

NOTICE OF SETTLEMENT OF CLASS ACTION

(*Angulo v. Five Star Plastering, Inc. et al.*, Superior Court of the State of California,
County of Los Angeles, Case No. 19STCV10957)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT
OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	<p>To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<<__>>. See the explanation in Section 5 below.</p> <p>Your estimated Individual PAGA Payment is: \$<<__>>. See the explanation in Section 5 below.</p> <p>After final approval by the Court, the payment will be mailed to you at the same address as this notice. In exchange for the settlement payment, you will release claims against the Defendant as detailed in Section 4 below. If your address has changed, you must notify the Settlement Administrator as explained in Section 6 below.</p>
Exclude Yourself	<p>To exclude yourself, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement and you will not be bound by the Settlement.</p> <p>Instructions are set forth in Section 7 below. The deadline to exclude yourself is <u>April 1, 2022.</u></p>
Object	<p>Write to the Court about why you do not agree with the settlement or appear at the Final Approval Hearing to make an oral objection. The Final Approval Hearing is scheduled to be heard on May 24, 2022 at 11:00 a.m. in Department 7 of the Spring Street Courthouse, located at 312 N. Spring Street, Los Angeles, California 90012.</p> <p>Directions are provided in Section 8 below. The deadline to object is <u>April 1, 2022.</u></p>

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of the above-captioned action pending in the Superior Court of the State of California, in and for the County of Los Angeles (the “Court”) has been reached between Plaintiff Alfredo Angulo (“Plaintiff”) and Defendant Five Star Plastering, Inc. (“Defendant”) and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Notice because you have been identified as a member of the Settlement Class, which is defined as:

all persons who worked for Defendant as non-exempt employees in the State of California at any time during the period of time from March 29, 2015 through April 19, 2021.

The Class Period is the period of time from March 29, 2015 through April 19, 2021.

You may also be an “Aggrieved Employee” if you worked for Defendant as a non-exempt employee in the State of California at any time during the period from March 29, 2018 to April 19, 2021 (“PAGA Period”). If you are an Aggrieved Employee, you will receive a portion of the PAGA Payment.

This Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On March 29, 2019, Plaintiff Alfredo Angulo filed suit in the Superior Court of the State of California, County of Los Angeles, against Defendant Five Star Plastering, Inc. (*Case No. 19STCV10957*) on behalf of a class of all non-exempt California hourly employees, which was amended on June 19, 2019, for multiple wage and hour claims for failure to pay wages for all times worked at the minimum and overtime wages, failure to include all remuneration in calculating overtime rate of pay, failure to authorize or permit meal periods, failure to authorize or permit rest periods, failure to provide complete and accurate wage statements, failure to timely pay all earned wages due at the time of separation of employment, and claims under the UCL and PAGA.

Thereafter, the parties attended a full-day private mediation on February 19, 2021 with well-respected class action mediator Todd Smith, Esq. and reached the settlement described herein.

Defendant denies and disputes all of the claims. Specifically, Defendant contends that Plaintiff and the Class Members were properly compensated for wages under California law; that Plaintiff and the Class Members were provided with all wages (including minimum and overtime wages) and meal and rest periods in compliance with California law; that Defendant complied with California wage statement requirements; that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action; and that the Action cannot be maintained as a class and/or representative action.

The Court granted preliminary approval of the Settlement on January 21, 2022. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and for Joseph Lavi, Vincent C. Granberry, and Melissa A. Huether of Lavi & Ebrahimian, LLP to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay Four Hundred Fifty Thousand Dollars (\$450,000) (the “Gross Settlement Amount”) with no reversion to fund the settlement of the Action. The Gross Settlement Amount includes all payments of Settlement Shares to Class Members contemplated by the Settlement, the Settlement Administration Expenses, Attorneys’ Fees and Costs to Class Counsel, and Service Payment, and payments made with respect to settlement of PAGA claims. Any employer-side payroll taxes on the portion of the Settlement Shares allocated to wages shall be separately paid by Defendant.

Within ten (10) days following the Effective Date, Defendant will fund the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Effective Date” means the date the Judgment is no longer subject to appeal. Fifteen (15) days after the settlement is funded, the Settlement Administrator will mail checks for the Individual Settlement Payments to Participating Class Members.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount as follows, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before Individual Settlement Shares are paid to Class Members who do not submit a valid and timely Request for Exclusion (“Participating Class Members”):

- Settlement Administration Expenses. Payment to the Settlement Administrator, not to exceed \$10,000, for expenses, including without limitation, expenses of notifying the Class Members of the Settlement, and distributing Individual Settlement Payments and tax forms.
- Attorneys’ Fees and Costs to Class Counsel. Payment to Class Counsel of reasonable attorneys’ fees not to exceed thirty-three and one-third (33 and 1/3%) of the Gross Settlement Amount, which is presently \$150,000, and an additional amount to reimburse actual litigation costs incurred by the Plaintiff not to exceed \$10,000. 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) and has been paying all litigation costs and expenses.
- Service Payment. Service Payment in an amount not to exceed Eight Thousand Nine Hundred Dollars (\$8,900.00) to Plaintiff, or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Payment. A PAGA Payment of \$30,000 out of the Gross Settlement Amount, which shall be allocated 75% (\$22,500) to the LWDA as the LWDA’s share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA and 25% (\$7,500) will be distributed to the Aggrieved Employees (“Aggrieved Employees’ Portion”) based on the number of pay periods each worked during the PAGA period.

Calculation of Payments to Class Members. After all of the payments of the court-approved Service Payment, the Attorneys' Fees and Costs, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount", shall be distributed as Settlement Shares to the Participating Class Members. The Net Settlement Amount is estimated to be approximately \$_____, based upon the above proposed deductions. The Settlement Administrator will pay a Settlement Share from the Net Settlement Amount to each Participating Class Member. The Settlement Share for each Participating Class Member will be calculated as follows: (by dividing the Net Settlement Amount by the number of Workweeks of all Participating Class Members to yield a "Weekly Settlement Value"; and then multiplying the Weekly Settlement Value by each individual Participating Class Member's number of Workweeks. Settlement Shares will be reduced for the employee's share of taxes and withholdings, and the net payment to each Participating Class Member is the "Individual Settlement Payment."

Calculations of Payments to Aggrieved Employees. The Aggrieved Employees' Portion will be paid to the Aggrieved Employees based on their pay periods during the PAGA Period. The Individual PAGA Payment for each Aggrieved Employee will be calculated as follows: (by dividing the Aggrieved Employees' Portion by the number of pay periods worked by all Aggrieved Employees; and then multiplying the result by each individual Aggrieved Employees' number of pay periods.

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Settlement Payment and Individual PAGA Payment (if applicable) to the same address as this Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. The Settlement Shares will be allocated as follows: ten percent (10%) allocated to wages ("Wage Portion"); forty-five percent (45%) allocated to penalties, and forty-five percent (45%) allocated to interest (the latter two, "Non-Wage Portion"), such that the wages portion shall be characterized as W-2 income and the Non-Wage Portion allocated to penalties and interest shall be characterized as 1099 income. Individual PAGA Payments issued to Aggrieved Employees will be allocated as One Hundred Percent (100%) non-wage penalties and will be reported on an IRS Form 1099. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Notice to constitute advice regarding taxes or taxability. The tax issues for each individual are unique to him/her, and each individual may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering the Judgment.

4. What Do I Release Under the Settlement?

Released Class Claims. Upon the date the Court enters a judgment order granting final approval of the Settlement and upon full funding of the Gross Settlement Amount, all Class Members who do not timely submit a valid Request for Exclusion do and will be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from any and all Released Claims accruing during the Class Period. Class Members who exclude themselves from the Settlement but are Aggrieved Employees will still receive their Individual PAGA Payment and will release the Released Claims pertaining to PAGA.

"Released Claims" means all claims and causes of action that were asserted or reasonably could have been asserted against the Released Parties in the Operative Complaint, as well as any claims that could have been asserted in the Action based on the facts, legal theories, or causes of action alleged in the Operative Complaint and any actual or proposed amendment thereto, including but not limited to: (a) failure to pay minimum wages for all hours worked; (b) failure to pay overtime wages for all time worked at overtime rate; (c) failure to include all remuneration when calculating the overtime rate of pay; (d) failure to provide compliant meal breaks and to provide premium pay in lieu thereof; (e) failure to provide compliant rest breaks and to provide premium pay in lieu thereof; (f) failure to provide complete, accurate, or properly formatted wage statements; (g) waiting time penalties; (h) unfair business practices claims; (i) PAGA as to said claims and facts alleged in the Operative Complaint; (j) any other claims or penalties under the wage and hour laws pleaded in the Operative Complaint; and (k) all damages, penalties, interest and other amounts recoverable under said causes of action or legal theories of relief under California and federal law, to the extent permissible, including but not limited to the California Labor Code, the applicable Wage Orders, and the California Business and Professions Code section 17200, *et seq.*

“Released Parties” means Five Star and all of Five Star’s current or former parent companies, subsidiary companies and/or related companies, partnerships, joint ventures, and/or staffing agencies, customers, and, with respect to each of them, all of their and/or such related entities’ predecessors and successors, and, with respect to each such entity, all of its past, present, and future employees, direct and/or indirect officers, partners, principals, members, managers, consultants, directors, stockholders, owners, including but not limited to Tom Blythe, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other persons acting by, through, under, or in concert with any of the persons or entities listed herein, and their successors.

Released PAGA Claims: Upon the date the Court enters a judgment order granting final approval of the Settlement and upon full funding of the Gross Settlement Amount, each Aggrieved Employee hereby fully, finally, and forever releases and discharges each and every one of the Released Parties from all PAGA claims, arising in whole or in part, during the PAGA Period, which in any manner: (a) derive from any of the foregoing Released Class Claims; or (b) in any manner arise out of any of the other facts or legal theories alleged or asserted in: (i) the Action, whether formally raised in the operative complaint or (ii) Plaintiff’s PAGA letter to the LWDA on March 27, 2019 letter (“Released PAGA Claims”).

This means that, if you do not timely exclude yourself from the settlement, you cannot sue, continue to sue, or be a part of any other lawsuit against Defendant and any other of the Released Parties about the Released Class Claims or Released PAGA Claims resolved by this Settlement. It also means that all of the Court’s orders in the Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant’s records reflect that you worked << ___ >> weeks for Defendant as a non-exempt employee in California during the Class Period.

Based on this information, your estimated Settlement Share is << _____ >>.

Defendant’s records reflect that you worked << ___ >> pay periods for Defendant as a non-exempt employee in California during the PAGA Period.

Based on this information, your estimated Individual PAGA Payment is << _____ >>.

If you wish to challenge the information set forth above, then you must submit a written letter to the Settlement Administrator that: (a) contains the case name and number of the Action, (b) is signed by you, (c) contains the full name, address, telephone number, and the last four digits of your Social Security Number, (d) clearly states that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you, (e) includes information and/or attaches documentation demonstrating that the number of Workweeks that you contend should be credited to you are correct, and (f) is returned by mail to the Settlement Administrator at the address provided in this Notice, postmarked on or before **April 1, 2022**.

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your Individual Settlement Payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Phoenix Settlement Administrators, (800) 523-5773.

The Court will hold a Final Approval Hearing on May 24, 2022, at 11:00 a.m. to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed approximately four months after this hearing. If there are objections or appeals, resolving them can take time, usually more than a year. Please be patient.

7. What if I don’t want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or “opt out.” **If you opt out, you will not receive an Individual Settlement Payment from the Settlement, and you will not be bound by the Settlement, which means you will retain the right to sue Defendant for Released Claims. If you are an Aggrieved Employee, you will still receive an Individual PAGA Payment and release the Released PAGA Claims.**

To opt out, you must mail or fax to the Settlement Administrator, a written request to opt-out postmarked or fax-stamped no later than **April 1, 2022**. The request to opt-out must be received by the Settlement Administrator and must state in substance: (a) must contain the name, address, telephone number and the last four digits of the Social Security number of the person requesting exclusion; (b) must be signed by the Class Member; (c) must contain the case name and number of the Action; and (d) contain a typewritten or handwritten notice stating that you wish to opt out.

The address for the Settlement Administrator is Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863. Written requests for exclusion that are postmarked after **April 1, 2022**, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I don't agree with the Settlement?

Any Class Member who has not opted out (i.e., Participating Class Member) and believes that the Settlement should not be finally approved by the Court for any reason may object to the proposed Settlement, the attorneys' fees, the costs and/or the enhancement award, either in writing or in person. Objections that are in writing should state: (a) the case name and number of the Action; (b) the objector's full name, signature, address, and telephone number, (c) a written statement of all grounds for the objection accompanied by any legal support for such objection, and (d) copies of any papers, briefs, or other documents upon which the objection is based. A Class Member may also appear at the Final Approval hearing, either in person or through his or her own attorney, if he or she wishes to object to the Settlement.

All written objections must be mailed to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, no later than **April 1, 2022**.

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Participating Class Members who do not object, and you will still be mailed a check for your Individual Settlement Share.

You may appear at the Final Approval Hearing in person and present your objection regardless of whether you submitted a written objection. Please note the following if you decide to come to Court for the final approval hearing:

- All persons entering any courthouse - regardless of vaccination status - shall wear a face mask over both the nose and mouth while in public areas of the courthouse, including courtrooms. Children under the age of two (2) are exempt from the order. Court employees must wear masks that meet the Cal/OSHA requirements. Individuals with a physical or mental health impairment or disability who seek an exemption from the face mask requirement must contact the ADA liaison at the courthouse prior to their appearance to request a reasonable accommodation pursuant to the Americans with Disabilities Act or Rule 1.100 of the California Rules of Court. A list of ADA liaisons is available at www.lacourt.org/ada/adahome.aspx. Individuals who decline or refuse to wear a face mask without a court order exempting them from the mask requirement will be denied entry to the courthouse and/or courtroom. Individuals who remove their face masks after entering the courthouse or courtroom will be reminded to wear them. If they refuse, they may be denied services, may have their legal matters rescheduled, and/or will be asked to leave the courthouse or courtroom immediately. Persons who refuse to leave voluntarily will be escorted out of the courthouse and/or courtroom by Los Angeles County Sheriff's Department personnel. Including courtrooms
- The Court encourages persons seeking services from the Clerk's Office, court support services, and/or the Self-Help Centers to schedule an appointment. The telephone numbers to schedule appointments for each courthouse are listed at courthouse entrances and are posted on the Court's website, www.lacourt.org.
- All persons are encouraged to use hand sanitizer when entering the courthouse, practice good handwashing hygiene, and cover their nose and mouth when coughing or sneezing, preferably with a tissue.

The addresses for Parties' counsel are as follows:

Class Counsel:

Joseph Lavi, Esq. (State Bar No. 209776)
Vincent Granberry, Esq. (State Bar No. 276483)
Melissa A. Huether, Esq. (State Bar No. 316604)
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Counsel for Defendant:

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**OGLETREE, DEAKINS, NASH, SMOAK
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400 South Hope Street, Suite 1200
Los Angeles, CA 90071
Telephone: 213-239-9800
Facsimile: 213-239-9045

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at May 24, 2022 on 11:00 a.m., at the Los Angeles County Superior Court, Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, CA 90012, in Department 7 before Judge Amy D. Hogue. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing remotely using the LACourtConnect procedure at <https://www.lacourt.org/lacc/>. In addition, hearing dates are posted on the Internet via the Case Access page for the California Superior Court for the County of Los Angeles (<http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>) and entering the Case No. 19STCV10957.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at (800) 523-5773.

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Judgment, or other Settlement documents by going to the Settlement Administrator's website at <http://www.phoenixclassaction.com/>. You may also get more details by examining the Court's file on the Internet via the Case Access page for the California Superior Court for the County of Los Angeles and entering the Case No. 19STCV10957. If you wish to view the Court files in person, you must make an appointment with the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all unclaimed funds to the paid to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member where the funds can be claimed. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.