all papers which have been filed, most of which you can purchase on-line for a fee. You may also visit www.phoenixclassaction.com/medina-v-equilon for more information, to review the Settlement Agreement, or to review certain Court filings relating to the Settlement.

PLEASE DO NOT CONTACT THE COURT OR THE COURT CLERK REGARDING THE LAWSUIT.

WHAT IS THIS CLASS ACTION LAWSUIT ABOUT?

For a complete understanding of the claims asserted on your behalf in the Class Action, please review the Second Amended Complaint filed in the Class Action on March 25, 2019. This section is merely a summary of certain important allegations thereof. Also and while the Class Action was pending, Raymond Stoddard, one of the original named plaintiffs, died; and the Class Action is now being prosecuted only by Santiago Medina ("Medina").

The Class Action generally involves claims under California's wage and hour laws. Insofar as claims are asserted against R&M in the Class Action, Medina primarily alleges that from and after August 2, 2006, R&M misclassified certain of its employees as "exempt" employees and improperly failed to pay them overtime wages and premium pay for missed off-duty meal and rest breaks. Medina further alleges that R&M also improperly failed to pay its hourly employees premium pay for their missed meal and rest breaks. These claims are asserted pursuant to the California *Labor Code*, California Unfair Competition Law and the applicable California Industrial Welfare Commission wage order. Other bases for relief also are asserted. These claims against R&M only relate to employees working at R&M operated stations.

Insofar as claims also are asserted against Equilon Enterprises, LLC, Medina primarily alleges that from and after May 2001, Equilon was a joint employer with its third party operators, including R&M, misclassified certain of its employees as "exempt" employees and improperly failed to pay them overtime wages and premium pay for missed off-duty meal and rest breaks and also improperly failed to pay its hourly employees premium pay for their missed meal and rest breaks. These claims also are asserted pursuant to the California *Labor Code*, California Unfair Competition Law and the applicable California Industrial Welfare Commission wage order. Other bases for relief are also asserted. These claims relate to all Equilon owned stations in California and operated by third parties, including R&M. As such, these claims are broader than the claims asserted against R&M but include all of those claims also. Summary Judgment in favor of Equilon on these claims was recently granted by the Court which Summary Judgment is on appeal.

On January 15, 2019, after good-faith negotiations with an experienced, neutral mediator, in which both Medina and R&M recognized the substantial risk of an uncertain outcome, Medina and R&M agreed to settle their dispute pursuant to the terms and conditions of a negotiated Settlement. The parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties of continued litigation. The parties and their counsel have determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Settlement Class.

R&M denies that it has done anything wrong or that it violated the law in any way. R&M further denies that it owes the Settlement Class any wages, restitution, penalties, or other damages and contends that Settlement Class members were properly compensated and properly provided meal and rest periods. Accordingly, the Settlement represents a compromise and settlement of disputed claims. Nothing in the Settlement is intended to be or will be construed as an admission by R&M that Medina's claims have merit or that R&M has any liability to Medina or the putative class on the claims alleged in the Class Action. **The Court has not ruled on the merits of Medina's claims against R&M.**

SUMMARY OF THE SETTLEMENT

WHO IS INCLUDED IN THE SETTLEMENT?

You have received this notice and are included in the Settlement because R&M's records show that you fall within the following definition:

All persons who were employed by R&M and who worked at a Shell branded station operated by R&M and owned by Equilon Enterprises, LLC at any time during the period from August 2, 2006 to September 1, 2008.

HOW TO PARTICIPATE IN THE SETTLEMENT

If you are included in the above class definition, you are automatically considered a member of the Settlement Class. However, you have the right to request exclusion from the Settlement, the right to object to the Settlement, the right to dispute the information upon which your Individual Settlement Payment will be calculated, and the right to correct or supplement any other personal information provided.

IF YOU WISH TO BE EXCLUDED FROM THIS SETTLEMENT AND NOT BE BOUND BY IT, YOU WILL NEED TO TIMELY SUBMIT A WRITTEN REQUEST FOR EXCLUSION CONTAINING THE NECESSARY INFORMATION BY JUNE 25, 2021. YOU MAY DO SO BY TIMELY COMPLETING, SIGNING AND SUBMITTING THE FORM INCLUDED WITH THIS NOTICE [ENCLOSURE B] BY MAIL OR BY FAX TO THE SETTLEMENT ADMINISTRATOR.

(Settlement Exclusion Information is Provided in Paragraph 10 Below.)

IF YOU WISH TO OBJECT TO ANY ASPECT OF THIS SETTLEMENT, YOU WILL NEED TO TIMELY SUBMIT A WRITTEN STATEMENT OF OBJECTION CONTAINING THE NECESSARY INFORMATION BY JUNE 25, 2021 AND/OR APPEAR AT THE FINAL APPROVAL HEARING IN PERSON OR THOUGH AN ATTORNEY AND MAKE YOUR OBJECTION AT THAT TIME.

(Objection Information is Provided in Paragraph 11 Below.)

IF YOU WISH TO DISPUTE ANY OF THE ACCOMPANYING INFORMATION ON WHICH YOUR INDIVIDUAL SETTLEMENT PAYMENT WILL BE CALCULATED, YOU WILL NEED TO STATE THE BASIS FOR YOUR DISPUTE AND PROVIDE SUPPORTING DOCUMENTATION BY JUNE 1, 2021. YOU MUST DO SO BY TIMELY COMPLETING, SIGNING AND SUBMITTING WITH APPROPRIATE DOCUMENTATION THE DISPUTE FORM INCLUDED WITH THIS NOTICE [ENCLOSURE C] BY MAIL OR BY FAX TO THE SETTLEMENT ADMINISTRATOR.

(Dispute Information is provided in Paragraph 2.d. Below.)

UNLESS YOU TIMELY SUBMIT A WRITTEN REQUEST TO BE EXCLUDED FROM THIS SETTLEMENT, YOU WILL BE BOUND BY ITS TERMS AND THE RELEASES DESCRIBED BELOW.

Your Individual Settlement Payment will be based on the employment records of R&M which are presumed to be correct and which, as to your information, is set forth in the attached Information Sheet [Enclosure A].

Your interests as a member of the Settlement Class will be represented by Class Counsel. If you choose, you may enter an appearance individually or through your own counsel at your own expense. You have the right to consult and/or retain an attorney of your own choice, at your own expense, to advise you regarding the Settlement and your rights in connection with the Settlement. If you have questions about this Settlement, you may contact Class Counsel by email at STReesEsq@earthlink.net or at (818) 748-3434, although email is preferable.

WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

- 1. The Total Settlement Amount is \$845,000, inclusive of all damages, fees, costs, penalties, attorneys' fees and expenses and administration of the Settlement.
 - Class Counsel intends to seek by motion an award of attorneys' fees of \$281,667, plus a. costs and expenses, subject to Court approval. Class Counsel has estimated that its will not exceed \$15,000. The motion expenses will be available on www.phoenixclassaction.com/medina-v-equilon upon filing and is subject to Court review and approval. You have the right to object to this award to Class Counsel. The amount approved by the Court will be deducted from the Total Settlement Amount before Individual Settlement Payments are calculated.

b. In addition, Medina intends to seek by motion a Service Award of \$5,000 for serving as the named plaintiff and Class Representative. You have the right to object to this Service Award which is also subject to review and approval by the Court. The amount approved by the Court will be deducted from the Total Settlement Amount before Individual Settlement Payments are calculated.

c. The Settlement Administrator will be paid a fee and costs for administrating this Settlement. The total amount of those fees and costs will not exceed \$15,000. The fees and costs will be deducted from the Total Settlement Amount before Individual Settlement Payments are calculated.

d. The remaining amount after these deductions (the "Remaining Settlement Amount") shall be split between the two subclasses per the formula summarized in Paragraph 2 below.

2. <u>**Payment to Class Members.**</u> The Remaining Settlement Amount will be distributed to the Settlement Class Members, as follows:

a. **Misclassification Subclass:** Seventy-four percent (74%) of the Remaining Settlement Amount shall be allocated to the Settlement Misclassification Subclass. This amount shall be prorated among the members of the Settlement Misclassification Subclass based upon the total number of days each such member worked during the Class Period as an exempt employee divided by the total number of days worked by all members of this subclass. Each such allocation shall be further allocated Thirty-Three percent (33%) to wages and Sixty-Seven percent (67%) to penalties and interest.

b. **Break Subclass:** Twenty-Six percent (26%) of the Remaining Settlement Amount shall be allocated to the Settlement Break Subclass. This amount shall be prorated among the members of the Break Subclass based upon each employee's non-exempt gross wages paid during the Class Period divided by the non-exempt gross wages paid during the Class Period to all members of this subclass. Each such allocation shall be further allocated Thirty-Three percent (33%) to wages and Sixty-Seven percent (67%) to penalties and interest.

c. If a Settlement Class Member will be distributed \$10 or more, then he or she will receive the entitled amount. If, however, the Settlement Class Member is due less than \$10, then his or her Individual Settlement Payment will be for \$10, which may have a small effect on the payments to other members of that subclass.

d. Settlement Class Members will be provided thirty-five (35) days after the initial mailing of the Class Notice to dispute the information upon which their share of the Settlement will be calculated but they must provide documentation to support this dispute. You may do so by timely completing, signing and submitting with appropriate documentation the Dispute Form included with this notice [Enclosure C] by mail or by fax to the Settlement Administrator. The Settlement Administrator will resolve all such disputes and its decision will be final. R&M's employment records on which the accompanying Information Sheet is based are presumed correct.

e. Settlement Class Members who receive a payment of any kind from the Total Settlement Amount expressly acknowledge that such payments shall be considered to be comprised of thirty-three percent (33%) wages for which an IRS Form W-2 will be issued and sixty-seven percent (67%) non-wages for which an IRS Form 1099 will be issued. All Settlement Class Members who receive a payment of any kind from the Total Settlement Amount agree to timely pay in full all of the federal, state, and municipal income taxes owed on such payments.

f. <u>Unclaimed funds:</u> Individual Settlement Payment checks which are not cashed within 180 days of issuance will be deemed void. The funds represented by voided checks will then be paid to the State of California for deposit into the Unclaimed Property Fund for the benefit of the Settlement Class Member who did not timely cash his Individual Settlement Payment check.

3. This Settlement was made based upon certain representations of fact made by R&M and contained in the Settlement Agreement. These factual representations are set forth in Enclosure D to this Notice. You should review these representations as they may affect your decisions regarding this settlement.

Of primary importance are the representations that prior to October 1, 2008, (i) R&M reclassified all exempt employees as hourly employees and thereafter paid overtime to those employees, (ii) changed its rest break policies to allow all employees to take 10 minute off-duty rest breaks every 4 hours worked, or major fraction thereof, and (iii) changed its meal break policies to allow all employees who worked more than 5 hours in a workday to take a 30 minute off-duty meal break and were provided a form to report any missed or non-compliant meal breaks for which payment would be provided, and (iv) paid missed meal break compensation to 370 employees in settlement as a result of a California Labor Commissioner meal break audit.

4. You will be bound by this Settlement and the releases contained therein, if it is given final approval by the Court, unless you timely submit a valid written Request for Exclusion to the Settlement Administrator by the deadline of June 25, 2021. You may do so by timely completing, signing and submitting the form included with this notice [Enclosure B] by mail or by fax to the Settlement Administrator. If you do submit a valid Request for Exclusion by the deadline in accordance with the instructions for submitting a Request for Exclusion, you will be excluded from the Settlement and will not receive any Individual Settlement Payment, but you will retain the rights you may

have, if any, to pursue your claims against Defendants and will not be bound by the releases contained in the Settlement Agreement.

- 5. If the Court does not grant final approval of the Settlement, or does not enter the Final Approval Order or if the Court's Final Approval Order is reversed in whole or in part on appeal, the parties have no obligations under the Settlement and Settlement Class Members will **not** receive any payments thereunder.
- 6. The Court has approved Phoenix Settlement Administrators as Settlement Administrator to administer the Settlement.
- 7. The Settlement, if given final approval by the Court, includes a very broad release to R&M and its affiliates. This release is, as follows:

Any and all claims alleged in the Second Amended Complaint, or that could have been alleged in the Second Amended Complaint based on the facts alleged therein, including claims for non-payment of overtime, missed meal and rest break compensation, interest thereon, attorneys' fees and expenses and costs of suit.

This release of fees and expenses includes, but is not limited to, those incurred by Class Counsel or any other counsel representing Medina or any Settlement Class Members, other than those expressly awarded by the Court as authorized by this Agreement.

8. Medina, as Class Representative, and Class Counsel, support the Settlement. Their reasons include the risk of being unable to pursue this case as a class action on behalf of all Class Members, the risk of a trial on the merits, the inherent delays and uncertainties associated with litigation, and the possibility that the Class is not entitled to any recovery from Defendants. Based on their experience litigating similar cases, Class Counsel believes that further proceedings in this case would be uncertain and, upon careful consideration of all facts and circumstances of this case, as well as the potential damages that could be recovered, Class Counsel believes that the Settlement is fair, reasonable, and adequate.

WHAT ARE MY RIGHTS AS A SETTLEMENT CLASS MEMBER?

9. Participate in the Settlement. You have the right to participate in the Settlement; and, if the Settlement is finally approved by the Court, you have the right to your Individual Settlement Payment. You do not have to do anything to exercise this right. However, if you decide to participate in the Settlement, you should review the attached Information Sheet [Enclosure A]. You should also check to make sure your address and contact information are correct so that you will receive your Individual Settlement Payment if and when it is mailed. You may make corrections to your contact information in the Information Sheet either electronically at <u>www.phoenixclassaction.com/medina-v-equilon</u>, by fax to (949) 209-2503 or by mail addressed to the Settlement Administrator at Phoenix Settlement Administrators, PO Box 7208, Orange, CA 92863.

If you need additional information, please contact the Settlement Administrator at (800) 523-5773 or at Info@phoenixclassaction.com.

10. Excluding Yourself from the Settlement (Opt-Out): You have the right to exclude yourself from the Settlement and retain the right to pursue any individual claims you may have against R&M. If you do <u>not</u> wish to participate in the Settlement, you must mail or fax a written Request for Exclusion to the Settlement Administrator. The Request for Exclusion must include: (1) your name, address, and telephone number; (2) a clear and unequivocal statement that you wish to be excluded from the Settlement Class; and (3) your signature or the signature of your Legally Authorized Representative. The attached Request for Exclusion Form [Enclosure B] may be completed, signed and submitted to the Settlement Administrator should you wish to use it. The Request for Exclusion must be completed, signed, and mailed to the Settlement Administrator at Phoenix Settlement Administrators, PO Box 7208, Orange, CA 92863, postmarked no later than June 25, 2021 or faxed to the Settlement Administrator at (949) 209-2503 by that date. If you fail to submit a Request for Exclusion in the manner and by the deadline specified above, you will be bound by all terms and conditions of the Settlement and Judgment.

Any person who files a complete and timely Request for Exclusion will, upon receipt by the Settlement Administrator, no longer be a member of the Settlement Class and will not be eligible to receive a payment if the Settlement is finally approved. Any such person will retain the right, if any, to pursue the claims released by this Settlement at his or her own expense. A Request for Exclusion that does not fulfill the requirements above will be deemed invalid. Requests for exclusion must be exercised individually by the Settlement Class Member. Attempted collective group, class, or subclass requests for exclusions shall be ineffective and disregarded by the Settlement Administrator.

If a Settlement Class Member submits both an objection and a valid and timely Request for Exclusion, the Request for Exclusion will be accepted and the objection will be rejected.

There will be no retaliation or adverse employment action taken by R&M against any Settlement Class Member who participates in the Settlement, elects not to participate in the Settlement, or objects to the Settlement because of such participation, election, or objection.

Objecting to the Settlement: You have the right to object to any of the terms of the Settlement, 11. the Class Counsel Award and/or the Service Award. Any Settlement Class Member that wishes to object to the fairness, reasonableness, or adequacy of this Settlement Agreement or the proposed Settlement, the Plan of Allocation, the Class Counsel Award and/or the Service Award must provide to the Settlement Administrator (who shall forward it to Class Counsel and Defense Counsel), a timely signed statement of the objection or appear at the final hearing and make the objections or both. To be timely, a written objection must be mailed to the Settlement Administrator, and postmarked no later than June 25, 2021. A written objection must contain at least the following: (i) the objector's full name, address, telephone number, and signature; (ii) a clear reference to the Class Action; (iii) a statement of the specific legal and factual basis for each objection argument; and (iv) a statement whether the objecting person or entity intends to appear at the Final Approval Hearing, either in person or through counsel and, if through counsel, a statement identifying that counsel by name, bar number, address, and telephone number. Objections may be submitted by one or more Settlement Class Members, but must identify each Settlement Class Member on whose behalf it is made.

If you submit both an objection and a valid and timely Request for Exclusion, the Request for Exclusion will be accepted and the objection will be rejected.

If the Court does not give final approval to the Settlement, no Individual Settlement Payments will be sent out and the lawsuit will continue.

If the Court gives final approval to the Settlement, you will be bound the by terms of the Settlement and receive your Individual Settlement Payment.

- Termination of the Settlement: If after June 25, 2021 and before the Final Approval Hearing, 12. Settlement Class Members, whose estimated Individual Settlement Payments equal or exceed ten percent (10%) of the Total Settlement Amount, submit timely and valid Requests for Exclusion from the Settlement, R&M shall have, in its sole and absolute discretion, the option to terminate this Settlement. The estimated Individual Settlement Payments shall be calculated assuming that the combined total of the approved Class Counsel Award, approved Service Award and approved expenses for the Settlement Administrator are \$316,667. R&M shall exercise its option to terminate, if at all, prior to the Final Approval Hearing, provided the Settlement Administrator has provided R&M the Opt-Out List no later than ten (10) business days prior to the Final Approval Hearing. If R&M decides to void the Settlement, then the Settlement and conditional class certification shall be considered void; the Settlement, conditional class certification, and any related negotiations or proceedings shall be of no force and effect; and the Parties shall stand in the same respective positions, without prejudice, as if this Settlement had been neither entered into nor filed with the Court. Should R&M void the Settlement under this paragraph, R&M shall be responsible for all Settlement Administration Costs incurred through the date R&M notifies the Settlement Administrator that it is exercising its option to terminate the Settlement.
- 13. **Release of Employment Records:** The Court has authorized R&M to release to the Settlement Administrator and to Class Counsel, for purposes of this Settlement only and without prior notice to you, certain information concerning you and contained in R&M's employment records. This information includes your name, last known residence address, last known telephone number(s), last known email address, social security number, dates of employment and gross wages for 2006 through 2008.
- 14. **Keep Your Information Up to Date:** It is your obligation to make sure that the Settlement Administrator is able to verify your social security number and to keep the Settlement Administrator informed of any changes in your mailing address until your Settlement Payment is received, should final approval of the Settlement be granted. Failing to provide the Settlement Administrator with any change of your mailing address may prevent you from receiving your Individual Settlement Payment in a timely manner. The absence of a verified social security number will result in backup withholding applied to your Individual Settlement Payment.
- 15. **Information Available on Website:** The Settlement Administrator has created a website for purposes of this Settlement. The website address is <u>www.phoenixclassaction.com/medina-v-equilon</u>. Among other actions you may take through this website and information contained therein, you will be able to view the following documents: Second Amended Complaint; Settlement Agreement and exhibits; Class Notice; Motion for Preliminary Approval of this Settlement; Preliminary Approval Order; and Motion for Class Counsel Award and Service Award, when filed. You also will be able to correct certain information contained on the attached Information Sheet [Enclosure A].
- 16. **The Settlement Administrator's Address:** You may send a Request for Exclusion or Objection to the Settlement Administrator at the following address:

Phoenix Settlement Administrators PO Box 7208, Orange, CA 92863 Ph: 800-523-5773 Email: Info@phoenixclassaction.com Fax: 949-209-2503

CLASS COUNSEL

Contact information for Class Counsel is provided below:

SAMUEL T. REES BLEAU FOX A Professional Law Corporation 2801 West Empire Avenue Burbank, CA 91504 Telephone: (818) 748-3434 Facsimile: (818) 748-3436 Email: STReesEsq@earthlink.net

FINAL SETTLEMENT APPROVAL HEARING

The Court has scheduled the Settlement Fairness Hearing for July 16, 2021 at 9:30 a.m. in Department C-16 of the Orange County Superior Court located at 700 Civic Center Drive West, Santa Ana, California 92701. At this time, the Court will be asked to rule on the adequacy, reasonableness, and fairness of the Settlement and on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to Medina. If there are any objections, the Court will consider them. After the Settlement Fairness Hearing, the Court will decide whether to approve the Settlement.

The Settlement Fairness Hearing may be postponed without further notice to Settlement Class members. You are <u>not</u> required to attend the Settlement Fairness Hearing, although any Settlement Class member is welcome to attend the hearing.

GETTING MORE INFORMATION

This notice summarizes the Class Action and the proposed Settlement. For more precise terms and conditions of the Settlement, please contact Class Counsel (contact information above), or visit the office of the Court Clerk located at the Central Justice Center, 700 Civic Center Drive West, Santa Ana, CA 92701, during business hours.

PLEASE DO NOT TELEPHONE THE COURT, FOR INFORMATION ABOUT THE SETTLEMENT! YOU MAY CALL CLASS COUNSEL LISTED ABOVE.

ENCLOSURE A INFORMATION SHEET

CLAIMANT ID: «PSA_ID»

The information provided below was provided by R&M Pacific Rim, Inc. ("R&M") from its employment records and was ordered by the Court to be provided to Phoenix Settlement Administrators and Class Counsel for settlement purposes only and without prior notice to you. PLEASE VERIFY THAT THE INFORMATION IS CORRECT AND MAKE CHANGES WHERE NECESSARY. Your Individual Settlement Payment will be partially based on this information.

1. <u>Your Contact Information</u>

Please review and, if necessary, correct on the line to the right your contact information:

2. Information for Misclassification Subclass, if applicable.

The personnel and payroll records of R&M show that during the Class Period (August 2, 2006 through September 1, 2008), you were employed by R&M as an exempt, salaried employee, as follows:

Dates of Employment as Exempt: «DOH_1_Misclass» - «DOT_1_Misclass»

Number of Days as Exempt: «Total_Days»

You will receive both IRS W-2 and 1099 forms with your payment.

3. Information for Break Subclass, if applicable.

The personnel and payroll records of R&M show that during the Class Period (August 2, 2006 through September 1, 2008), you were employed by R&M as an hourly employee, as follows:

Dates of Employment as Hourly: «DOH_1_Break» - «DOT_1_Break»

2006 Reported Gross Wages:	«Gross_Wage_2006»
2007 Reported Gross Wages:	«Gross_Wage_2007»
2008 Reported Gross Wages:	«Gross_Wage_2008»

You will receive both IRS W-2 and 1099 forms with your payment.

ENCLOSURE B REQUEST FOR EXCLUSION FORM

THIS COMPLETED AND SIGNED REQUEST FOR EXCLUSION FORM MUST EITHER BE POSTMARKED ON OR BEFORE OR FAXED TO THE SETTLEMENT ADMINISTRATOR ON OR BEFORE JUNE 25, 2021

Stoddard and Medina, etc. v. Equilon Enterprises, LLC, et al. Orange County California Superior Court Case No. 30-2010-00395208-CU-OE-CXC

I, _____, hereby request that I be excluded from the Class

[Print Full Name]

Action Settlement of the above lawsuit and excluded from the Settlement Class. I understand by timely submitting this completed form to Phoenix Settlement Administration, I will not receive any payment from this Settlement, will not be bound by the releases in the Settlement Agreement and may pursue my own remedies against R&M Pacific Rim, Inc. at my own expense.

My address and telephone number are, as follows:

[Print Street Address]

[Print City, State and Zip Code]

[Print Area Code and Telephone Number]

[Sign Full Name]

MAIL OR FAX COMPLETED REQUEST FOR EXCLUSION FORM TO

Phoenix Settlement Administrators PO Box 7208, Orange, CA 92863

Fax Number: (949) 209-2503

ENCLOSURE C CLASS INFORMATION DISPUTE FORM]

, hereby dispute the following information I. [Print Full Name] contained in my Information Sheet and upon which my Individual Settlement Payment will be calculated. I enclose documentation to support my dispute. **COMPLETE EACH APPROPRIATE SECTION.** Employment Dates. (Do not insert a date prior to August 2, 2006 or after September 1, 2008) I actually commenced my employment as a salaried, exempt employee or was converted to a salaried exempt employee on _____. I actually ceased my employment as a salaried, exempt employee or was converted to a non-exempt, hourly employee on ______. I actually commenced my employment as a non-exempt, hourly employee on I actually ceased my employment as a non-exempt, hourly employee on ______. Hourly Employee Gross Wages. (Do not include wages paid when you were a salaried, exempt employee) My actual Gross Wages from R&M for 2006 as a non-exempt Hourly Employee were \$_____. My actual Gross Wages from R&M for 2007 as a non-exempt Hourly Employee were \$_____. My actual Gross Wages from R&M for 2008 as a non-exempt Hourly Employee were \$_____. Dated: _____, 2021 [Sign Full Name]

MAIL OR FAX COMPLETED REQUEST FOR EXCLUSION FORM TO

Phoenix Settlement Administrators PO Box 7208, Orange, CA 92863

Fax Number: (949) 209-2503

ENCLOSURE D REPRESENTATIONS OF FACT BY R&M

(See Paragraph 59 of the Amended and Restated Settlement Agreement)

A. If no Settlement Class Member requests to be excluded from this Settlement, there are 29 employees who would be included in the Settlement Misclassification Subclass, 12 of whom are also included in the Settlement Break Subclass. Of these 29 employees, approximately 5 employees were members of the Settlement Misclassification Subclass for the entire Class Period.

B. If no Settlement Class Member requests to be excluded from this Settlement, there are 351 employees who would be included in the Settlement Break Subclass, 12 of whom are also included in the Settlement Misclassification Subclass.

C. During the Class Period, each member of the Settlement Break Subclass, including managers who were non-exempt hourly employees, was compensated at an hourly rate ranging from \$6.75 to \$9.00 for 2006, ranging from \$7.50 to \$8.75 for 2007 and ranging from \$8.00 to \$11.00 for 2008.

D. During the Class Period, each member of the Settlement Misclassification Subclass was compensated by a salary ranging between \$10.38 per hour and \$16.15 per hour, calculated by taking their annual salary and dividing it by 2,080 hours.

E. Prior to October 1, 2008, R&M reclassified each member of the Settlement Misclassification Subclass as a non-exempt employee. From and after being reclassified, R&M paid those employees an hourly wage and overtime when they worked more than 40 hours in a work week or more than 8 hours in a workday as shown on their timecards.

F. Prior to September 1, 2008, R&M changed its rest break policy to clarify that all employees, including employees formerly claimed to be exempt employees and since reclassified as non-exempt employees, were entitled to and provided with duty-free, paid rest periods at the rate of no less than ten minutes net rest for every four hours worked, or major fraction thereof.

G. On or about July 5, 2008 and as a result of a California Labor Commissioner meal break audit, R&M paid approximately 370 employees a total of \$122,721.88 for missed meal break compensation. These payments were believed by R&M to resolve all meal break claims for the Class Period. In June 2008, R&M modified its meal break policy to ensure that all non-exempt employees working more than 5 hours in a workday and not working alone were afforded an off-duty meal break, a form to report any missed or non-compliant meal breaks for which payment would be provided and continued to allow non-exempt employees working alone the option to sign an on-duty meal waiver if they wished to do so.

H. Pursuant to Equilon's contractual requirement, all Settlement Class Members were fluent in English.