# IMPORTANT LEGAL NOTICE OF CLASS ACTION SETTLEMENT ISSUED BY ORDER OF THE COURT

If you worked at Atherstone Foods, Inc. dba Glass Onion Catering as an hourly, non-exempt employee from September 28, 2016, through March 27, 2022, you should read this Notice carefully because <u>YOU MAY RECEIVE</u> <u>MONEY</u> and it will affect your rights.

#### PLEASE READ THIS NOTICE CAREFULLY.

You are entitled to money from a class action settlement ("Settlement") recently reached with Atherstone Foods, Inc. dba Glass Onion Catering in non-exempt hourly paid positions in Richmond, California from September 28, 2016 through March 27, 2022.

## WHAT INDIVIDUAL SETTLEMENT WILL I RECEIVE?

Based on the records received from Atherstone Foods, Inc. dba Glass Onion Catering you worked [workweeks] workweeks. The total number of workweeks worked by all of the class members is 30,506.56. The estimated payment you will receive based on the information above is [est amount]. This calculation is an estimate of your Individual Settlement Payment, and as a result may be higher or lower than your actual individual settlement payment.

Class members who wish to participate in the settlement may need to update their address. If you would like to update your address, submit a written statement by April 3, 2023, to the Settlement Administrator's address provided below.

#### WHAT ARE YOUR OPTIONS?

There are THREE possible options. They are summarized in the chart below, and are described in more detail on pages 3 and 4 of this Notice.

YOUR OPTIONS UNDER THE SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	If you do nothing and the Court approves the settlement, you will be mailed a check with your share of the settlement fund at the same address where this notice was sent. You will also release the claims that were resolved through this settlement.
REQUEST EXCLUSION	Submit a Request for Exclusion by April 3, 2023, or 60 days after the Notice Packet was mailed to you.  If you submit a timely and valid Request for Exclusion then you will receive no payment and you will retain your right to pursue your claims against Atherstone Foods, Inc. dba Glass Onion Catering in a separate action/proceeding.
Овјест	Submit a written objection to the Court by April 3, 2023, or 60 days after the Notice Packet was mailed to you on any term that you may find objectionable. The Court will consider your objection in deciding whether to approve the settlement and/or disbursements to Plaintiffs and their counsel. If the Court agrees with your objection, the Parties may elect to pursue approval of a new settlement or litigate the case. If the Court rejects your objection, you will still be mailed a settlement check.

#### SETTLEMENT BACKGROUND

The proposed Settlement was reached in a class action lawsuit in the Superior Court of California, Contra Costa County, brought by Deisi Carolina Sanchez ("Plaintiff" or "Named Plaintiff" or "Class Representative"), case number C20-01999 (the "Action"). A summary of the litigation is provided below. Both sides have agreed to the Settlement in order to avoid the risks, uncertainty and delays of further litigation.

The Court has granted preliminary approval of the Settlement and scheduled a final approval hearing for 9:00 a.m. on May 11, 2023, at 725 Court Street, Martinez, CA 94553. At the final approval hearing the Court will decide whether to finally approve the settlement taking any objections into consideration. The Court will also decide whether to approve Plaintiff's request for attorney's fees, litigation costs, and a service award. The proposed Settlement will resolve all claims in the case, if the Court grants final approval of the Settlement.

#### WHY SHOULD I READ THIS NOTICE?

If the Court grants final approval of the Settlement, this notice provides information about your rights, including how you can update your address, object to the settlement, or opt out of the settlement. You will be bound

by the terms of this Settlement and you will be entitled to money under the Settlement. This Notice provides information about your entitlement to money under the Settlement, and how you can object to its approval if you wish to do so. Because your rights may be affected, you should read this Notice carefully.

### **WHAT IS A CLASS ACTION?**

A class action is a lawsuit in which the claims and rights of many people are decided in a single court proceeding. A plaintiff, also known as "class representative," asserts claims on behalf of the entire class. The Plaintiff named above is the Class Representative in this lawsuit. Proceeding in a class action avoids the necessity for a large number of individual lawsuits and enables the court to resolve similar claims efficiently. In a class action, the court supervises the prosecution of class claims by class counsel to ensure fairness; and if a proposed settlement is reached, the Court is required to review it to make sure that it is fair, reasonable, and adequate for the members of the Class.

## WHO IS IN THE CLASS?

"Class Members" include: All current and former non-exempt, hourly-paid employees of Atherstone Foods, Inc. dba Glass Onion Catering who worked in California from September 28, 2016 through March 27, 2022 (the "Class Period"). Class Members are entitled to participate in this class action settlement and to receive a payment of money. The Parties to this action believe that you are a class member based on Atherstone Foods, Inc. dba Glass Onion Catering's records.

## **SUMMARY OF LITIGATION**

The original complaint in this matter was filed on September 28, 2020, as a class claim by former employee, Deisi Carolina Sanchez, against her former employer Atherstone Foods, Inc. dba Glass Onion Catering. Plaintiff alleged that Class Members worked off-the-clock hours because they were required to don and doff uniforms, protective gear and shoes before clocking in and after clocking out. Because of this practice, Plaintiff alleged the Class Members' meal periods and rest breaks were cut short and that Class Members were not paid for all hours worked, in addition to other claims noted below. On September 27, 2022, Plaintiff, with the Court's permission, filed a First Amended Complaint which contains the following causes of action: 1) failure to pay all hours worked, 2) minimum wage violations, 3) failure to pay all overtime hours under the Cal. Labor Code, 4) failure to pay all overtime hours under the Fair Labor Standards Act; 5) meal period violations; 6) rest period violations; 7) failure to reimburse business expenses; 8) wage statement violations; 9) waiting time penalties; 10) Labor Code Section 2698 et seq. (Private Attorneys General Act (PAGA)) claims, and 11) unfair business practices.

The Court has made no ruling on the merits of Class Members' claims, and this case is settled without admission of liability by the Defendant Defendant denies all liability as to Plaintiff's claims.

#### WHAT HAPPENS IF YOU DO NOTHING?

If you received this notice, Defendant's records indicate that you are a Class Member who is entitled to payment under the Settlement if it is approved. If you do nothing, the Claims Administrator will send all further mail concerning to this case, including your settlement check if the Settlement is approved, to the same address where this Notice was sent.

If you do nothing, you have the right to a share in the Settlement Fund, but you lose your right to object and your right to pursue any of the Released Claims (which are explained below) against any of the Released Parties because you will be legally bound by all orders and the judgment of the Court in this lawsuit.

#### **CHANGE OF ADDRESS**

If this Notice was sent to you at your current address, **you do not need to do anything** further to receive any further notices concerning this case.

The Claims Administrator will send all further mail concerning this case, including if appropriate, your settlement check, to the same address where this Notice was sent. If you need to update your address for any reason, including if this Notice was forwarded by the postal service, or if it was otherwise sent to you at an address that is not current, or if you have changed your address, then you should immediately send a letter to the Claims Administrator stating your name and past and current addresses.

The Claims Administrator's address and telephone number are:

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

## IF YOU DECIDE TO DISPUTE THE CALCULATION OF YOUR SHARE SETTLEMENT

If you received this Notice and you do not agree with your workweeks credited to you then you must submit a signed writing to the Settlement Administrator, stating why the number of workweeks are incorrect, along with any supporting document showing the correct workweeks. The writing must be submitted to the address of the Settlement Administrator provided above. This writing must be submitted by April 3, 2022.

#### **OBJECTING TO THE SETTLEMENT**

## **Procedures for Objecting to the Settlement**

If you think the Settlement is unfair, inadequate or unreasonable, you may object to it. To object you must submit your objection to the Claims Administrator stating why you object to the Settlement. For the objection to be valid, it must include: (i) your full name, address, and telephone number, (ii) a written statement of all grounds for the objection, and (iii) your signature. If you submit an objection, you may also, if you wish, appear at the Final Approval Hearing set for May 11, 2023, at 9:00 a.m. in the Contra Costa Superior Court and discuss your objection with the Court and the parties. You may also retain an attorney to represent you at the hearing at your own expense. If you wish to appear at the hearing, however, you must indicate this in your written objection. If you do not, you will not be able to appear.

All objections must be postmarked no later than April 3, 2023. Late objections will not be considered. By submitting an objection, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described below. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only. If the settlement is approved, then an objector will still be entitled to a settlement payment and be bound by the release.

## What's the difference between objecting to the Settlement and excluding myself from the class?

Objecting is advising the Court that you do not approve of some aspect of the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself from the Settlement, then you cannot object to the Settlement and you will not receive any of the Settlement Fund.

#### IF YOU REMAIN IN THE CLASS, YOU ARE RELEASING DEFENDANT

Effective immediately on May 11, 2023, you will forever and completely release Defendant Atherstone Foods, Inc. dba Glass Onion Catering, and its operating entities, divisions, subsidiaries, affiliates, facilities, parent companies or related business entities, past or present officers, directors, shareholders, owners, members, legal successors and assigns, employees (whether present or former), agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys, insurers and reinsurers, and their respective successors and predecessors in interest, affiliated companies, and all other representatives acting for Defendant or in concert with Defendant (collectively the "Released Parties"), from the Released Claims.

The "Released Claims" means Plaintiff's allegations of Defendant's 1) failure to pay all hours worked, 2) minimum wage violations, 3) failure to pay all overtime hours under the Cal. Labor Code, 4) failure to pay all hours worked, including overtime hours, and failure to pay minimum wage and reimburse necessary business expenses under the Fair Labor Standards Act<sup>1</sup>; 5) meal period violations; 6) rest period violations; 7) failure to reimburse business expenses; 8) wage statement violations; 9) waiting time penalties; 10) Labor Code Section 2698 (PAGA) claims, and 11) unfair business practices. Moreover, the release of claims extends to any and all claims that could have been asserted in the First Amended Complaint based on the facts and circumstances alleged in the First Amended Complaint, , including the alleged failure to provide meal breaks and rest breaks; alleged violations relating to on-duty meal periods and rest periods, meal period

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<sup>&</sup>lt;sup>1</sup> Upon the Effective Date, any Participating Settlement Class Member who timely cashes (or otherwise negotiates) his or her Individual Settlement Payment check will be deemed to have opted into the action for purposes of the FLSA and, as to those Participating Settlement Class Members, the Released Claims include any and all claims the Participating Settlement Class Members may have under the FLSA arising under or related to the alleged claims during the Class Period. Only those Participating Settlement Class Members who timely cash their Individual Settlement Payment check will be deemed to have opted into the action for purposes of the FLSA and thereby release and waive any of their claims under the FLSA arising under or relating to the Released Claims.

waivers and on-duty meal period agreements; alleged meal and rest period premium pay and penalties; the alleged failure to provide adequate wage statements; the alleged failure to timely pay wages ("waiting time" penalties); the alleged failure to reimburse business expenses (FLSA and/or California Labor Code section 2802 claim), the alleged failure to pay for all hours worked, including any and all allegations related to donning and doffing, the alleged failure to pay minimum wage, the alleged failure to pay overtime, unfair business practices under Business and Professions Code section 17200 et seq.; and for alleged penalties and interest pursuant to the California Labor Code and the Private Attorneys General Act of 2004 ("PAGA").

## EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep the right to pursue your own claims against Defendant, then you must request to be excluded from the Settlement, sometimes referred to as "opting out" of the class. You do not have to opt out to pursue any of your claims against Defendant. You only have to opt out to pursue any of the released claims (described above) against Defendant, however the release will only be effective if the settlement is approved.

## How do I request to be excluded from the Settlement?

To exclude yourself from the Settlement, you must submit a written statement requesting exclusion from the Class postmarked on or before April 3, 2023, to the Claims Administrator. Your written request for exclusion must contain your name, address, telephone number of the Class Member requesting exclusion, a statement that you wish to exclude yourself form the settlement and understand that by doing so you will not receive any settlement proceeds. You must return your request to Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, postmarked no later than April 3, 2023.

## If I don't exclude myself, can I sue Defendant later?

No. Except for your claims under the Fair Labor Standards Act (FLSA), which are waived only if and when you cash (or otherwise negotiate) your settlement check, as explained in footnote 1, if you do not submit a valid and timely request for exclusion, you will be bound by all terms of the Settlement and any Final Judgment entered in the lawsuit, and will be deemed to have released the Released Parties (including Defendant) from the Released Claims. If you have a pending lawsuit, speak to your lawyer in that case immediately.

#### **APPOINTED CLASS COUNSEL**

The Court appointed the following attorneys to represent the Class as Class Counsel in this Action:

Arlo Garcia Uriarte, SBN 231764 Un Kei Wu. SBN 270058 LIBERATION LAW GROUP. P.C. 2760 Mission Street San Francisco, CA 94110 Telephone: (415) 695-1000 Facsimile: (415) 695-1006

Liberation Law Group, P.C. will represent you as a Class Member, unless you choose to hire your own lawyer in this case.

#### THE CLAIMS ADMINISTRATOR

The Claims Administrator that has mailed you this Notice, and to which you should send any corrections you may have to the calculation of your settlement payment, your address, or your statement objecting to the Settlement or your request for exclusion:

#### Sanchez v. Atherstone Foods, Inc. dba Glass Onion Catering

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

Facsimile: (949) 209-2503 Email: notice@phoenixclassaction.com

#### SUMMARY OF TERMS OF SETTLEMENT AGREEMENT

## 1. Atherstone Foods, Inc. dba Glass Onion Catering has agreed to pay a total of \$726,600 (the "Gross Settlement Amount")

The Gross Settlement Amount will include settlement amounts for Class Members, Attorneys' Fees and Costs, and Service Award to the Named Plaintiff, Administration Costs, and a payment to the California Labor and Workforce Development Agency ("LWDA") for civil penalties. All of these payments are subject to the final approval of the Court.

Class Members shall be paid their Individual Settlement Amount from the Settlement Fund after deduction of (1) Settlement Administration Costs estimated at \$12,500; (2) Attorneys' Fees totaling \$242,200 and Costs currently at \$11,456.89; (3) Plaintiff's Service Award equaling \$5,000; and (4) amounts paid to the LWDA for PAGA penalties equaling \$15,000.

## 2. The Net Settlement Fund Payable to Class Members after all of the above deductions is estimated at \$440,443.11.

The amount left after the deductions above that will be distributed to Settlement Class Members is estimated to be approximately \$440,443.11 (the "Net Settlement Fund").

The Net Settlement Fund shall be allocated pro-rata among Class Members on a workweek basis. Those Class Members who worked more workweeks will receive a larger payment. The Individual Settlement Amounts will be determined by dividing the number of Qualifying Workweeks worked by each Class Member in the Class during the Class Period into the total number of Qualifying Workweeks worked by all Class Members in this period, and then applying the resulting percentage to the Net Settlement Fund.

#### 3. Settlement Administration Costs

Subject to Court approval, all costs of administering the Settlement ("Settlement Administration Costs") estimated at \$12,500 shall be paid from the Settlement Fund.

#### 4. Attorneys' Fees and Costs.

Subject to Court approval, Class Counsel will be paid up to \$242,200 in attorneys' fees and approximately \$11,456.89 in litigation costs for prosecuting this lawsuit.

#### 5. Service Awards Payable to Plaintiffs.

Subject to Court approval, the Named Plaintiff, Deisi Carolina Sanchez, shall receive Service Awards of up to \$5,000 for the services she rendered in obtaining the Settlement and for the financial risks undertaken in pursuing this matter on behalf of the Class Members. This award is in addition to the Individual Settlement Amount Plaintiffs will be paid as a Class Member.

#### 6. Payment to the LWDA.

The Parties have agreed to allocate \$20,000 of the Settlement Fund to settlement of the PAGA claims alleged in the lawsuit, which they believe in good faith is a fair and reasonable apportionment. Seventy-five percent (75%), of this amount or \$15,000 will be paid to the LWDA, and twenty-five percent (25%) of this amount, or \$5,000, will be retained in the Net Settlement Fund and distributed to participating Class Members.

#### 7. Timing of Payments to the Settlement Class

The Individual Settlement Amounts of Class Members who do not request exclusion shall be paid within ten (10) days after Defendant deposits the Settlement Fund.

#### 8. Tax Treatment of Individual Settlement Amounts.

Of each Individual Settlement Amount, 33% represents wages and the rest represents interest and penalties. The portion of each Individual Settlement Amount representing wages will be subject to tax withholding and this portion will be reported on an IRS Form W-2. The portion of each Individual Settlement Amount constituting interest or penalties will not be subject to withholdings and will be reported on a Form 1099 provided to each Class Member who receives a portion of the Settlement Fund. Defendant will pay its portion of required employment taxes separate from the Settlement Fund.

#### INDIVIDUAL SETTLEMENT PAYMENTS

Should the settlement be approved, you have sixty (60) days after your Individual Settlement Payment is mailed to deposit your check. If funds that are not claimed within sixty (60) days after the settlement checks have been mailed exceed \$30,000, these funds shall be redistributed to Settlement Class members who cashed their settlement checks after first distribution. If any unnegotiated amount remains sixty (60) days after the second round of distribution, it shall be paid to Legal Aid at Work in Antioch, California as the *cy pres* recipient or such other charitable organization as approved by the Court. There shall be no reversion to the Defendant.

## **HEARING ON PROPOSED SETTLEMENT**

The Settlement will not become final and effective unless and until it is approved by the Court following a Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement. If the Court does not grant final approval, the terms of the Settlement will become null and void, and no payments to Class Members will be required. The Final Approval Hearing will be held in Department 12 of the Contra Costa County Superior Court, located at 725 Court Street, Martinez, CA 94553, at 9:00 a.m. on May 11, 2023. At the final approval hearing the Court will decide whether to finally approve the settlement taking any objections into consideration. The Court will also decide whether to approve Plaintiff's request for attorney's fees, litigation costs, LWDA payment, *cy pres* designation and a service award. **The Settlement Hearing may be adjourned or continued without further notice to the class**.

You are not required to attend this Settlement Hearing. Any Class Member who is satisfied with the proposed Settlement need not appear at the Settlement Hearing.

#### ADDITIONAL INFORMATION

The foregoing is only a summary of the Action and the proposed Settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in the Action and the proposed Settlement, Class Members can: (1) contact counsel for the Settlement Class by writing to: Arlo Garcia Uriarte (arlo@liberationlawgroup.com) and Un Kei Wu (unkei@liberationlawgroup.com) of the LIBERATION LAW GROUP. P.C., 2760 Mission Street, San Francisco, CA 94110, telephone (415) 695-1000, Facsimile: (415) 695-1006; (2) visit the settlement website at www.phoenixclassaction.com/sanchez-v-atherstone-foods/; or (3) if you wish to review the Court's docket in this case, you may do so by visiting, the Court's public access website. To do this, direct your browser to https://odyportal.cc-courts.org/Portal/Home/Dashboard/29 and type MSC20-01999. Your browser will be directed to information regarding this case. You may view the Court's docket from here, including but not limited to documents filed with the Court, rulings and orders, and other information.

DO NOT CONTACT THE COURT FOR EXPLANATIONS OR ADVICE AS COURT PERSONNEL WILL NOT BE ABLE TO PROVIDE ANY INFORMATION ABOUT THE CASE OR THE SETTLEMENT OTHER THAN TO PROVIDE ACCESS TO COURT RECORDS.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES. RATHER, PLEASE CONTACT THE CLAIMS ADMINISTRATOR OR LIBERATION LAW GROUP, P.C.