

NOTICE OF CLASS ACTION SETTLEMENT

Joshua Sweet v. SF Tire & Service Central, Inc.

San Francisco County Superior Court Case No. CGC 20-584213

You are receiving this Notice because you have been identified as a former or current non-exempt or hourly-paid employee of SF Tire & Service Central, Inc. (referred to herein as “SF Tire”). You should read this Notice carefully because it will affect your rights.

The San Francisco County Superior Court authorized this notice. This is not a solicitation from a lawyer.

A former employee, Joshua Sweet, has sued SF Tire on behalf of himself and others similarly situated former and current non-exempt or hourly-paid employees of SF Tire. The parties have reached a settlement, and the Court has preliminarily approved it. The settlement resolves the lawsuit. Your legal rights are affected whether you act or do not act. SF Tire cannot and will not retaliate against you in any way for participating in this settlement. **Read this notice carefully.**

According to SF Tire’s records, you were employed by SF Tire at a time between April 22, 2016 and January 1, 2020 (“Class Period”) and worked workweeks during this period of time.

YOUR OPTIONS IN RESPONSE TO THIS NOTICE OF SETTLEMENT

DO NOTHING AND RECEIVE SETTLEMENT PAYMENTS	Receive payments and release certain claims as set forth below.
EXCLUDE YOURSELF FROM THE SETTLEMENT AND RECEIVE NO PAYMENTS FROM THE SETTLEMENT (Deadline: February 21, 2022)	Submit a request for exclusion (also called an “Opt-Out Request”) to exclude yourself from the lawsuit and settlement, receive no money and do not release the claims alleged in this class action case. If you wish to be excluded from the lawsuit and settlement, you must follow the instructions set forth below for Opt-Out Requests.
OBJECT TO THE SETTLEMENT (Deadline: February 21, 2022)	If you disagree with the proposed settlement, you may submit an objection. If the Court agrees with your objection, the parties can choose whether to withdraw the settlement or change its terms. If the Court rejects, i.e. overrules, your objection, you will be bound by the Settlement. You will not have a second opportunity to opt-out of the settlement. Objections may be submitted to the Court, the Settlement Administrator and counsel as set forth below. Written objections will be considered without the need for the objector to appear at the final approval hearing. Alternatively, an objector may appear at the final approval hearing and make an oral objection.

YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.

1. Why did I receive this Notice?

You received this Notice because SF Tire’s records show that you were employed by SF Tire at some time between April 22, 2016 and January 1, 2020 (“Class Period”). This Notice explains that the Court has granted preliminary approval of a proposed settlement of a class action lawsuit that may affect you. You have legal rights and options that you may exercise before the Court decides whether to grant final approval of the proposed settlement.

2. What is this lawsuit about?

Plaintiff Joshua Sweet (“Plaintiff”) filed a lawsuit against SF Tire and Service Central, Inc. on behalf of himself and other current and former non-exempt or hourly-paid employees in the Superior Court of California, County of San Francisco (the “Action”). The Action was originally filed on April 22, 2020. The Action alleges that Plaintiff and other similarly situated non-exempt or hourly-paid employees of SF Tire were not paid overtime wages, were denied meal and rest periods and did not receive premium pay for missed or noncompliant meal and rest periods, were not timely paid final wages and received inaccurate or noncompliant wage statements. In addition, Plaintiff brought Private Attorneys General Act (“PAGA”) claims alleging the same class action violations, along with a claim that SF Tire failed to provide suitable seating. In the lawsuit, Plaintiff seeks general and special damages, statutory penalties, civil penalties, attorney’s fees and costs. SF Tire contends that it complied with all applicable laws. The Court has granted preliminary approval of the Class Action Settlement between the parties in this case. The Court has not made a decision regarding the ultimate merits of each party’s position.

3. What is a class action and who is involved in this lawsuit?

In a class action lawsuit, one or more people called “Class Representatives” (in this case, Joshua Sweet) sue on behalf of themselves and other people who may have similar claims. These people together are a “Class” or “Class Members.” The company they sue (in this case, SF Tire) is called the Defendant. If the Court determines that Class Representatives may represent a Class, then the court may resolve the issues for everyone in the Class—except for those people who choose to exclude themselves from the Class.

In this case, the Parties have decided to settle the case on a Class basis. The Court has made a preliminary determination that the proposed Class settlement between SF Tire and Class Members is fair, adequate, and reasonable. The Court will decide whether to finally approve the proposed settlement after the Class Members are given a chance to exclude themselves from or object to the proposed settlement.

SF Tire does not admit engaging in any unlawful conduct as alleged in this lawsuit and denies all claims and charges of wrongdoing and liability. SF Tire denies that it owes damages or monies related to any of Plaintiff’s allegations listed above. SF Tire is settling the matter as a compromise. SF Tire reserves its right and intends to defend itself against any claim if for any reason the Settlement fails.

4. Is there any money available now?

If the Court gives final approval to this settlement, participating Settlement Class Members will be sent a check for their portion of the settlement funds.

5. What does the settlement provide?

The proposed settlement requires SF Tire to pay a Maximum Settlement Amount not to exceed One Million Four Hundred Seventy-Five Thousand Dollars (\$1,475,000). The Maximum Settlement Amount will be paid by SF Tire to the Class Action Administrator in three installments between March 1, 2022 and March 1, 2023.

The Maximum Settlement Amount includes payments for attorneys’ fees (up to \$486,750.00) and costs (up to \$25,000), an enhancement award for Plaintiff (up to \$7,500), Settlement Administration Costs (\$8,000), and a PAGA payment to the Labor Workforce Development Agency of \$22,500. The amount remaining after these payments is the amount available to distribute to the Settlement Class (“Net Settlement Amount”). Settlement proceeds will be paid to all Class Members who do not submit a Request for Exclusion or Opt-Out Request (“Settlement Class Members”). After the settlement becomes final, Settlement Class Members will receive an initial payment after March 1, 2022 equivalent to 72.88% of the amount due to them and a second payment after March 1, 2023 equivalent to 27.12% of the amount due to them.

Plaintiff Joshua Sweet also settled his non-class action/non-PAGA claims against SF Tire for \$25,000, but this payment will not be made from the Maximum Settlement Amount.

6. What can I get from the settlement?

The amount of your share of the Net Settlement Amount will be calculated as follows.

The Settlement Administrator will divide the Net Settlement Amount by the total number of workweeks in the Class Period for all Settlement Class Members to arrive at an amount per workweek. That amount will then be multiplied by the number of workweeks that you worked during the Class Period to arrive at your payments. Using this formula, the Settlement Administrator estimates that your payments will total.

7. Will taxes be withheld from my settlement payments?

Of the payments distributed to each Settlement Class Member, two-thirds (2/3) shall be allocated as interest, penalties and other non-wages and reported on an IRS Form 1099. The remaining one-third (1/3) of the payment distributed to each Settlement Class Member shall be allocated as wages and subject to payroll deductions on an IRS Form W-2. Settlement Class Members should consult with their tax advisors concerning the tax consequences of the payments that they receive under the settlement.

8. When and Where is the Final Approval Hearing?

The Court has scheduled a Fairness/Final Approval Hearing on March 25, 2022, at **9:30 a.m.** in Department 302 of the Superior Court of California, County of San Francisco, located at 400 McAllister Street, San Francisco, CA 94102, at which time the Court will determine: (1) whether the proposed settlement should be approved as fair, reasonable and adequate to Settlement Class Members; and (2) whether the applications for attorneys' fees, costs, and the Plaintiff's awards should be approved. If the Court approves the settlement, an Order Granting Final Approval will be entered. It is neither required nor necessary that you attend the Final Approval Hearing. Once the Order Granting Final Approval is signed by the Court, and if there is no appeal of the Court's order, then checks will be mailed out to the Settlement Class Members as provided above. If an appeal is filed, then distributions will be delayed until after final resolution of any appeals.

9. How can I receive the payments?

You do not need to do anything to receive the payments so long as you do not exclude yourself from the Class.

If this Notice was sent to you at your current address, you do not need to do anything further to receive payments. If this Notice was forwarded by the postal service, or if it was otherwise sent to you at an address that is not current, or if you have changed your address, then you should immediately notify the Settlement Administrator in writing stating your name and past and current addresses.

The Settlement Administrator's address is:

SF Tire Class Action Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

10. What am I giving up if I stay in the class?

If you do nothing and the Court gives final approval to the settlement (and it is not appealed), you will receive your settlement payments, but will be unable to sue SF Tire for the following "Released Claims":

All claims, including penalties, costs and attorneys' fees related thereto, that could have been brought under the facts and allegations made in the operative Complaint, including, but not limited to: (1) Unpaid Overtime Wages (Lab. Code §§ 510 and 1198); (2) Meal Period Violations (Lab. Code §§ 226.7 and 512); (3) Rest Period Violations (Lab. Code § 226.7); (4) Failure to Timely Pay Final Wages (Lab. Code §§ 201-203); (5) Non-Compliant Wage Statements (Lab. Code § 226); (6) Unfair Business Practices (Bus. & Prof. Code §§ 17200, *et seq.*); and (7) and Penalties under the California Private Attorneys' General Act pursued in the Action, that accrued at any time during the Class Period.

The Released Class Claims do not include a release of any *other* rights you have or claims you may have as an employee or former employee of SF Tire.

11. What if I get my payments and don't cash them?

If you receive the payments and do not cash your checks, you will still be bound by the terms of the settlement and you will release all claims released under this settlement. After 180 days, the Settlement Administrator will stop payment on your check(s). The funds from any un-cashed checks will then revert to a cy pres recipient, the California Rural Legal Assistance Foundation or another recipient approved by the Court.

12. What happens if I do nothing at all?

If you do nothing, you will receive payments from the settlement and you will be bound by the terms of the settlement.

13. How do I request to be excluded from the settlement?

If you want to retain the right to pursue claims against SF Tire alleged in this case and/or you do not want payments from this settlement, then you must take certain steps. This is called excluding yourself, and is also referred to as "opting out" of the settlement. Do not exclude yourself or "opt out" if you wish to receive money from this settlement.

To exclude yourself from the settlement, you must submit an opt-out request postmarked or emailed on or before February 21, 2022. In the opt-out request, you must: (1) legibly state your name, your address and your telephone number, (2) state that you do not wish to be included in the Settlement, and (3) sign the opt-out request. If you choose to opt-out of the Settlement, you will not receive money from the Settlement. You must return your request to the following address or email address:

SF Tire Class Action Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

14. If I do not exclude myself, can I sue SF Tire for the same claims later?

No. If you do not submit a valid and timely Opt-Out request postmarked by February 21, 2022, you will be bound by all terms of the settlement and any Final Judgment entered in the Action, if the settlement is approved by the Court. The settlement and Final Judgment will include a full release of claims in this Action, which will prevent you from suing SF Tire or any related persons or entities for the claims released by the settlement. If you have a pending lawsuit, speak to your lawyer in that case immediately.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you are asking not to be included in the settlement.

16. Do I have a lawyer in this case?

The Court has approved the Woodall Law Offices as Class Counsel to represent you and all Settlement Class Members. You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want to hire your own lawyer, you may do so at your own expense. For example, you can hire your own legal counsel to appear in Court for you if you want someone other than Class Counsel to speak for you.

17. How will the lawyers and the Class Representatives be paid?

Class Counsel will request that the Court approve an award of attorneys' fees and litigation costs. Class Counsel will also request that the Plaintiff receives an additional award. The amount of attorneys' fees and costs awarded to Class Counsel and any awards to the Plaintiff will be subject to the Court's approval. You will not have to pay these fees and expenses separately. Class Counsel has been prosecuting the Action on behalf of the Class on a contingency fee basis (that is, without being paid to date) while advancing litigation costs and expenses. The attorney's fees and costs awarded by the Court will constitute full compensation for all legal fees and expenses of Class Counsel in the Action, including any work they do in the future. Lastly, as part of the preliminary approval of the settlement, the Court has approved payment of claims administration expenses in the amount of up to Seven Thousand Dollars (\$7,000) to the Settlement Administrator from the Maximum Settlement Amount.

18. How do I object to the settlement?

If you think that the proposed settlement is unfair, inadequate or unreasonable, you can object to the proposed settlement. If you object, and if the Court approves the proposed settlement, then you will still receive a share of the settlement money, and you will be bound by the terms of the release as set forth above.

Objections do not need to be formally filed but may be submitted personally or through an attorney, to the proposed Settlement for Case No. CGC-20-584213 by mailing your objection to:

The Clerk of the Court, Superior Court of California, County of San Francisco,
400 McAllister Street, San Francisco, California 94102

You may also submit an objection in person at the Superior Court, County of San Francisco. Copies of all documents submitted to the clerk must also be mailed to the Settlement Administrator and counsel listed below.

All objections should reference the case name and number (*Sweet v. SF Tire & Service Central, Inc.* (Case No. CGC-20-584213) and be submitted no later than February 21, 2022.

The objection must state that you object to the Settlement and include the following information: (1) your name, address, phone number; (2) a statement of your views and the reasons for your objection; and (3) copies of papers, briefs or documents upon which the objection is based. Alternatively, a Class Member may appear at the Final Approval Hearing and present his/her objection to the Court orally, even without written objection. The submission of an objection shall not operate as a request for exclusion and no Class Member shall be excluded from the Settlement simply by virtue of filing an objection. You will also be permitted to withdraw your objection. If the Court approves the Settlement over your objection, you will be bound by the Settlement, and all of the terms in this Notice will apply to you. You will not have a second opportunity to opt-out of the settlement if the Court overrules your objection. You may also (but are not required to) attend the Final Approval Hearing on March 25, 2022. Counsel for the parties will bring to the Court's attention all objections received by this date.

Copies of all documents submitted to the Court must also be mailed to the Settlement Administrator with a postmark dated no later than February 21, 2022 at the following address:

SF Tire Class Action Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

If you object in the manner provided above, then you or your attorney may appear at the Final Approval Hearing, currently set for March 25, 2022, at 9:30 a.m. at Department 302 of the Superior Court of California, County of San Francisco, 400 McAllister Street, San Francisco, CA 94102. However, if you do not object in the manner provided above, your objection may be considered waived and you will not be able to make any other or later objection to the fairness, reasonableness or adequacy of the proposed settlement.

19. What’s the difference between objecting to the settlement and excluding myself from the settlement?

Objecting is simply telling the Court that you don’t like something about the settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

20. May I attend the hearing and speak?

Anyone may attend this hearing. If you are a Settlement Class Member and wish to make an objection at the hearing, you may do so.

21. Where can I get more details about the settlement?

This Notice summarizes the proposed settlement. For a more detailed statement of the matters involved in the Action, you may refer to the Unopposed Motion for Preliminary Approval of Class Action Settlement, and any other pleadings and papers filed in the Action. All of the pleadings and other records in this litigation, including the Settlement Agreement, may be examined online on the San Francisco County Superior Court’s website at <https://sfsuperiorcourt.org/divisions/civil>. After arriving at the website, click the “online services” link and then the “case query” link, then enter CGC-20-584213 as the case number and click “SEARCH.” Images of every document filed in the case may be viewed through the “Register of Actions.” Additionally, you can get access to the complaint, settlement agreement and other documentation at the following website: <http://www.phoenixclassaction.com/sweet-v-sf-tire/>

22. Can I read a copy of the settlement agreement?

Yes. A copy of the settlement agreement may be found as part of the Unopposed Motion for Preliminary Approval of Class Action Settlement, which is available for your review through the San Francisco County Superior Court’s website pursuant to the instructions provided in Question 21 above.

23. What is the Contact information for Class Counsel and Defendant’s Counsel?

<u>CLASS COUNSEL</u>	<u>COUNSEL FOR SF TIRE</u>
KEVIN F. WOODALL WOODALL LAW OFFICES 100 Pine Street, Suite 1250 San Francisco, CA 94111 Telephone: 415.413.4629 kevin@kwoodalllaw.com	LINDA M. MORONEY NATALIE B. FUJIKAWA GORDON REES SCULLY MANSUKHANI, LLP 275 Battery Street, Suite 2000 San Francisco, CA 94111 Telephone: 415.986.5900

24. What if I have more questions?

If you have any questions about the settlement, you may contact the Settlement Administrator:

SF Tire Class Action Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773

***** PLEASE DO NOT CONTACT THE COURT WITH YOUR QUESTIONS*****