

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CRUZ**

**IF YOU WORKED AS AN HOURLY NON-EXEMPT EMPLOYEE IN CALIFORNIA FOR 72 HOUR, LLC,
YOU MAY OBTAIN PAYMENTS FROM A SETTLEMENT REACHED IN A PROPOSED CLASS ACTION
AND PAGA LAWSUIT**

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.

This Notice is court approved. This is not a solicitation from an attorney.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
DO NOTHING	Receive compensation but lose rights to sue separately. If you do nothing, you will receive compensation for your claims alleged in this lawsuit. You will also give up your rights to ever sue 72 Hour, LLC about any of the claims in this case.
EXCLUDE YOURSELF FROM THE SETTLEMENT	Get no compensation but keep rights to sue separately. If you ask exclude yourself from the settlement you will not receive any compensation from the settlement, but you will keep your rights to file a separate claim. Please be advised, however, that the time limits for filing a separate claim may have expired.
OBJECT OR COMMENT	Tell the Court why you like or don't like the settlement. You may write to the Court, or you may appear personally or through your own attorney and your own expense, and tell the Court about why you do or do not like the settlement. You must remain a part of the lawsuit to comment or object to the settlement, and you cannot object if you also ask to be excluded.
These rights and options – and the time deadlines for exercising them – are explained further in this Notice.	

1. WHY DID I GET THIS NOTICE?

You have received this Notice because we believe that you are a class member who may be entitled to money from this settlement.

This Notice describes a proposed settlement of the lawsuit *Xavier Hunter v. 72 Hour, LLC, et al.*, County of Santa Cruz Superior Court, Case Number 22CV00661 (the “Lawsuit”). This Notice is being sent to you by the order of the Santa Cruz County Superior Court, which preliminarily approved the settlement and conditionally certified the Settlement Class on December 15, 2022.

This Notice informs you of the terms of the proposed settlement, describes your rights and options in connection with the settlement, and explains what steps you may take to participate in, object to, or exclude yourself from, the settlement. **If you do not exclude yourself from the settlement and the settlement is finally approved by the Court, you will receive a settlement payment and be bound by the terms of the settlement and any final judgment.**

2. WHAT IS THIS LAWSUIT ABOUT?

The Lawsuit was filed by Plaintiff Xavier Hunter on behalf of individuals who worked as hourly non-exempt employees for 72 Hour, LLC, doing business as Watsonville Ford, Chevrolet of Watsonville, National Truck Sales and Service, Watsonville Buying Center, Monterey Bay Chrysler Dodge Jeep Ram, National Auto Fleet Group, and Mid Bay Ford Lincoln, (“72 Hour, LLC” or “Defendant”), and the settlement of the Lawsuit covers all hourly non-exempt employees who worked for 72 Hour, LLC in California between March 30, 2018 and June 30, 2022.

The Lawsuit alleges 72 Hour, LLC failed to pay Class Members for all hours worked, including overtime hours, failed to provide all meal and rest breaks required under California law, and failed to reimburse certain business expenses. The Lawsuit also seeks related penalties for alleged inaccurate wage statements and the alleged failure to pay all wages due upon separation of employment, as well as civil penalties under the California Private Attorneys General Act, Cal. Labor Code sections 2698, *et seq.* (“PAGA”).

72 Hour, LLC denies each and all of the claims and contentions alleged by the Plaintiff and is confident that it has strong legal and factual defenses to these claims. 72 Hour, LLC contends that its conduct is and has been lawful at all relevant times and that Plaintiff’s claims do not have merit and do not meet the requirements for class certification. However, 72 Hour, LLC recognizes the risks, distractions, and costs associated with litigation.

THE COURT HAS NOT RULED ON THE MERITS OF PLAINTIFF’S CLAIMS OR DEFENDANT’S DEFENSES. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THIS ACTION OR THE MERITS OF THE CLAIMS AND DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PROPOSED SETTLEMENT OF THE ACTION AND OF YOUR RIGHTS IN CONNECTION WITH THIS SETTLEMENT.

After engaging in extensive investigation and a full-day mediation before an experienced mediator, in which both sides recognized the substantial risks of an adverse result in the Lawsuit for either side, Plaintiff and Defendant agreed on a class settlement that was preliminarily approved by the Court on December 15, 2022. Plaintiff and Class Counsel support the settlement.

The settlement represents a compromise of highly disputed claims. Nothing in the settlement is intended to or will be construed as an admission by 72 Hour, LLC that Plaintiff’s claims in the Lawsuit have merit or that it has any liability to Plaintiff or the Class on those claims.

The parties and their counsel have concluded that the settlement is advantageous, considering the risks and uncertainties to each side of continued litigation and trial.

3. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All individuals who were employed by 72 Hour, LLC as an hourly non-exempt employee in California from March 30, 2018, through June 30, 2022, are included in the Class. All individuals who were employed by 72 Hour, LLC as an hourly non-exempt employee in California from March 22, 2021 through June 30, 2022 (the “PAGA Period”) are included in the settlement of claims under PAGA.

According to 72 Hour, LLC’s records, you are member of the Class and eligible for payments under the settlement. If you are still not sure if you are entitled to participate in the settlement, please call (800) 523-5773.

4. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

In exchange for the release of claims against it and final disposition of the Lawsuit, 72 Hour, LLC will pay Three Hundred Eighty Eight Thousand Dollars and Zero Cents (\$388,000.00) (“Total Maximum Settlement Amount”) following final Court approval of the Settlement.

The released claims include any and all claims arising during the Class Period for: (i) failure to pay all wages due (including minimum, straight time and overtime wages); (ii) failure to provide legally-compliant meal breaks; (iii) failure to provide legally-compliant rest breaks; (iv) failure to pay all wages due at the time of termination; (v) failure to provide accurate itemized wage statements; (vi) failure to reimburse for business expenses; (vii) violation of the Unfair Competition Law (Bus. & Prof. Code § 17200, *et seq.*); and (viii) for penalties under the Private Attorneys General Act as alleged in the operative First Amended Complaint, or that could have been alleged based on the factual allegations of the First Amended Complaint and the PAGA Notice. The PAGA claims and allegations released include that Defendant failed to pay all wages due (including minimum, straight and overtime wages), failed to provide legally-compliant meal breaks, failed to pay meal premium pay, failed to provide legally-compliant rest breaks, failed to pay rest premium pay, failed to provide timely and/or accurate final paychecks, failed to provide accurate itemized wage statements, failed to reimburse for business expenses, committed recordkeeping violations, failed to provide suitable resting facilities, failed to provide suitable seating, refused to make payment, engaged in statutory wage violations, failed to provide standard conditions under the wage orders, engaged in unlawful agreements and unlawful criminal history inquiries, failed to comply with the California paid sick leave laws, failed to pay reporting time pay and failed to pay split shift premiums. The Released Claims do not include any claims that cannot be released as a matter of law.

Upon full satisfaction of all obligations within the settlement agreement, all Participating Class Members will be deemed to have released the Released Claims, and the LWDA and all PAGA Group Members will be deemed to have released the Released Claims brought under PAGA, and will be barred from bringing or prosecuting any of the Released Claims against 72 Hour, LLC; including its past or present successors and predecessors in interest, affiliated corporations, entities, divisions, general and limited partners, joint venturers, acquirers, subsidiaries, affiliates, parents, and each of their respective current and former officers, directors, managers, members, shareholders, employees, agents, principals, representatives, attorneys, advisors, accountants, auditors, consultants, insurers, and reinsurers.

After attorney's fees and costs, a service payment to each Plaintiff, a payment to the California Labor & Workforce Development Agency, and settlement administration costs are deducted from the Total Maximum Settlement Amount, the remaining "Net Settlement Sum" will be distributed to Participating Class Members.

Subject to Court approval, the Total Maximum Settlement Amount will be allocated as follows:

- **Individual Settlement Payment:** Each Participating Class Member will receive a payment based the total number of "Qualifying Workweeks" they were employed by 72 Hour, LLC as an hourly non-exempt employee in California during the relevant time period.

Individual Settlement Payments will be calculated as follows: first, the Net Settlement Sum will be divided by the total number of Qualifying Workweeks worked by all of the Class Members to determine the "Weekly Amount." Second, the number of Qualifying Workweeks worked by each individual Class Member will be multiplied by the Weekly Amount to arrive at each person's Individual Settlement Payment.

Your estimated Individual Settlement Payment is set forth in Section 5 below.

- **Named Plaintiff Awards:** For acting as the Class Representative, Plaintiff will request from the Court an award of \$7,500.00 in recognition of and as compensation for his efforts, such as starting the Lawsuit, volunteering time to assist with the case, and providing information and documents, as well as risks he assumed in starting and assisting with the prosecution of the Lawsuit. Any amounts ordered by the Court will be paid from the Total Maximum Settlement Amount.
- **Class Counsel's Attorney's Fees and Costs:** Class Counsel will request from the Court no more than one-third (1/3) of the Total Maximum Settlement Amount (\$129,333.33) as attorney's fees for litigation and resolution of the Lawsuit. Class Counsel will also request from the Court reimbursement for litigation costs advanced on behalf of the Class, which are estimated to be no more than \$10,000.00. Any amount ordered by the Court for Class Counsel's attorney's fees and costs will be paid from the Total Maximum Settlement Amount.
- **PAGA Payment:** \$20,000.00 from the Total Maximum Settlement Amount is allocated for payment alleged civil penalties under PAGA. Upon Court approval, 75% of the PAGA Payment (\$15,000.00) will be paid to the California Labor & Workforce Development Agency, and 25% (\$5,000.00) of the PAGA Payment will be distributed as part of the Net Settlement Sum. Individuals who worked for 72 Hour, LLC as an hourly non-exempt employee in California during the PAGA Period will receive a share of the PAGA Payment, which will be calculated as follows: the amount available for distribution (\$5,000.00) will be divided by the total number of Qualifying Workweeks worked by all of the eligible Class Members to determine the "PAGA Weekly Amount." Second, the number of Qualifying Workweeks worked by each individual eligible Class Member will be multiplied by the PAGA Weekly Amount to arrive at each eligible person's individual share. If you are eligible for this payment your individual share is set forth in Section 5 below.
- **Settlement Administration:** The costs of settlement administration will not exceed \$7,000, which pays for tasks such as mailing and tracking this Notice, mailing checks and tax forms, and reporting to the parties and the Court. Any amount ordered by the Court will be paid from the Total Maximum Settlement Amount.
- All checks issued to Participating Class Members shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. After the check expiration date, the money corresponding to any unclaimed or uncashed checks will be sent to the California State Controller's Unclaimed Property Fund.

5. WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT, AND HOW MUCH WILL I RECEIVE?

You do not need to do anything to receive a payment from the settlement.

72 Hour, LLC's records show that, while you worked as an hourly non-exempt employee in California during the relevant time period, you worked a total of [Number of Qualifying Workweeks]. Accordingly, your anticipated Individual Settlement Payment is [\$ AMOUNT]. Based on that same information, your share of the PAGA payment, if any, is [\$ AMOUNT]. The actual amount(s) may vary somewhat based on the actual implementation of the settlement.

Twenty Percent (20%) of your settlement award will be issued in a check(s) representing unpaid wages with applicable federal, state, and local tax withholdings taken out, and you will be sent an IRS Form W-2 for tax purposes (just like a paycheck). Eighty Percent (80%) of your settlement award, as well as any amounts under PAGA, will be issued in a check(s) representing expenses, penalties and interest, and you will be issued an IRS Form 1099 for tax purposes. You will need to speak with an accountant or other tax professional about any tax issues related to your settlement checks.

If you dispute the information about the amount of your anticipated settlement share, you must advise the Settlement Administrator and follow the steps below to substantiate your dispute.

To dispute the amount of your anticipated settlement share you must send in the mail any records (such as paystubs, pay checks or other records) supporting your calculation of the total number of weeks you were employed by 72 Hour, LLC in an hourly non-exempt position in California along with a letter explaining the dispute, and be sure to include the last four digits of your social security number by March 17, 2023. The date of the postmark will determine if it was timely mailed. The Settlement Administrator will review the information you submit along with 72 Hour, LLC's records and make a determination as to the correct amount of your settlement share.

The Settlement Administrator is:

Hunter v. 72 Hour, LLC Settlement Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

6. WHAT AM I GIVING UP TO STAY IN THE CLASS AND GET COMPENSATION?

Unless you ask to be excluded, you will remain a part of the Settlement Class, and that means you cannot sue, continue to sue, or be a part of any other lawsuit or proceeding making any of the same claims and allegations made in *this* case. It also means all of the Court's orders will apply to you and legally bind you. If you stay in the Settlement Class, you will be deemed to have released and discharged 72 Hour, LLC as well as any and all of its affiliates, employees, directors, officers, shareholders, agents, attorneys, successors and assigns, from all claims, causes of action and factual or legal theories that were alleged on behalf of Settlement Group in the operative complaint in the Lawsuit, or reasonably could have been alleged based on the facts and legal theories contained in the complaint in the Lawsuit (the "Released Claims.") and PAGA Notice. The period of the Release shall extend to the limits of the Class Period of March 30, 2018 through June 30, 2022, and the PAGA Period of March 22, 2021 to June 30, 2022 as to all claims under PAGA.

The Settlement Agreement contains additional details about the scope of the Release and Released Claims, and you may obtain a copy from the Settlement Administrator or Class Counsel listed below.

7. DO I HAVE A LAWYER IN THIS CASE?

The Court has decided the law firm below is qualified to represent you and the Settlement Class. This law firm is called "Class Counsel."

Crosner Legal, P.C.
9440 Santa Monica Blvd., Suite 301
Beverly Hills, California 90210
Telephone: (310) 496-5818

If you want to be represented by your own lawyer, you may hire one at your own expense.

8. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from, or “opt out” of, the settlement. To do so, you must submit a written opt out request to the Settlement Administrator at the following address:

Hunter v. 72 Hour, LLC Settlement Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

To exclude yourself from the Settlement, you must send a letter that (1) states your name, address, telephone number, and last four digits of your social security number; (2) is signed by you; and (3) is mailed by first-class mail no later than March 17, 2023 to the Settlement Administrator at the above address. The date of the postmark will determine if your opt out request was timely mailed. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement and payment of the Total Maximum Settlement Amount, including the Release described in this Notice. If your Request for Exclusion Form is defective in any way, the Settlement Administrator will notify you by mail and you will have one opportunity to fix any defects, and deadline for you to opt out of the class action settlement will be extended to March 17, 2023.

If you timely mail a complete and valid request for exclusion, you will no longer be a member of the class and you will not be eligible to object to the terms of the Settlement or receive money under the Settlement except for that portion of the settlement allocated to PAGA penalty payments. Except for the release of claims under PAGA, you will not be bound by the terms of the Settlement, and may pursue any valid claims you may have, at your own expense, against Defendants. Individuals otherwise meeting the definition of Class Members who exclude themselves from the class pursuant and were employed during the PAGA Period shall still receive a payment for the amount of each such individual's share of the PAGA Payment and shall still be bound by the release of claims under PAGA.

9. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Class Member who has **not** asked to be excluded from the settlement may object to the proposed settlement either in writing, by appearing at the Final Fairness Hearing in person or through an attorney at your own expense, or both. The Final Approval Hearing is scheduled to take place on May 5, 2023, at 8:30 a.m. in Department 5 of the Superior Court of the State of California for the County of Santa Cruz, located at 701 Ocean Street, Santa Cruz, California 95060.

If you submit a written objection, it must: (1) state your full name, address and telephone number; (2) provide a written statement of all grounds for the objection; (3) state the last four digits of your social security number (4) be signed by you or your counsel; and (5) clearly identify the case name and number. The case name is “Hunter v. 72 Hour, LLC Stores, Inc.” and the case number is “22CV00661”

You must submit your written objection and all supporting papers if any to the Settlement Administrator by mailing to the following address:

Hunter v. 72 Hour, LLC Settlement Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

To be valid, your written objection and all supporting papers must be postmarked on or before March 17, 2023.

If you do not submit a written objection, you may still appear at the Final Fairness Hearing and make your objection to the Court.

You cannot both exclude yourself from the Settlement and object to the Settlement. If you submit both a Request for Exclusion and an Objection, the Settlement Administrator will contact you by mail to advise that you must either withdraw the Request for Exclusion in order to object, or withdraw the Objection in order to exclude yourself from the Settlement. If you do not respond to the Settlement Administrator, your Objection will be deemed invalid and you will be deemed to have opted out of the Settlement.

10. WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The Settlement, if finally approved by the Court, will bind all Class Members who do not request to be excluded from the Settlement whether or not they receive or timely cash their Individual Settlement Payment. Final approval of the Settlement will bar any Class Member who does not request to be excluded from the Settlement from initiating a lawsuit or proceeding regarding the Released Claims.

11. THE FINAL FAIRNESS HEARING

The Final Approval Hearing is scheduled to take place on May 5, 2023, at 8:30 a.m. in Department 5 of the Superior Court of the State of California for the County of Santa Cruz, located at 701 Ocean Street, Santa Cruz, California 95060. The date and time may change without further notice to the Class.

At the Final Fairness Hearing, the Court will make a final decision whether to approve the settlement and will also decide what amounts will be awarded to Plaintiff for a Named Plaintiff Award, and to Class Counsel for attorney's fees and costs.

12. FURTHER INFORMATION

This Notice is only a summary of the settlement. **IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS**, or wish to see a copy of the Settlement Agreement (which defines the capitalized terms used in this Notice), the Court's Preliminary Approval Order, the operative complaint filed in the Lawsuit, and other filed documents related to the Lawsuit and this settlement, you may contact the Settlement Administrator at (800) 523-5773 or <https://www.phoenixclassaction.com/hunter-v-72-hour/> or you may contact Class Counsel listed above. Please refer to the "Hunter v. 72 Hour, LLC Class Action Settlement." You may also view the Court's entire file, including the documents listed above, online on the Santa Cruz County Superior Court's website www.santacruz.courts.ca.gov. After arriving at the website, click the 'Online Services' and 'Case Lookup' links, then click the 'Available Here' and 'Smart Search' links, enter the case number "22CV00661", and images of every document filed in the case may be viewed via the "Register of Actions."

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT WITH QUESTIONS OR FOR INFORMATION REGARDING THIS SETTLEMENT