

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL APPROVAL
FOR FINAL APPROVAL**

Toste v. PATH Ventures, et al.
Mixco, et al. v. PATH

(County of Los Angeles, California Superior Court Case Nos. 19STCV45845, 20STCV02972)

As a current or former non-exempt, hourly paid California employee for PATH Ventures, doing business as “People Assisting The Homeless”, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of PATH Ventures, doing business as “People Assisting The Homeless” (“PATH”), Joel John Roberts and Sandy Oluwek (“Defendants”) show you are a “Class Member,” and therefore entitled to a payment from this class action Settlement. Class Members are all persons currently or formerly employed by PATH as non-exempt, hourly paid employees in the State of California any time from December 23, 2015 through September 21, 2021.

- The settlement resolves a class action lawsuit entitled *Toste v. PATH Ventures, et al.* (“Toste Action”) and a related class action lawsuit entitled *Mixco, et al. v. PATH* (“Mixco Action”) (collectively, the “Lawsuit”), which allege that Defendants: (1) failed to pay Class Members overtime and double time wages, (2) failed to pay Class Members minimum wages, (3) failed to provide Class Members legally-compliant meal and rest breaks under California law, (4) failed to provide Class Members with legally compliant wage statements, (5) failed to timely pay all wages due upon termination or resignation, (6) failed to reimburse employees for business expenses, and (7) engaged in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiff also seek penalties under the California Labor Code Private Attorney Generals Act (“PAGA”) pursuant to Labor Code sections 210, 226.3, 558, 1197.1, and 2699.
- On October 7, 2022, the Los Angeles County Superior Court granted preliminary approval of this class action Settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendants vigorously deny the claims in the Lawsuit and contend that they fully complied with all applicable laws.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT | |
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| DO NOTHING AND RECEIVE PAYMENT | Get a payment, and give up your legal rights to pursue claims released by the settlement of the Lawsuit. |
| OPT OUT OF THE SETTLEMENT | Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked from December 23, 2018 through and including September 21, 2021 (“PAGA Period”) as a non-exempt, hourly-paid employee of Defendants, as well, then you will be deemed an “Aggrieved Employee” and you will still receive your share of the proceeds available from the settlement of the PAGA Released Claims, defined below, (your “Individual PAGA Payment”) regardless of whether you opt out of the class settlement. |
| OBJECT TO THE SETTLEMENT | If you do not opt out, you may write to the Settlement Administrator, Phoenix Settlement Administrators, about why you object to the settlement and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. If you timely object, you or your attorney may also address the Court during the Final Approval hearing scheduled for April 4, 2023, at 10:30 a.m. in the Spring Street Courthouse of Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. |

Questions? Contact the Settlement Claims Administrator toll free at (800) 523-5773

The Final Fairness and Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 10:30 a.m. on April 4, 2023, in the Spring Street Courthouse of Los Angeles County Superior Court, located at 312 North Spring Street, Department SS-1, Los Angeles, California 90012. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendants' records show that you currently work, or previously worked, for Defendants as a non-exempt, hourly-paid employee in the State of California any time from December 23, 2015 through September 21, 2021. You were sent this Class Notice because you have a right to know about a proposed settlement of the Lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a "Settlement Administrator" appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Case About?

Kenneth Toste, Cesillia Mixco and Joia Williams were non-exempt employees for Defendants in California. They are the "Plaintiffs" in the Lawsuit and are suing on behalf of themselves and Class Members for Defendants' alleged failure to pay overtime and double time wages, failure to pay minimum wages, failure to provide legally-compliant meal and rest breaks under California law, failure to provide legally compliant wage statements, failure to timely pay all wages due upon termination or resignation, failure to reimburse employees for business expenses, and engagement in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiffs also seek to recover penalties under the California Labor Code Private Attorney Generals Act pursuant to Labor Code sections 210, 226.3, 558, 1197.1, and 2699.

Defendants deny all of the allegations made by Plaintiff and deny that they violated any law. The Court has made no ruling on the merits of Plaintiff's claims. The Court has only preliminarily approved this Class Action Settlement. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing.

Summary of the Settlement Terms

Plaintiffs and Defendants have agreed to settle this case on behalf of Plaintiffs and the Class Members for the Gross Settlement Amount of \$669,091.65, unless the Gross Settlement Amount is escalated pursuant to the Agreement. The Gross Settlement includes: (1) Administration Costs of up to \$14,000.00; (2) a service payment of up to \$7,500.00 for each Plaintiff for Plaintiffs' time and effort in pursuing this case and in exchange for a broader release of claims against Defendants; (3) up to 35% in attorneys' fees which, unless the Gross Settlement Amount is escalated pursuant to the Agreement, amounts to \$234,182.08 in attorneys' fees; (4) actual litigation costs up to \$25,000.00 to Class Counsel; and (5) payment allocated to PAGA penalties in the amount of \$20,000.00, \$15,000.00 of which will be payable to the Labor and Workforce Development Agency ("LWDA") and \$5,000.00 of which will be payable to Aggrieved Employees. After deducting these sums, a total of approximately \$358,409.57 will be available for distribution to Class Members ("Net Settlement Amount"), and an additional \$5,000.00 to Aggrieved Employees. In addition to the Gross Settlement, Defendants will separately pay all employer-side payroll tax payments due and payable to federal and state tax authorities as a result of this Settlement.

Distribution to Class Members and Aggrieved Employees

Class Members who do not opt out will receive a *pro rata* payment based on the number of verified actual weeks worked by Class Members for Defendants during the Class Period ("Eligible Workweeks"). Specifically, Class Members' payments will be calculated by dividing the number of Eligible Workweeks attributed to the Class Member by all Eligible Workweeks attributed to members of the Settlement Class, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: (individual's Eligible Workweeks ÷ total Settlement Class Eligible Workweeks) x Net Settlement Amount. In addition, Class Members who worked during the PAGA Period will receive a pro rata share of the \$5,000 allocated as PAGA penalties, whether or not they opt out, based on the number of workweeks worked by the Class Member during the PAGA Period.

Defendants' records indicate that you worked [Eligible Workweeks] as a non-exempt, hourly-paid employee in California during the Class Period and [Eligible Pay Periods] during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [Estimated Award] and your estimated payment for PAGA civil penalties would be [Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than March 10, 2023. Please include any documentation you have that you contend supports your dispute.

Tax Reporting

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties reported on an IRS Form 1099; 20% of each Individual Settlement Payment will be allocated as wages and reported on an IRS Form W-2; and 80% of each Individual Settlement Payment will be allocated as penalties and interest reported on an IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Questions? Contact the Settlement Claims Administrator toll free at (800) 523-5773

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Settlement Check because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the settlement and receive a settlement payment. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment set forth above.**

Settlement payment checks must be cashed soon after receipt. The Settlement checks will be able to be cashed for 180 days after they are issued. Within 7 days after expiration of the 180-day period, the Settlement checks will no longer be able to be cashed. Any funds represented by Settlement checks remaining uncashed for more than 180 days after issuance shall be considered unpaid, unclaimed or abandoned funds and shall be transmitted to Legal Aid at Work, 180 Montgomery Street, Suite 600, San Francisco, California 94104 for use in the County of Los Angeles, State of California.

Class Members who do not submit a valid and timely opt out (pursuant to Section 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he, she, or they may have or had upon final approval of this Settlement, entry of judgment, and payment by Defendants to the Settlement Administrator.

“Released Claims” means all claims asserted in the First Amended Complaints filed in the Toste and Mixco Actions, and any and all claims that may be asserted against the Released Parties based on the factual allegations in the First Amended Complaints filed in the Toste and Mixco Actions, including, for the duration of the Class Period: (a) all claims for failure to pay minimum wages; (b) all claims for failure to pay overtime and double time wages; (c) all claims for failure to provide compliant meal and/or rest periods or compensation in lieu thereof; (d) all claims for the failure to timely pay all wages due upon termination or resignation; (e) all claims for legally non-compliant wage statements; (f) all claims for failure to reimburse business expenses; and (g) all claims asserted through California Business & Professions Code § 17200 *et seq.* arising out of the Labor Code violations referenced in the First Amended Complaints filed in the Toste and Mixco Actions (the “Class Released Claims”).

For Aggrieved Employees, the release includes, for the duration of the PAGA Period, all claims released during the Class Period, as well as all asserted PAGA claims for civil penalties under PAGA arising out of Labor Code sections 210, 226.3, 558, 1197.1 and 2699 based on the factual allegations and Labor Code sections alleged to have been violated in the First Amended Complaints filed in the Toste and Mixco Actions, which include, without limitation, Labor Code sections 204, 246, 432, 1174, 1198.5, and 2810.5 (the “PAGA Released Claims”). The PAGA Released Claims includes all PAGA claims that could have been premised on the facts alleged in the PAGA Notice for both the Mixco Action and the Toste Action.

“Class Period” means the period from December 23, 2015, through September 21, 2021.

“PAGA Period” means the period from December 23, 2018, through September 21, 2021.

“Released Parties” shall mean Defendants and each of PATH’s past, present, and future respective subsidiaries, dba’s, affiliates, parents, insurers and reinsurers, and company-sponsored employee benefit plans of any nature and their successors and predecessors in interest, including all of its officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, and agents.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement. The written request for exclusion must include your name, your Social Security Number and signature, and the following statement or something to its effect: “Please exclude me from the Settlement Class in the *Toste v. PATH Ventures, et al.* matter.” Sign, date, and mail your written request for exclusion by U.S. First-Class Mail to the address below.

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of the PAGA Released Claims. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, you will still receive an individual settlement share for the PAGA Released Claims and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right to individually pursue only the remaining Class Released Claims.

Questions? Contact the Settlement Claims Administrator toll free at (800) 523-5773

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

The written request to be excluded from the Settlement must be postmarked or received by the Administrator not later than March 10, 2023. If you exclude yourself from the Settlement then you will get no payment, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit.

Option 3 – File an Objection to the Settlement

If you wish to object to the Settlement, you may file an objection in writing stating why you object to the Settlement. Your objection must provide your full name, address, your reasons why you think the Court should not approve the Settlement, along with whatever legal authority, if any, you assert supports your objection, and your signature. Your objection must be mailed to the Administrator no later than March 10, 2023. Please note that you cannot both object to the Settlement and exclude yourself. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Final Fairness Hearing

You may, if you wish, also appear at the Final Fairness and Approval Hearing set for April 4, 2023 at 10:30 a.m. in the Spring Street Courthouse of Los Angeles County Superior Court, located 312 North Spring Street, Department SS-1, Los Angeles, California 90012, and discuss your objections with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may visit www.phoenixclassaction.com/path-ventures/ or call the Settlement Administrator at (800) 523-5773 or Class Counsel:

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You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Office of the Clerk of Los Angeles County Superior Court, located at 111 N. Hill Street, Los Angeles, California 90012, during regular business hours of each court day.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANTS, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.**

Questions? Contact the Settlement Claims Administrator toll free at (800) 523-5773