NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT

AND FINAL HEARING DATE

(Stasolla v. Indo Cali Operations, Case No. 21STCV10448)

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT, PLEASE READ THIS NOTICE CAREFULLY.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$< <est.settamt>>. See the explanation below.</est.settamt>
	In addition to your Settlement Share, you will receive an estimated payment of \$< <est.pagaamt>>, as your portion of \$5,000 allocated to settlement of claims for civil penalties under the California Private Attorneys General Act, California Labor Code Section 2698, <i>et seq.</i> ("PAGA")</est.pagaamt>
	After final approval by the Court, the payments will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself from the Class Settlement	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement of Class Action Claims .
	Instructions are set forth below.
Object to the Settlement	You may write to the Court about why you do not like the settlement. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of Los Angeles (the "Court") has been reached between Plaintiff Dany Stasolla ("Plaintiff") and Defendant Indo Cali Operations. ("Defendant"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All delivery drivers employed by Indo Cali Operations from March 17, 2017 to April 3, 2022.

The "Class Period" is the period of time running from March 17, 2017 through April 3, 2022.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On March 17, 2021, Plaintiff Dany Stasolla filed a Class Action Complaint against Defendant in the Superior Court of the State of California, County of Los Angeles, asserting claims that Defendant: (a) Failed to indemnify necessary expenditures in violation of California Labor Code § 2802; (b) Violated California Business and Professions Code § 17200 *et seq.*; and (c) Violated the Private Attorney General Act, Cal. Labor Code § 2689 *et seq.* ("PAGA").

On January 3, 2022, the Parties participated in an all-day mediation with Jeffrey Krivis, a respected mediator of wage and hour class actions and reached a Settlement through the mediation. The Court granted preliminary approval of the Settlement on January 18, 2023. At that time, the Court also preliminarily approved Plaintiff to serve as the Class Representative, and the Law Offices of Corbett H. Williams to serve as Class Counsel.

Defendant denies and disputes all claims asserted in the Action. Specifically, Defendant contends that (and continues to contend) that the Action could not properly be maintained as a class action; that Defendants reimbursed all necessary business expenses, did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendants are not liable for any of the penalties claimed or that could be claimed in the Action.

3. What are the terms of the Settlement?

<u>Gross Settlement Amount</u>. Defendant has agreed to pay an "all in" amount of \$150,000 (the "Gross Settlement Amount") to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel's attorneys' fees and costs, Settlement Administration Expenses, the LWDA Payment, and the Class Representative Service Payment to the Plaintiff. Defendant will pay the Gross Settlement amount by depositing the money with the Settlement Administrator.

Defendant will pay the Gross Settlement amount an installment basis. An initial payment of \$75,000 is due within 30 days after the Judgment becomes Final ("Initial Settlement Payment"). "Final" means the date the Judgment is no longer subject to appeal.

Defendant will pay the he remaining \$75,000 in equal installments of \$6,250 payable beginning 30 days after the Initial Settlement Payment is made and recurring every 30 days thereafter until the entire Gross Settlement Amount is deposited with the Settlement Administrator ("Subsequent Installment Payment(s)").

The Settlement Administrator will pay all amounts from the Gross Settlement Amount, including Settlement Shares to Participating Class Members, Class Counsel's attorneys' fees and costs, Settlement Administration Expenses, the LWDA Payment, and the Class Representative Service Payment to the Plaintiff within 14 days after the entire Gross Settlement Amount has been paid by the Defendant. Settlement funds will be deposited in an interest-bearing account and all interest earned will be distributed to Participating Class Members.

<u>Amounts to be Paid from the Gross Settlement Amount</u>. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- <u>Settlement Administration Expenses</u>. Payment to the Settlement Administrator, estimated not to exceed \$7,500, for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.
- <u>Attorneys' Fees and Costs</u>. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than \$50,000 (33 1/3 % of the Gross Settlement Amount) and a Class Counsel Litigation Expenses Payment of not more than \$12,000 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- <u>Class Representative Service Payment</u>. Class Representative Service Payment of up to \$5,000.00 to Plaintiff, or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Actions, and for the risks he undertook.

- <u>PAGA Payment</u>. A payment of \$5,000 relating to Plaintiffs' claim under the Private Attorney General's Act ("PAGA"), \$3,750 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$1,250 ("PAGA Member Settlement Amount") will be distributed to "PAGA Members." You are a PAGA Member if you worked as a delivery driver for Indo Cali Operations from March 16, 2020 through April 3, 2022.
- <u>Calculation of Payments to Participating Class Members</u>. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payments, the LWDA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who **do not** request exclusion from the settlement ("Participating Class Members").

The Settlement Share for each Participating Class Member will be calculated by dividing the number of Miles driven for work purposes by the Participating Class Member by the Total Miles Driven for work purposes by all Participating Class Members. That number is then multiplied by the Net Settlement Amount. The calculation can be represented by the following formula: Participating Class Member Settlement Share = (Miles Driven by Participating Class Member \div Total Miles Driven by Participating Class Members) x Net Settlement Amount.

• <u>Calculation of Payments to PAGA Members</u>. The Settlement Administrator will pay each PAGA Member a pro rata share of the PAGA Member Settlement Amount (totaling \$1,250). Each PAGA Member's share of the PAGA Member Settlement Amount will be calculated by dividing the number Miles Driven for work purposes by the PAGA Member by the total number of Miles Driven for work purposes by all PAGA Members. That number is then multiplied by the PAGA Member Settlement Amount. The calculation can be represented by the following formula: pro rata share = (Miles Driven by PAGA Member ÷ Total Miles Driven by PAGA Members) x PAGA Member Settlement Amount. **PAGA Members who exclude themselves from the Class Settlement will still receive their pro-rata share of the PAGA Member Settlement Amount**.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share and PAGA Member Settlement Amount (if applicable) to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

<u>Tax Matters</u>. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

<u>Conditions of Settlement</u>. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims.

As of the Effective Date, Plaintiff and the Settlement Class Members who are not excluded from this Settlement, on behalf of themselves and each of their heirs, representatives, successors, assigns and attorneys, hereby release Defendant and Released Parties from the Released Claims as consideration for Defendant's payment of the Gross Settlement Amount.

Upon entry of final judgment, each Participating Class Member will release Defendant, and all of its parents, subsidiaries, affiliates, shareholders, agents, employees (current and former), officers, directors, insurers, attorneys, predecessors, successors, and assigns, including Defendants' respective pension, profit sharing, savings, health, and other employee benefit plans of any nature, from all claims rights, demands, liabilities, and causes of action, whether statutory, in tort, contract, or otherwise, alleged in the Operative Complaint, arising

5. What if I don't want to be a part of the Class Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Class Settlement, and you will not be bound by its terms**. However, if you are a PAGA Member and the Court approves the Settlement, you will still receive a pro rata share of the PAGA Member Settlement Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than April 3, 2023. The address for the Settlement Administrator is Stasolla v. Indo Cali Operations, c/o Phoenix Settlement Administrators, P.O. Box 7208 Orange, California 92863. The request for exclusion must state in substance: "I have read the Class Notice and I wish to opt out of the class action and settlement of the case *Stasolla v. Indo Cali Operations, Case No. 21STCV10448*."

The address for the Settlement Administrator is Stasolla v. Indo Cali Operations, c/o Phoenix Settlement Administrators, P.O. Box 7208 Orange, California 92863. Written requests for exclusion that are postmarked after April 3, 2023, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

6. How do I tell the Court that I don't like the Settlement?

Any Class Member, who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections must be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All objections or other correspondence must also state the name and number of the case, which is *Stasolla v. Indo Cali Operations, Case No. 21STCV10448*.

Any Class Member who appears at the Final Approval Hearing may make an oral objection and be heard by the Court, regardless of whether the Class Member submitted a timely written objection. More information on attending the Final Approval Hearing can be found in Section 9 below.

To object to the Settlement, you must not opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

The objections must be delivered or mailed to the Settlement Administrator no later than April 3, 2023 with copies provided to the Parties' counsel. The address for the Settlement Administrator is Stasolla v. Indo Cali Operations, c/o Phoenix Settlement Administrators, P.O. Box 7208 Orange, California 92863.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Corbett H. Williams, Esq. Law Offices of Corbett H. Williams 24422 Avenida de la Carlota, Suite 370 Laguna Hills, CA 92653 Tel: (949) 679-9909 Email: cwilliams@chwilliamslaw.com Website: www.chwilliamslaw.com

Counsel for Defendant:

John Rubner, Esq. Freeman Mathis Gary, LLP 550 Hope Street, Suite 2200 Los Angeles, CA 90071 Email: jrubiner@fmglaw.com Website: www.fmglaw.com

7.When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at May 31, 2023 on 10:00 a.m., at the Los Angeles County Superior Court, located at 312 North Spring Street in Department 7, Second Floor before Judge Amy D. Hogue. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will hear from any class member who attends the final approval hearing and asks to speak regarding his or her objection. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

If you do decide to attend the Final Approval hearing in person, please be aware that effective April 4, 2022, the Los Angeles County Superior Court strongly recommends that face masks be warn inside all Los Angeles County courthouses in alignment with Los Angeles County Department of Public Health guidance. Further information about public health protocol for the Los Angeles County Superior Court is available at its website, www.lacourt.org.

8. How do I get more information about the Settlement?

You may call the Settlement Administrator at (800) 523-5773 or write to Stasolla v. Indo Cali Operations, c/o Phoenix Settlement Administrators, P.O. Box 7208 Orange, California 92863, or contact Class Counsel at 1-(949) 679-9909.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may review a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by visiting the following website: <u>https://www.phoenixclassaction.com/stasolla-v-indo-cali-operations/</u>

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Bet Tzedek Legal Services, 3250 Wilshire Blvd., 13th Floor, Los Angeles, CA 90010 in accordance with Code of Civil Procedure Section 384 in the name of the Participating Class Member. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement