

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT

SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES

RAMOS V. TAGTIME, INC., CASE NO. 21STCP00903

A court authorized this notice. This is not a solicitation from a lawyer.

ATTENTION: IF YOU HAVE BEEN EMPLOYED BY TAGTIME, INC. AS AN HOURLY PAID EMPLOYEE IN CALIFORNIA DURING THE PERIOD BEGINNING MARCH 19, 2017 AND ENDING ON MARCH 14, 2022 YOU ARE ENTITLED TO A SHARE OF A PROPOSED CLASS ACTION SETTLEMENT.

TO UNDERSTAND YOUR RIGHTS, PLEASE READ THIS NOTICE CAREFULLY.

A proposed class action settlement (“the Settlement”) has been reached between Plaintiff Gloria Ramos (“Plaintiff”), on behalf of herself and the below-defined Class Members, and Defendant Tagtime, Inc. (“Defendant”).

The Settlement resolves the above class action lawsuit (the “Action”) about claims related to allegations that Defendant (1) failed to pay overtime wages, (2) failed to pay timely wages; (3) claim for unlawful receipt of wages; (4) failed to provide required meal breaks; (5) failed to provide required rest breaks; (6) failed to furnish accurate itemized wage statements; (7) failed to pay all wages due to discharged and quitting employees; (8) engaged in unfair business practices; and (9) Plaintiff also asserts a claim for civil penalties under the Private Attorneys General Act (“PAGA”) based on the foregoing alleged violations by Defendant. Defendant denies all of Plaintiff’s claims, and maintains that it has complied with all applicable laws. Specifically, Defendant contends that it correctly compensated Plaintiff, Class Members, and aggrieved employees; provided Plaintiff, Class Members and aggrieved employees with proper meal and rest periods or paid required premiums for missed or non-compliant breaks; provided Plaintiff, Class Members and aggrieved employees with compliant wage statements; maintained all required records for Plaintiff, Class Members and aggrieved employees; and timely paid Plaintiff, Class Members, and aggrieved employees all wages owing at the time of termination and during employment. Defendant has entered into the Settlement solely for purposes of resolving this dispute.

The Settlement provides for Individual Settlement Payments based on the pay periods you performed work for Defendant in California as an hourly paid employees during the period from March 19, 2017 to March 14, 2022 as well as PAGA Payments based on the pay periods you performed work for Defendant in California as an hourly paid employees during the period from January 14, 2020 to March 14, 2022.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT

DO NOTHING	You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against Defendant and/or the Released Parties involving the same or similar legal claims as the ones in the Action for the period beginning on March 19, 2017 and ending on March 14, 2022. If you are a PAGA Group Member, you will also receive a PAGA Payment. You will be mailed a settlement check at the address where this Notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).
EXCLUDE YOURSELF	The only way for you to be part of any other lawsuit against Defendant and/or the Released Parties involving the same or similar legal claims as the ones in the Action for the period beginning on March 19, 2017 and ending on March 14, 2022 is to submit a valid Exclusion Form to the Settlement Administrator postmarked no later than December 12, 2022 . If you submit an Exclusion Form, you will <u>not</u> receive an Individual Settlement Payment, but you will receive a PAGA Payment if you are a PAGA Group Member.
OBJECT	If you wish to object to the Settlement, you must submit a written Objection, and supporting papers, to the Settlement Administrator that is postmarked or fax stamped no later than December 12, 2022 . This option is available only if you do <u>not</u> exclude yourself. Class members may also appear at the final approval hearing to object, at 11:00 a.m., on February 21, 2023, in Department 10 at the Superior Court of California for the County of Los Angeles, Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012 .

These rights and options, and how to exercise them, are explained in more detail in this notice.

The Court handling this case has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, and the Court still has to make a final determination of those issues at the Final Approval Hearing. Settlement payments will only be issued if the Court grants final approval of the Settlement.

Additional information regarding the Settlement is available through the Settlement Administrator or Class Counsel, whose contact information is provided in this notice.

BASIC INFORMATION

1. Why did I get this notice?

On July 22, 2022, the Superior Court of California, County of Los Angeles (“the Court”) preliminarily approved a class action settlement of the Action on behalf of all persons who were employed by Defendant in California as hourly paid employees (“Class Members”) during the period beginning on March 19, 2017 and ending March 14, 2022 (the “Class Period”). According to Defendant’ records, you are a Class Member. This notice explains the Action, the Settlement, and your legal rights.

The Action is known as *Gloria Ramos v. Tagtime, Inc., et al.*, Case No. 21STCP00903 and is pending in the Superior Court of California for the County of Los Angeles (the “Action”). Gloria Ramos is the Plaintiff, and the company he sued, Tagtime, Inc., is the Defendant.

2. What is the Action about?

The Action generally involves claims under California’s wage and hour laws. Plaintiff is a former employee of Defendant. She alleges that Defendant did not provide proper meal or rest breaks, failed to pay minimum overtime wages, failed to timely pay wages, failed to pay all wages at termination, failed to provide compliant wage statements, and unlawfully received wages, and violated California’s Business and Professions Code. As a result, Plaintiff alleges that he and the Class Members are entitled to recover unpaid straight time and overtime wages, meal and rest period premiums, interest, and statutory and civil penalties. Defendant denies that it engaged in any wrongful conduct or violated the law in any way, and believes Plaintiff and the Class Members were properly and timely compensated and provided proper meal and rest breaks. However, both Plaintiff and Defendant believe the Settlement is fair, adequate, and reasonable, and that it is in the best interest of the Class Members.

3. Why is this lawsuit a class action?

In a class action, one or more people called “Plaintiff(s)” (in this case, Gloria Ramos) sue on behalf of people who have similar alleged claims. All of these people are a “class” or “class members.” The Court resolves the issues for all class members, except for those who exclude themselves from the class. On July 22, 2022, the Honorable William F. Highberger issued an order conditionally certifying the Settlement Class for purposes of settlement only.

4. Who is in the Settlement Class?

“Class Members” or “Class” means all persons employed by Defendant in the State of California at any time during the period from March 19, 2017 through March 14, 2022 as an hourly paid employee. “PAGA Group Members” means all persons employed by Defendant in the State of California at any time during the period from January 14, 2020 through March 19, 2022 as an hourly paid employee.

5. Why is there a settlement?

After conducting substantial investigation, including review of Defendant’s policies, timekeeping records, and payroll records, both sides agreed to the Settlement to avoid the cost and risk of further litigation. The Settlement does not mean that any laws were broken. Defendant denies all of the claims asserted in the Action and denies that it has violated any laws. Plaintiff and his lawyers think the Settlement is in the best interests of all Class Members.

THE SETTLEMENT BENEFITS—WHAT YOU GET

6. What does the settlement provide?

Under the terms of the Settlement, Defendant agrees to pay a Maximum Settlement Amount of Two Hundred Eight Thousand Dollars (\$265,000.00). Deducted from this Maximum Settlement Amount will be sums approved by the Court for attorneys' fees (not to exceed \$88,324.50), or 33.33% of the Maximum Settlement Amount, attorneys' litigation costs (not to exceed \$10,000.00), a Class Representative Service Award to Plaintiff for her services (not to exceed \$5,000.00), the PAGA Settlement Amount (i.e., a payment of Seven Thousand Five Hundred Dollars (\$7,500.00) to the State of California Labor and Workforce Development Agency for alleged penalties and a Two Thousand Five Hundred Dollars (\$2,500.00) *pro rata* distribution to PAGA Group Members as their PAGA Payment), and the fees and expenses of the Settlement Administrator, Phoenix Claims Administrators (estimated not to exceed \$10,000.00), which will result in a maximum amount payable by Defendant for distribution to Class Members who do not opt out (the "Net Settlement Amount"). Defendant's share of payroll taxes will be paid separately from and in addition to the Maximum Settlement Amount. No portion of the Maximum Settlement Amount shall revert to Defendant.

The Net Settlement Amount will be distributed to Class Members who do not opt out of the Settlement ("Participating Class Members") on a *pro rata* basis, based on the number of pay periods that each Participating Class Member performed work for Defendant as an employee in California during the Class Period. To determine a Participating Class Member's estimated settlement payment ("Individual Settlement Payment"), the Net Settlement Amount will be divided by the total number of workweeks for all class members during the Class Period, multiplied by the number of participating class members' workweeks, according to the following formula:

$$\text{[Net Settlement Amount} \div \text{Total number of Workweeks for all Class Members} \times \text{Participating Class Member's Workweeks} = \text{estimated Individual Settlement Payment}$$

Class Members' Individual Settlement Payments will be reduced by any required legal deductions. No benefit, including but not limited to pension benefits and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement. Any dispute must be submitted by **December 12, 2022**.

The Parties recognize that the Class Members' Individual Settlement Payments are for wages, interest, and penalties. The Parties agree that 20% of the Individual Settlement Payments shall be reported as wages subject to all applicable tax withholdings on IRS Form W-2 and its state and local equivalents, 80% shall be reported as non-wage interest not subject to payroll tax withholdings on IRS Form 1099 and penalties not subject to payroll tax withholdings on IRS Form 1099 and its state and local equivalents. 100% of the PAGA penalties shall be reported as non-wage interest not subject to payroll tax withholdings on IRS Form 1099 and penalties not subject to payroll tax withholdings on IRS Form 1099 and its state and local equivalents.

The Parties are neither providing tax nor legal advice, nor making representations regarding tax obligations or consequences, if any, related to any settlement amounts to be paid to the Participating Class Members. Each Participating Class Member will assume any tax obligations or consequences that may arise from any settlement amount paid to him or her and should consult with a tax expert if he or she has any questions. Each Participating Class Member's *pro rata* distribution amount prior to legal deductions will be reduced by the amount of any required payroll-related deductions.

7. What am I giving up in exchange for the settlement benefits?

In exchange for the consideration provided, and upon the Settlement Administrator's receipt of the total Maximum Settlement Amount from Defendant, Plaintiff and each Participating Class Member who does not submit a valid Exclusion Form (defined in response to Question 10 below) will release all claims for civil penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's pre-filing letter to the LWDA on August 26, 2020 and all claims, rights, demands, liabilities, and causes of action of every nature and description, as alleged in the Complaint, or based on the facts alleged in the Complaint, including for meal and rest breaks; unpaid wages, including overtime wages, regular wages; wage statement violations; untimely wages, wages due upon termination, civil and statutory penalties, and derivative claims against Defendant and its parents, subsidiaries, predecessors, successors, joint ventures, assigns, and each of its respective shareholders, owners, officers, directors, managers, employees, operators, insurers, representatives, trustees, attorneys, insurers, administrators, fiduciaries, beneficiaries, subrogates, and agents (collectively, the "Released Parties"). The PAGA Group Member will release PAGA claims regardless of whether they opt-out.

"Released Claims" means wage and hour claims, misclassification claims, rights, demands, liabilities, penalties, interest and causes of action, arising from or related to the claims pled in Plaintiff's Second Amended Class Action Complaint ("Complaint") or that could have been pled in the Complaint based on the factual allegations pled in the Complaint,

including: Failure to Pay Overtime Wages; Failure to Pay Minimum Wages; Failure to Provide Meal Periods; Failure to Provide Rest Periods; Failure to Provide Accurate Wage Statements; Failure to Pay Due Wages at Separation; Violation of Business and Professions Code § 17200, *et seq.* (Unfair or Unlawful Business Practices) based on the alleged Labor Code violations; Civil Penalties Pursuant to Labor Code § 2699 (Private Attorneys General Act) based on the alleged Labor Code violations; claims for injunctive relief, liquidated damages, penalties, interest, and fees and costs.

“Released Parties” means Defendant and its former and present parents, subsidiaries and affiliated companies and entities, and its current, former and future owners, officers, directors, members, managers, employees, consultants, partners, affiliates, subsidiaries, shareholders, attorneys, insurers, reinsurers, joint venturers and agents, any successors, assigns, or legal representatives and any individual or entity who or which could be jointly liable.

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against Defendant and/or the Released Parties involving the same or similar legal claims as the ones in the Action arising during the Class Period. You will be mailed a settlement check at the address where this notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).

Additionally, if you are a PAGA Group Member, you will also receive a PAGA Payment, regardless of whether you submit an Exclusion Form. Your Individual Settlement Payment and PAGA Payment will be issued in one check. The Claims Administrator will promptly attempt to determine the correct address using a skip-trace, or other search resource, using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing.

9. When will I get my check?

Checks will be mailed to Participating Class Members and PAGA Group Members eligible to receive benefits under the Settlement after the Court grants “final approval” of the Settlement. If the judge approves the settlement after a hearing on February 21, 2023 (see “The Court’s Final Approval Hearing” below), there may be appeals. If there are any appeals, resolving them could take some time, so please be patient. Please also be advised that you will only have 180 days from the date that the check is issued to cash it. If you do not cash your check within 180 days of the date of its mailing, your check shall be voided, and your share of the settlement proceeds will be distributed by the Settlement Administrator to the California State Controller’s Office Unclaimed Property Fund in your name.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. How do I ask the Court to exclude me from the Settlement Class?

If you do not wish to participate in the Settlement, you must complete and send a timely Exclusion Form. The Exclusion Form must be completed, signed, dated and mailed by First Class U.S. Mail, or the equivalent, postmarked no later than **December 12, 2022** to:

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

Exclusion Forms that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective, unless otherwise ordered by the Court. If you do not submit a valid and timely Exclusion Form on or before **December 12, 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.

11. If I exclude myself, can I get anything from the settlement?

Not unless you are also a PAGA Group Member. If you exclude yourself now you will not get anything from the Settlement unless you are a PAGA Group Member. If you ask to be excluded, you will not get an Individual Settlement Payment and you will not be bound by the Settlement, but you will still receive a PAGA Payment if you are a PAGA Group Member.

12. If I don’t exclude myself, can I sue later?

No. Unless you exclude yourself, you give up the right to sue Defendant for the Released Claims arising during the Class Period. You must exclude yourself from the Settlement Class to start or continue your own lawsuit.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has appointed the following lawyers to serve as Class Counsel for the Class Members:

JACKSON APC
Armond M. Jackson
2 Venture Plaza, Suite 240
Irvine, CA 92618
Phone: (949) 281-6857
Fax: (949) 777-6218

14. How will the costs of the lawsuit and the settlement be paid?

Subject to court approval, Defendant agrees to pay attorneys' fees in an amount not to exceed one-third (33 1/3%) of the sum of the Maximum Settlement Amount and the Prior Settlement Amount, which amounts to Eighty-Eight Thousand, Three Hundred and Twenty-Four Dollars and Fifty cents (\$88,324.50) plus actual litigation costs and expenses (not to exceed \$10,000.00) to Class Counsel. The Court may award less than these amounts. If lesser amounts are awarded, the difference will be returned to the Net Settlement Amount.

In addition, and subject to Court approval, Defendant also agree to pay, as part of the Maximum Settlement Amount, up to Five Thousand Dollars (\$5,000.00) to Plaintiff as a Class Representative Service Award for her participation in the Action and for taking on the risk of litigation. Subject to Court approval, Defendant also agrees to pay Seven-Thousand Five Hundred Dollars (\$7,500.00) to the State of California Labor and Workforce Development Agency for alleged civil penalties. Defendant also agrees to pay, as part of the Maximum Settlement Amount, the Settlement Administrator's costs and fees associated with administering the Settlement, estimated not to exceed Ten Thousand Dollars (\$10,000.00). The Court may award less than these amounts. If lesser amounts are awarded, the difference will be included in the Net Settlement Amount and will be available for distribution to Participating Class Members.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

If you do not submit an Exclusion Form, you may object to the proposed Settlement, or any portion thereof, by completing a written objection ("Objection Form"). The Objection Form must be signed and mailed by regular U.S. Mail, postmarked no later than **December 12, 2022**, to the Settlement Administrator at the following address:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

The Objection Form must (1) state your full name; (2) be signed by you; (3) state the grounds for the objection; and (4) must be postmarked by **December 12, 2022** and returned to the Settlement Administrator at the specified address above. If you wish to appear at the Court's Final Approval Hearing (see response to Question 17 below) and orally present your objection to the Court, you may do so whether or not you submitted an Objection Form to the Settlement Administrator. Any Class Member who submits an Objection Form or appears at the Final Approval Hearing to submit a verbal objection remains eligible to receive monetary compensation from the Settlement. A Class Member who submits an Exclusion Form may not object to the proposed Settlement.

16. What's the difference between objecting and asking to be excluded?

Objecting is simply telling the Court you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend the hearing and you may ask to speak, but you don't have to.

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing at 11:00 a.m., on February 21, 2023, in Department 10 at the Superior Court of California for the County of Los Angeles, Spring Street Courthouse, located at **312 North Spring Street, Los Angeles, California 90012**. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the judge may have. But you are welcome to come. If you submit an Objection Form to the Settlement Administrator, you do not have to come to Court to talk about it. You may also pay another lawyer to attend, but it is not required. Class Counsel will not represent you in connection with any objection. You may appear by audio or video at the final approval hearing. Please visit the Court's website for further instructions: <https://www.lacourt.org/Courthouse/info/SS>.

19. May I speak at the hearing?

If you wish to appear at the Final Approval Hearing and orally present your objection to the Court, you may do so regardless of whether or not you submitted an Objection Form. Please adhere to the latest COVID-19 courthouse protocol. Although the Presiding Judge, Eric C. Taylor has eliminated social distancing protocol and restored in-person access without capacity limits in all Los Angeles County courthouses and courtrooms, a mandatory face mask order remains in effect. Face masks must be worn over the nose and mouth at all times in all public courthouse spaces.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, you will automatically receive an Individual Settlement Payment and PAGA Payment, if applicable, as described above and you will be bound by the release of Released Claims against the Released Parties.

GETTING MORE INFORMATION

21. How do I get more information?

This notice summarizes the Settlement. More details are in the Stipulation of Class Action and PAGA Settlement, which is attached as Exhibit X to the Declaration of Armond M. Jackson in Support of Plaintiff Gloria Gonzalez's Motion for Preliminary Approval of Class Action and PAGA Settlement, filed on July 29, 2022. The case is assigned to Department 10 of the Los Angeles Superior Court, Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012. The case file may be viewed online at <https://www.lacourt.org/casesummary/ui/>.

You may also contact Class Counsel or the Settlement Administrator for more information.

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

The Settlement Administrator has set up a settlement website where you may also obtain up-to-date information on the matter including any change of the date or location of any hearings in connection with this Settlement. The settlement website URL is www.phoenixclassaction.com/.

Please do not contact the Court for more information about the Settlement.