

Sharlette Villatoro v. Walters & Wolf Interiors, et al., Case No. 20-cv-00609-KAW

NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully.

To: All employees of Walters & Wolf Interiors, Walters & Wolf Construction Specialties, Inc., Walters & Wolf Glass Company and Walters & Wolf Precast (“Defendants”) in the State of California who were paid wages at any time from November 22, 2018 through January 15, 2020.

This Notice is about a proposed settlement in a class action lawsuit concerning alleged violations of the California Labor Code and the Private Attorney General Act of 2004.

On August 19, 2021, the Honorable Kandis A. Westmore of the United States District Court for the Northern District of California granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. You have received this notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement. The Class Settlement Amount to be paid is approximately \$13.91 per wage statement that you received from November 22, 2018 through January 15, 2020.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

Do Nothing	Receive a cash payment based on the number of wage statements that you received from Defendants during the Class Period. You will also be bound by the settlement and release.
Exclude Yourself	Get no payment. Retain any claims you may have against Defendants. This is the only option that ever allows you to be a part of another lawsuit against the Defendants for the claims that this settlement resolves. If you opt out of the settlement, the amount of your Settlement Payment will be redistributed to other Class Members; it will not be returned to Defendants.
Object / Go to Hearing	Submit a timely objection to the Court about why you do not like the settlement. The Final Approval Hearing will be held on December 16, 2021, at 1:30 p.m. at the Oakland Courthouse 1301 Clay Street, Oakland, CA 94612. The Court may continue the date of the Final Approval Hearing. You may also be able to attend the hearing by Zoom or teleconference. Please check the Court’s website or contact Class Counsel for more information.

Summary of the Litigation

Plaintiff Sharlette Villatoro (“Plaintiff”) is a former employee of Defendants. Plaintiff sued Defendants for alleged violations of the California Labor Code and the Private Attorney General Act of 2004. The claims alleged include a failure to provide the following information on wage statements: (1) the date the pay period commenced; and (2) the rate of pay.

After an exchange of relevant information and evidence, the Parties agreed to enter into private mediation to attempt to resolve the claims in the case. On October 23, 2020, the parties participated in a mediation with Michael Loeb, a respected mediator of complex cases. With Mr. Loeb’s guidance, the Parties were able to negotiate a settlement of Plaintiff’s claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Diversity Law Group, APC and Polaris Law Group (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of the Class Members.

Defendants have denied, and continue to adamantly deny the factual and legal allegations in the case and believes that Plaintiff's case has no merit. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case solely for reason of economic efficiency.

Summary of Settlement Terms

Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for the Class Settlement Amount of \$1,450,000.00. This amount is inclusive of: (1) individual settlement payments to participating Class Members; (2) up to \$483,333.33 in attorneys' fees, and \$20,000.00 in costs; (3) payment of \$75,000.00 to the California Labor and Workforce Development Agency ("LWDA") in connection and accordance with PAGA; and (4) reasonable Claims Administrator fees and expenses estimated to be no more than \$12,750.00. After deducting the attorneys' fees and costs, the payment to the LWDA, and the Claims Administrator's fees and expenses, a net settlement amount of approximately \$858,916.67 ("Net Settlement Amount") will be available for Class Members who do not opt out (discussed below under **Option 2**).

The amount of settlement payment or "Individual Settlement Payment" each Class Member receives will be based on the number of wage statements each Class Member received during the relevant Class Period.

IRS Form 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting payments received by Class Members under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, all Individual Settlement Payments will be allocated to statutory penalties.

Settlement checks will remain payable for 6 months after issuance. Those funds represented by un-cashed checks which remain outstanding 6 months after the mailing of the settlement checks by the Claims Administrator shall escheat to Legal Aid at Work, as a designated *cy pres* recipient.

Your Settlement Payment

As explained above, your Settlement Payment is based upon the number of wage statements that you received during the Class Period. Under this Settlement, the value of each wage statement is \$13.91.

According to Defendants' records, you received a total of << >> wage statements from Defendants during the Class Period. As a result, your Individual Settlement Payment will be << >>.

If you believe your number of wage statements listed are incorrect, you may submit a dispute with the Claims Administrator. To dispute your number of wage statements, you must write a letter to the Claims Administrator postmarked no later than October 28, 2021. The dispute letter must explain your disagreement and include evidence showing the number of wage statements you received during the Class Period. The Claims Administrator shall decide the dispute. Defendants' records will be presumed correct, but the Claims Administrator will evaluate the evidence submitted by the Class Member and will make the final decision as to the merits of the dispute.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive a Settlement Payment

If you agree with the proposed settlement, you do not have to do anything at this time. You have the right to attend the Final Approval Hearing, at the time and place listed below.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the following claims ("Released Claims"):

Any and all claims, rights, demands, liabilities, and causes of action, whether known or unknown, arising from, or related to, the same set of operative facts as those set forth in the operative Complaint, including claims based on the following categories of allegations: All claims for violation of Labor Code § 226, and all applicable IWC Wage Orders for failure to provide proper wage statements, as well as any and all claims for penalties under the California

Private Attorneys' General Act predicated on violations of Labor Code § 226, that accrued during the Class Period.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will give up your right to sue Defendants for inaccurate wage statement violations during the Class Period, in exchange for your Settlement Payment.

To receive your Settlement Payment, it is important that the Claims Administrator has your current address. Your Settlement Payment will be mailed to the address where you received this notice. If your address has changed, please notice the Claims Administrator at the following address: Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863.

Option 2 – Opt Out of the Settlement

If you opt out of the settlement you will **NOT** receive a Settlement Payment.

If you do not wish to participate in the settlement, you may exclude yourself from participating by “opting out” or submitting a written request for exclusion to the Claims Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must set forth your name, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

The written request for exclusion must be postmarked not later than October 28, 2021. If you submit a request for exclusion which is not postmarked by October 28, 2021, your request for exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member and you will: (1) be barred from participating in the settlement, but you will not be deemed to have released the Released Claims; (2) be barred from filing an objection to the settlement; and (3) not receive a payment from the settlement.

If you opt out of the settlement, the amount of your Settlement Payment will be redistributed to other Class Members; it will not be returned to Defendants.

Option 3 – Submit an Objection

You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Sharlette Villatoro v. Walters & Wolf Interiors, et al*, Case Number 20-cv-00609-KAW), (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, Oakland Division, 1301 Clay St., Suite 400 South, Oakland, CA 94612, or by filing them in person at any location of the United States District Court for the Northern District of California, and (c) be filed or postmarked on or before October 28, 2021.

If you choose **Option 3**, you will still be entitled to the money from the settlement, and if the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the Joint Stipulation of Class Action Settlement, and other papers filed in the case, which may be inspected at the Clerk's Office for the United States District Court for the Northern District of California, Oakland Division, 1301 Clay St., Ste. 400 S, Oakland, CA 94612, between 9:00 a.m. and 1:00 p.m., Monday through Friday, excluding Court holidays.¹ You may also access the Joint Stipulation of Class Action Settlement and other papers filed in the case online through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>.

Important documents regarding the case can also be accessed free of charge on the Claims Administrator's website, at: <http://www.phoenixclassaction.com/>.

All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Claims Administrator or Class Counsel. The addresses for the Claims Administrator and Class Counsel are as follows:

Phoenix Settlement Administrators P.O. Box 7208 Orange, CA 92863 Telephone: (800) 523-5773 Facsimile: (949) 209-2503 Email: notice@phoenixclassaction.com	Larry W. Lee Max W. Gavron DIVERSITY LAW GROUP, APC 515 S. Figueroa Street, Suite 1250 Los Angeles, CA 90071 (213) 488-6555 Phone (213) 488-6554 Facsimile
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PLEASE **DO NOT** CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

¹ Because of the impact of the Coronavirus on Court operations, please check the Court's website at <https://cand.uscourts.gov/> for up-to-date information related to Court operations.