

NOTICE OF SETTLEMENT
OF A CLASS ACTION AND FLSA COLLECTIVE ACTION

This is a Court-authorized notice. This is not a solicitation by a lawyer.

Ana Garca v. STG International, Inc. (STGi)
U.S. District Court, Southern District of California
Case No. 3:20-cv-01701-AJB-LL

If you are or were an hourly, non-exempt employee of STG International, Inc. (STGi) working at a United States Immigration and Customs Enforcement (“ICE”) Detention Center between August 31, 2016 and October 16, 2021, you may be eligible for a payment from a proposed class and collective action settlement.

- This Notice is to inform you of a proposed settlement (“Settlement”) of a class and collective action lawsuit (“Lawsuit”), in which you may be entitled to receive money. The Settlement involves a settlement and resolution of the Released California Class Claims (“California Class Settlement”) and a settlement and resolution of the Released Fair Labor Standards Act (“FSLA”) Claims (“FLSA Settlement”). The Released California Class Claims and the Released FLSA Claims are referred to collectively herein as the “Claims”.
- Defendant STG International, Inc. (“STG”) has denies all Claims and asserts that it complied with federal and California law in all respects. This is a settlement and is not a decision by the Court. The Court has not found that STG did anything wrong.
- The Court in charge of this Lawsuit still has to decide whether to approve the Settlement. Payments will be made *only if* the Court approves the Settlement and after appeals, if any, are resolved.
- ***The approximate amount of your share under the Settlement is stated in this Notice.*** Your rights may be affected by the legal proceedings in this matter. Please review this Notice carefully as important deadlines apply.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS	
<i>Option #1</i> DO NOTHING	<p>If you were or are a current <u>California employee</u> of STG at an ICE Detention Center worksite between August 31, 2016 and October 16, 2021 (“California Class Period”), and you do not object to, or exclude yourself from the Settlement, and the Settlement is finally approved by the Court, <i>you will automatically receive a California Class Settlement check</i> and, thereby, you will be bound by the California Class Settlement, and will give up your right to participate in continuing or other litigation against STG regarding the Claims which were, or could have been, in this Lawsuit.</p> <p>If you were or are a current <u>non-California employee</u> of STG at an ICE Detention Center worksite between August 31, 2017 and October 16, 2021 (“FLSA Collective Period”), and you do not object to the Settlement, and the Settlement is finally approved by the Court, <i>you will receive an FLSA Settlement check</i>. If you endorse and negotiate the Settlement check (that is, cash the check), you will be deemed to have opted into, and agreed to be bound by, the FLSA Settlement.</p>

<p>Option #2 EXCLUDE YOURSELF</p>	<p>If you exclude yourself from the Settlement, you get no payment. This is the only option that allows you to participate in any other lawsuit against STG regarding the Claims which were, or could have been, brought in this Lawsuit.</p>
<p>Option #3 OBJECT</p>	<p>You may file a legal objection to the proposed Settlement. If you would like to object, you may not exclude yourself from the lawsuit.</p>

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BASIC INFORMATION

1. Why did I get this Notice?

The Court overseeing this Lawsuit has authorized this Notice because you have the right to know about its proposed Settlement before the Court makes a final decision whether to approve the Settlement.

You received this Notice because STG's records indicate that you are a current or former hourly, non-exempt employee of STG, who worked one or more eligible weeks for STG at a United States Immigration and Customs Enforcement ("ICE") Detention Center between August 31, 2016 and October 16, 2021, the time period covered by this Lawsuit.

2. What is the Lawsuit about?

In the operative Second Amended Complaint in the Lawsuit, Plaintiff alleges that STG: (1) failed to pay all wages owed in violation of the Fair Labor Standards Act, 29 U.S.C. §§ 201, et seq.; (2) failed to pay all wages owed in violation of California Labor Code §§ 1914 and 1194.2; (3) failed to pay overtime wages in violation of California Labor Code §§ 510 and 1194; (4) failed to timely pay wages at separation in violation of California Labor Code §§ 201-203; (5) failed to provide accurate itemized wage statements in violation of California Labor Code §§ 226(a) and (b); (6) failed to permit meal periods or pay all premiums owed in violation of California Labor Code §§ 226.7, 512; (7) failed to permit rest periods or pay all premiums owed in violation of California Labor Code §§ 226.7, 512; (8) violated the Unfair Business Practices Act, California Business and Professions Code §§ 17200-17208; (9) owes civil penalties for failure to pay all regular and minimum wages (PAGA); (10) owes civil penalties for failure to pay all overtime wages (PAGA); (11) owes civil penalties meal period violations (PAGA); (12) owes civil penalties for rest period violations (PAGA); (13) owes civil penalties for untimely payment of wages; (14) owes civil penalties for wage statement violations (PAGA); (15) owes civil penalties for failure to timely pay all wages upon separation of employment (PAGA); and (16) owes civil penalties for recordkeeping violations (PAGA).

The Second Amended Complaint in the Lawsuit is posted on the website <https://www.phoenixclassaction.com/garcia-v-stg-international/>, and contains all of the allegations and claims asserted against STG.

STG has denied each and every one of Plaintiff's claims, and it contends that it complied fully with federal and California law and properly paid all amounts owed.

The Court has not decided which side, Plaintiff or STG, is right.

3. Why is this a class and collective action?

In a class and collective action, one or more persons sue on behalf of other persons. In this Lawsuit, the Plaintiff Ana Garcia is the representative of a proposed California Class and FLSA Collective.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiff or STG. Instead, both sides agreed to a settlement. That way, they avoid the cost and inherent uncertainty of a trial, and the Settlement Members will receive compensation without the risks of further litigation. The Class Representative and the respective attorneys for Plaintiff and STG believe that this Settlement is a fair compromise.

WHO IS IN THE SETTLEMENT

If you received this Notice of the Settlement and it is addressed to you, then you are likely a Settlement Member. It is possible, even if you did not receive this Notice of Settlement, that you may be a Settlement Member, as described below.

5. How do I know if I am part of the settlement?

Everyone who fits into one or more of the following categories described below can participate in the Settlement:

California Class Members – The California Class consists of hourly, non-exempt employees of STG who worked in ICE Detention Centers in the State of California during the California Class Period (**between August 31, 2016 through October 16, 2021**). Members of the California Class who do not submit valid and timely Requests for Exclusion from the Settlement shall be bound by the Settlement, and will receive Settlement Payments in accordance with the Settlement.

PAGA Members – PAGA Members are defined as California Class Members who worked during the PAGA Period (**between August 10, 2019 through October 16, 2021**).

FLSA Collective Members – The FLSA Collective consists of all hourly, non-exempt employees of STG who worked in ICE Detention Centers for STG in the United States of America, *other than the State of California*, during the FLSA Collective Period (**between August 31, 2017 through October 16, 2021**). Members of the FLSA Collective who opt-in to the Settlement (by endorsing and negotiating their FLSA Settlement Check) shall be bound by this Settlement.

6. I'm still not sure if I am included.

If you are not sure whether you are a Settlement Member, or if have any other questions about the Settlement, visit the Settlement website at <https://www.phoenixclassaction.com/garcia-v-stg-international/>, or call the Settlement Administrator toll free at (800) 523-5773.

THE SETTLEMENT BENEFITS - WHAT YOU GET

7. What does the settlement provide?

Subject to final Court approval, STG has agreed to pay \$2,443,000 (the “Gross Settlement Amount”), summarized as follows:

- **Settlement Administration Costs:** Class Counsel will apply to the Court for \$35,000.00 as costs to be paid to the Court-appointed Settlement Administrator, who is charged with providing this Notice to the members of the California Class and FLSA Collective, and for administering the Settlement.
- **Service Award:** Plaintiff will apply to the Court for up to \$10,000 as an award for her service in this Lawsuit as the Class Representative.
- **Settlement Credit:** The Gross Settlement Amount will be reduced by \$193,471, which reflects a “Settlement Credit” for post-lawsuit funds paid by STG to certain California Class Members, FLSA Collective Members, and other STG employees. This means that the total out-of-pocket amount STG will pay under this settlement is \$2,249,529 (i.e., the Gross Settlement Amount minus \$193,471), except for the employer’s share of any payroll taxes due on the settlement payments made under the settlement, or as otherwise provided in the Class and Collective Action Settlement Agreement (“Settlement Agreement”).

- **Attorneys’ Fees and Costs:** Class Counsel will apply to the Court for up thirty-three percent (33%) of the Gross Settlement Amount as attorneys’ fees, as well as \$25,000 in reimbursement of litigation costs that the Court may award to the attorneys who handled this Litigation on behalf of the Settlement Members.
- **PAGA Penalties:** STG will pay PAGA penalties in the total amount of \$75,000.00, with 75% (\$56,250.00) paid to the State of California and 25% (\$18,750.00) to be distributed among the PAGA Members, as required by law.
- **Net Settlement Amount:** The amount remaining after deducting the above amounts from the Gross Settlement Amount is for distribution to the California Class Members and FLSA Members, and is called the Net Settlement Amount (“NSA”). Fifty-six percent (56%) of the NSA will be allocated to the California Class Fund, and forty-four percent (44%) of the NSA will be allocated to the FLSA Fund.

Subject to the Court’s final approval of the Settlement, each California Class Member who does not make a timely request to opt out of the Settlement will receive an individual Settlement check (“California Class Payment”) reflecting their pro rata share of the California Class Fund. The California Class Payment for each California Class Member will be based on a ratio of total weeks worked by each of the California Class Members during the California Class Period. Each California Settlement Check will be allocated as follows: 10% for alleged wages to be reported on an IRS Form W-2, and 90% for alleged penalties and interest to be reported on an IRS Form 1099.

Subject to the Court’s final approval of the Settlement, each PAGA Member will receive a Settlement check (“PAGA Payment”) reflecting their pro rata share of the PAGA penalties allocated to the PAGA Members (i.e., 25% of the PAGA Penalty total). The PAGA Payment for each PAGA Member will be based on a ratio of total weeks worked by each of the PAGA Members during the PAGA Period. Each PAGA Settlement Check will be allocated as follows: 100% for alleged penalties to be reported on an IRS Form 1099.

Subject to the Court’s final approval of the Settlement, each FLSA Member will receive a Settlement check (“FLSA Payment”) reflecting their pro rata share of the FLSA Fund, and shall opt in to the FLSA Settlement by endorsing and negotiating their FLSA Payment. The FLSA Payment for each FLSA Member will be based on a ratio of total weeks worked by the FLSA Collective Member during the FLSA Collective Period. Each FLSA Settlement Check will be allocated as follows: 50% for alleged wages to be reported on an IRS Form W-2, and 50% for alleged penalties and interest to be reported on an IRS Form 1099.

The wages portion of each payment will be subject to reduction for the employee’s share of required tax withholdings and payroll deductions, and the employer’s share of taxes will be paid by STG separately and is in addition to the Gross Settlement Amount.

If the Court grants final approval of the Settlement, California Class Payments, PAGA Payments, and FLSA Payments will be made by way of separate checks and mailed to the address that is on file with the Settlement Administrator. If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.

8. How much will my payment be?

While the precise amount of your share of the Settlement Payment is not known at this time, based upon the number of Workweeks you worked for STG during the relevant time period, your share of Settlement funds are estimated as follows:

- You <<have/have not1>> been identified as an eligible California Class Member, and your estimated California Class Payment is \$ _____ based on ___ workweeks that you were employed by STG during the California Class Period.
- You <<have/have not2>> been identified as an eligible PAGA Member, and your estimated PAGA Payment is \$ _____ based on ___ workweeks that you were employed by STG during the PAGA Period.
- You <<have/have not3>> been identified as an eligible FLSA Member, and your estimated FLSA Payment is \$ _____, based on ___ workweeks you were employed by STG during the FLSA Collective Period.

If you wish to dispute the workweeks credited to you, you must submit your dispute by way of written letter that is sent to the Settlement Administrator. **The written letter must:** (a) contain the case name and number of the Lawsuit (*Ana Garcia v. STG International, Inc.*, U.S. District Court, Southern District of California, Case No. 3:20-cv-01701-AJB-LL); (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; (d) clearly state that you dispute the number of workweeks credited to you and what you contend is the correct number to be credited to you; (e) include information and/or attach documentation demonstrating that the number of workweeks that you contend should be credited to you is correct; and (f) be returned to the Settlement Administrator at the address specified in Section 12 below, postmarked no later than April 10, 2023.

9. When will I receive my payment?

Settlement Members who do not opt-out of the Settlement and are entitled to a payment based on the distribution formula explained in response to Question 7, will receive their payments by check, only after the Court grants final approval to the Settlement and after any appeals are resolved (see “The Final Approval Hearing” discussed below).

10. What I am giving up by participating in the Settlement?

You cannot sue STG, or any of the other Released Parties described in the Settlement Agreement, or be part of any other lawsuit against STG, or any of the Released Parties described in the Settlement Agreement, based on the Claims which were, or could have been, brought in this Lawsuit. All of the decisions by the Court will bind you.

The Class Action Settlement Agreement is available at <https://www.phoenixclassaction.com/garcia-v-stg-international/>, and fully describes the Claims that you give up if you remain in the Settlement.

Upon the Court’s final approval of the Settlement, judgment will be entered fully and finally settling the Lawsuit as to all Participating California Class Members and FLSA Members.

As a result of the Settlement and judgment to be entered, all members of the **California Class** who do not timely opt out shall individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the “California Class Released Claims”, defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, during the “California Class Period,” defined as August 31, 2016 through October 16, 2021.

As a result of the Settlement and judgment to be entered, all **PAGA Members**, on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the “PAGA Released Claims”, defined as any and all

liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, and arise under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), during the PAGA Period, defined as August 10, 2019 through October 16, 2021.

As a result of the Settlement and judgment to be entered, all members of the **FLSA Collective** who opt into this Settlement (by endorsing and negotiating their FLSA Settlement Check) shall individually and on behalf of all their respective successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully and finally release and discharge the Released Parties, and each of them, from the “FLSA Collective Released Claims”, defined as any and all liabilities, demands, claims, causes of action, complaints and obligations that were alleged or which could have been alleged in the Complaints, and each and every material allegation alleged therein, and arise under the FLSA (29 U.S.C. §§ 201, et seq.), during the FLSA Collective Period, defined as August 31, 2017 through October 16, 2021.

HOW TO RECEIVE PAYMENT

11. How can I receive a payment?

All Settlement Members who do not opt-out of the Settlement will receive payments from the Settlement automatically. ***You do not have to do anything in order to receive that payment.*** As long as you do not exclude yourself from the Settlement (*see* Question 12), the payment will be made automatically by check, or checks, mailed to you at the address STG has on file or at such updated address as the Settlement Administrator can identify. ***Please contact the Settlement Administrator if you change your address.***

You can also contact the Settlement Administrator by email at notice@phoenixclassaction.com, or by phone at (800) 523-5773.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How do I exclude myself from the Settlement?

If you are a California Class Member and DO NOT wish to receive the benefits of the Settlement, you may elect to exclude yourself (“opt-out”), provided that such request, referred to as the “Request for Exclusion” is made in writing and faxed or postmarked on or before April 10, 2023 (the “Opt-Out Deadline”). **Do not submit a Request for Exclusion if you want to obtain compensation under the Settlement.** Persons who submit a Request for Exclusion will not be entitled to share in the benefits of the Settlement and they will not be bound by any orders or judgment rendered by the Court in this Lawsuit. If you do not submit a Request for Exclusion by the deadline, you will be bound by the Settlement Agreement, including the release and dismissal, and any consequences the Settlement might have on your right to any legal relief not sought in this Lawsuit. In making a decision whether to remain a California Class Member or to exclude yourself from the California Class, please carefully review this Notice.

The Request for Exclusion must include the following information:

- It must be in writing;
- It must be signed by you;
- It must contain your name, address, telephone number and the last four digits of the Social Security;
- It must clearly state that you do not wish to be included in the proposed Settlement;
- It must be returned by fax or mail to the Class Administrator at the specified address; and
- Any Request for Exclusion may be faxed or mailed by First Class U.S. Mail, or the equivalent, to:

Garcia v. STG Settlement Administrator
c/o Phoenix Class Action Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Fax: 949-209-2503

If you submit a Request for Exclusion which is not postmarked by April 10, 2023, your Request for Exclusion will be rejected, and you will be bound by the release and the Settlement.

If the Request for Exclusion is sent from within the United States, it must be sent through the United States Postal Service by First Class U.S. Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Request for Exclusion.

Any person who submits a complete and timely Request for Exclusion shall, upon receipt, no longer be a member of the California Class, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. Any such person, at his or her own expense, may pursue any claims he or she may have against STG.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has appointed the law firm of Ferraro Vega Employment Lawyers, Inc. to represent you and all Settlement Members. Together, the lawyers are called Class Counsel and can be reached at:

CLASS COUNSEL
Lauren N. Vega, Esq. Nicholas J. Ferraro, Esq. FERRARO VEGA EMPLOYMENT LAWYERS, INC. 3160 Camino del Rio South, Suite 308 San Diego, California 92108 Tel.: 619.693.7727 / Fax: 619.350.6855 Email: nick@ferrarovega.com www.ferrarovega.com

You will not be charged for contacting these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How will the lawyers be paid?

Class Counsel intend to request up to 33 percent of the Gross Settlement Amount for attorneys' fees, plus reimbursement of the costs and expenses of up to \$25,000 for prosecuting the class and collective action. The fees and expenses awarded by the Court will be paid out of the Gross Settlement Fund. The Court will decide the amount of fees to award. Class Counsel will also request that a special Service Award of \$10,000 be paid from the Gross Settlement Amount to the Class Representative for her service as the representative on behalf of the California Class and FLSA Collective.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

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

If you are a member of the California Class or FLSA Collective, you can object to any part of the Settlement, the Settlement as a whole, Class Counsel's requests for fees and expenses, and/or the special Service Award to the Class Representative. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement if you participate in the settlement. You will not be allowed to object if you have submitted a valid and timely Request for Exclusion.

To object to the Settlement proposed by this Agreement, you must file with the Court and serve Plaintiff's counsel and Defendant's counsel on or before April 10, 2023, an objection to the Settlement. An objection is a written document that contains the following:

- Your full name, current address, and telephone number;
- A statement saying that that you object to the Settlement in *Ana Garca v. STG International, Inc.*, U.S. District Court, Southern District of California, Case No. 3:20-cv-01701-AJB-LL
- The reasons you object to the Settlement, along with any supporting materials;
- A list of all persons whom you will call to testify in support of your objection;
- A statement whether you intend to appear at the final fairness hearing with or without separate counsel;
- If you intend to appear at the fairness hearing with separate counsel, the names of all attorneys who will separately represent you;
- A list of all cases in which you or your counsel have filed objections to a class action settlement within the last five years; and
- Your signature.

You must mail your objection to each of the following addresses, and your objection must be postmarked by **April 10, 2023**:

THE SETTLEMENT ADMINISTRATOR	CLASS COUNSEL	COUNSEL FOR DEFENDANT
Garcia v. STG Settlement Administrator c/o Phoenix Class Action Settlement Administrators P.O. Box 7208 Orange, CA 92863	Lauren N. Vega, Esq. Nicholas J. Ferraro, Esq. FERRARO VEGA EMPLOYMENT LAWYERS 3160 Camino del Rio S, Ste 308 San Diego, CA 92108	Linda Auerbach Allderdice, Esq. John H. Haney, Esq. HOLLAND & KNIGHT LLP 400 South Hope Street, 8th Floor Los Angeles, CA 90071

Any member of the California Class who does not make and serve their written objections in the manner provided above shall be deemed to have forever waived such objections and shall be foreclosed from making any objections to the Settlement, by appearance or otherwise.

If you file your objections but the Court approves the Settlement as proposed, you will still be eligible for your allocated Settlement payment.

16. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you do not exclude yourself. Excluding yourself by filing a Request for Exclusion is telling the Court that you do not want to be part of the California Class. If you exclude yourself, you have no basis to object because the Lawsuit no longer affects you.

THE FINAL APPROVAL HEARING

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

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

The Court has scheduled a Final Approval Hearing on April 13, 2023, at 2:00 p.m., at the United States District Court for the Southern District of California, located at Courtroom 4A, Edward J. Schwartz, United States Courthouse, 221 West Broadway, San Diego, CA 92101. The hearing may be moved to a different date or time without additional Notice, so it is a good idea to check <https://www.phoenixclassaction.com/garcia-v-stg-international/> for updates.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider any request by Class Counsel for attorneys' fees and expenses as well as the request for the award of payments to the Class Representative. If there are objections, the Court will consider them at that time. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long the decision will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to come at your own expense.

GETTING MORE INFORMATION

19. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. For a complete, definitive statement of the Settlement terms, you may contact Class Counsel or the Settlement Administrator. You also may write with questions to the Settlement Administrator at:

Garcia v. STG Settlement Administrator
c/o Phoenix Class Action Settlement Administrators
P.O. Box 7208
Orange, CA 92863

You can also contact the Settlement Administrator by email at notice@phoenixclassaction.com or by phone at (800) 523-5773.

DO NOT CONTACT THE COURT FOR INFORMATION