

## CLASS NOTICE

*A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.*

### **Why should you read this Notice?**

A proposed settlement (the “Settlement”) has been reached in the class action lawsuit entitled *Ornales v. Mastercorp Commercial Services, LLC*, Superior Court of the State of California, County of San Bernardino, Case No. CIVSB 2114590 (the “Action”).

According to Defendant’s records, you have been identified as a member of the Class, and therefore are receiving this Notice. Also according to Defendant’s records, your estimated share of the “Net Settlement Amount” is «Est\_Set\_Amt» and your share of the PAGA Payment is «PAGA\_Amount». Your settlement payment is only an estimate; it may be higher or lower than estimated. See below for additional details.

Your options are further explained in this Notice. To exclude yourself from, or object to the Settlement, you must take action by certain deadlines. If you want to participate in the Settlement as proposed, you don’t need to do anything to obtain your share of the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
<b>DO NOTHING</b>	If you do nothing, you will be considered part of the Settlement Class and will receive settlement benefits. You will also give up your rights to pursue a separate legal action against Mastercorp Commercial Services, LLC (“Defendant”), for the claims released under the Settlement.
<b>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS</b>	If you do not wish to participate in the Settlement, you may exclude yourself by submitting a written request to be excluded. However, if you do so, you will not receive any payment under the Settlement.
<b>OBJECT</b>	To object to the Settlement, you may object orally at the Final Approval Hearing, or you may write to the Settlement Administrator about why you don’t like the Settlement. This option is available only if you do not exclude yourself from the Settlement.

### **Who is affected by this proposed Settlement?**

The Court has certified, for settlement purposes only, the following Class:

All individuals who worked as non-exempt employees for MasterCorp Commercial Services, LLC in California during the time period of May 25, 2017 through January 8, 2022.

According to Defendant’s records, you are a member of the Class (a “Class Member”).

Also according to Defendant’s records, you performed work as a non-exempt employee, between March 21, 2020 and January 8, 2022, and are therefore a PAGA Aggrieved Employee as well.

### **What is this case about?**

In the Action, Plaintiff alleges on behalf of herself and the Class the following claims against Defendant: (1) failure to provide meal periods or compensation in lieu thereof; (2) failure to provide rest periods or compensation in lieu thereof; (3) failure to pay overtime wages; (4) failure to timely pay wages during employment; (5) failure to pay all wages owed and due at termination of employment; (6) failure to maintain required records; (7) failure to provide accurate itemized wage statements; (8) failure to reimburse business expenses; (9) violation of the California Unfair Competition Law; and (10) violation of the California Private Attorneys’ General Act (“PAGA”).

Defendant denies any and all wrongdoing, and maintains that it has complied with all laws alleged to have been violated in Plaintiff’s operative Complaint. Defendant agreed to this Settlement specifically to avoid the cost of proceeding with litigation and the decision to settle does not constitute an admission of liability by Defendant. The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses; however, the Court has granted preliminary approval of this Settlement.

This Settlement is a compromise reached after good faith, arm's length negotiations between Plaintiff and Defendant (the "Parties"), through their attorneys and a mediator. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff and Class Counsel believe this Settlement is in the best interests of the Class.

### ***Who are the attorneys in this Lawsuit?***

#### **Class Counsel**

#### **THE LAW OFFICE OF SCOTT E. WHEELER**

Scott E. Wheeler  
250 West First Street, Ste. 216  
Claremont, CA 91711  
Telephone: (909) 621-4988

#### **Defendant's Counsel**

#### **TAYLOR ENGLISH DUMA LLP**

Bryan Paul Tyson  
Alisa P. Cleek  
1600 Parkwood Circle, Suite 200  
Atlanta, Georgia 30339  
Telephone: (770) 434-6868  
Facsimile: (770) 434-7376

### ***What will I receive under the Settlement?***

Subject to final Court approval, Defendant will pay \$350,000 (the "Gross Settlement Amount"). It is estimated that, subject to Court approval, after deducting the attorney's fees and costs, service award to Plaintiff, payment to the California Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees for PAGA penalties, and settlement administration costs from Gross Settlement Amount, there will be a Net Settlement Amount of at least \$127,500.

From this Net Settlement Amount, Individual Settlement Payments will be paid to each Class Member who does not opt out of the Settlement Class ("Settlement Class Member"). The Net Settlement Amount shall be divided among all Settlement Class Members based on the ratio of the number of Compensable Workweeks worked by each Settlement Class Member to the total number of Workweeks worked by all Settlement Class Members, calculated based on Defendant's records.

According to Defendant's records, during the period of May 25, 2017 to January 8, 2022, you worked «Total\_Weeks» Compensable Workweeks in California, and therefore, your settlement payment as a Class Member is estimated to be «Est\_Set\_Amt».

According to Defendant's records, during the period of March 21, 2020 to January 8, 2022, you worked «PAGA\_Work\_Weeks» Compensable Workweeks in California as a non-exempt employee, and therefore, your PAGA payment is estimated to be «PAGA\_Amount».

Your settlement payment is only an estimate. Your actual settlement payment may be higher or lower than estimated.

If you wish to dispute the number of Compensable Workweeks credited to you, you must submit a written dispute to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863 by mail, postmarked no later than **June 2, 2022**, or by e-mail to notice@phoenixclassaction.com. The dispute must: (1) contain your full name, current address, telephone number, the last four digits of your Social Security number or full employee ID number; (2) contain the case name and case number; (3) contain a clear statement explaining that you wish to dispute the number of Compensable Workweeks and the basis for your dispute; and (4) and be signed by you. You may also wish to attach any documentation in support of your dispute.

### ***When and how will I receive payment?***

If the Court grants final approval of the Settlement, and only after the Effective Date of the Settlement defined below, the Settlement Administrator will send you a settlement check. The settlement approval process takes time so please be patient.

Any settlement payment checks mailed to you under the Settlement shall remain negotiable for 120 days. If you do not negotiate (e.g., cash or deposit) a settlement check within this time period, you will be unable to receive those funds, but you will remain bound by the terms of the Settlement. Any funds that are not timely negotiated by Settlement Class Members will be paid in your name to the State of California Controller's Office, Unclaimed Property Division.

Your settlement payment will be allocated 33% as wages and subject to the applicable employee tax withholdings and 67% as penalties and interest. None of the Parties or attorneys make any representations concerning the tax implications of this payment. Settlement Class Members may wish to consult with their own tax advisors concerning the tax consequences of the Settlement.

***How will the lawyers be paid and how will other funds under the Settlement be distributed?***

Class Counsel will ask the Court to award attorneys' fees up to \$116,500 (1/3 of the Gross Settlement Amount) and reimbursement of reasonable litigation costs of up to \$20,000. In addition, Class Counsel will ask the Court to authorize a Class Representative Service Award payment to Plaintiff of up to \$6,000 for her efforts in representing the Class. The cost of administering the Settlement will not exceed \$20,000. A payment in the amount of \$45,000 will also be made to the LWDA for its share of PAGA penalties, while \$15,000 will be paid to PAGA Aggrieved Employees. Any of these amounts not awarded by the Court will be included in the Net Settlement Amount and will be distributed to Settlement Class Members.

***What claims are being released by the proposed Settlement?***

As of the date that the Gross Settlement Amount is fully-funded by Defendant, and in exchange for the consideration provided under this Settlement, Settlement Class Members shall fully and finally release and discharge Released Parties, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action, pleaded or that could have been pleaded based on facts and claims asserted in the operative Complaint, including: any and all claims for: (a) failure to prove meal periods; (b) failure to provide rest breaks; (c) failure to pay overtime wages; (d) failure to pay minimum wages; (e) failure to pay all wages owed and due upon termination; (f) failure to maintain required records; (g) failure to furnish accurate itemized wage statement; (h) failure to provide reimbursement for employment-related expenses; (i) violation of California Business & Professions Code section 17200, *et seq.*; and (j) violation of California Private Attorneys' General Act, California Labor Code § 2699, *et seq.*, predicated on any of the violations of the California Labor Code and applicable IWC Wage Orders alleged in the operative Complaint. This release shall apply to all claims arising at any point during the Class Period.

In addition, PAGA Aggrieved Employees will release all claims for civil penalties under PAGA that Plaintiff, on behalf of herself, the State of California, and all PAGA Aggrieved Employees, disclosed in Plaintiff's LWDA Notice letter and that Plaintiff and PAGA Aggrieved Employees are fully and irrevocably releasing the Released Parties from, in exchange for the consideration provided by this Settlement. PAGA Aggrieved Employees will only release claims alleged in, or that could have been alleged, based on the facts asserted in the March 18, 2021 PAGA Notice and operative Complaint. PAGA Aggrieved Employees will release the PAGA Claims even if they, as a Class Member, request exclusion from the class. Released PAGA Claims include any claims for attorneys' fees, costs, or other damages that may be recoverable under the PAGA claims that are alleged or could have been alleged in the operative Complaint. This release shall apply to PAGA claims arising at any point during the PAGA Period.

Released Parties are Defendant and its predecessors, successors, subsidiaries, parent companies, other corporate affiliates, owners and assigns, and all of their officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by, through, under or in concert with any of them.

The Effective Date is the date on which the Court's Final Approval Order and Judgment becomes final. The Court's Final Approval Order and Judgment "becomes final" as follows: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order and Judgment is entered by the Court; (b) if there is an Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty (60) calendar days following the date that the Final Approval Order and Judgment is entered by the Court; or (c) if Objections are filed and there is an appeal, then ten (10) days after the appeal is finally resolved with no opportunity to further appeal.

### ***What are my options?***

You have several options under this Settlement. You may: (A) remain in the Class and receive payment under the Settlement; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement.

**OPTION A. Remain in the Class.** If you remain in the Class, you will receive payment and be represented by Class Counsel. If you wish to remain in the Class and be eligible to receive a payment under the Settlement, you do *not* need to take any action. By remaining in the Class and receiving settlement monies, you consent to the release of the Released Claims as described above.

**OPTION B. If You Do Not Want To Be Bound By The Settlement.** If you do not want to be part of the Settlement, you must mail a Request for Exclusion to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863 or e-mail a Request for Exclusion to [notice@phoenixclassaction.com](mailto:notice@phoenixclassaction.com). Your Request for Exclusion must: (1) contain your full name, address, and telephone number, the last four digits of your social security number; (2), contain the case name and case number; and (3) a clear statement you are electing to be excluded from the Settlement; and (4) be signed by you. In order to be timely, your Request for Exclusion must be postmarked, or e-mailed, on or before **June 2, 2022**. If you do not submit a valid and timely Request for Exclusion, your Request for Exclusion will be rejected, you will be deemed a member of the Settlement Class, and you will be bound by the release of Released Claims as described above. If you submit a valid and timely Request for Exclusion, you will *not* be entitled to any payment as a Class Member from the Net Settlement Amount but you will preserve all of the legal claims asserted in this Action against Defendant. If you are a PAGA Aggrieved Employee, you will still receive a PAGA payment and be subject to the PAGA release outlined above.

**Objecting to the Settlement:** If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you can appear at the Final Approval Hearing and make an oral objection. You have the option to appear by audio or video. If you wish to do so, please follow the instructions listed at: <https://www.sb-court.org/general-information/remote-access>. If you wish to object in writing, you must mail to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, a written statement of objection, or e-mail the written objection to [notice@phoenixclassaction.com](mailto:notice@phoenixclassaction.com). The written objection must: (1) contain your full name, address, and telephone number, the last four digits of your social security number; (2), contain the case name and case number; (3) the dates of your employment with Defendant; (4) state whether you intend to appear at the final approval hearing; (5) state the basis for the Objection, including any legal briefs, papers or memoranda in support of the Objection; and (6) be signed by you. In order to be timely, the written objection must be postmarked, or e-mailed, on or before **June 2, 2022**. Class Counsel will provide the Court with your written objection prior to the Final Approval Hearing. You can also hire an attorney at your own expense to represent you in your objection.

**You cannot object to the Settlement if you request exclusion from the Settlement.**

### ***What is the next step in the approval of the Settlement?***

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement and the plan of distribution of the payments described herein, on June 26, 2022 in Department S-26 of the San Bernardino County Superior Court – Civil Division, located at 247 West Third Street, San Bernardino, CA 92415. The final approval hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

### ***How can I get additional information?***

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the San Bernardino County Superior Court – Civil Division, located at 247 West Third Street, San Bernardino, CA 92415. You can also visit the settlement website located at: <http://www.phoenixclassaction.com/ornelas-v-mastercorp/> for more information, including a copy of the Settlement Agreement.

**PLEASE DO NOT CALL OR WRITE THE COURT, THE CLERK'S OFFICE, MASTERCORP COMMERCIAL SERVICES, INC., OR DEFENDANT'S ATTORNEYS ABOUT THIS NOTICE OR TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.**