

COURT APPROVED NOTICE OF CLASS ACTION
SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Gabriel Pastrana v. National Sign & Marketing Corp., et al.
Superior Court of California, County of San Bernardino
Case No. CIVSB2118749

To: All current and former non-exempt employees of National Sign & Marketing Corp. and John J. Kane employed in California at any time beginning July 2, 2017 and continuing through February 28, 2023.

**THIS NOTICE MAY AFFECT YOUR RIGHTS.
PLEASE READ IT CAREFULLY.**

You are receiving this notice because National Sign & Marketing Corp. and John J. Kane's (collectively "Defendants") records indicate that you may be entitled to participate in this class action settlement.

The following recitation does not constitute the findings of the Court. Defendants adamantly deny any and all liability. This notice should not be understood to be an expression of the Court's views on the merits of any claim or defense raised by the parties.

I. WHY IT IS IMPORTANT TO READ THIS NOTICE:

The Superior Court of the State of California for the County of San Bernardino (the "Court") has granted preliminary approval to a proposed Settlement (defined below) of a class action lawsuit and representative action regarding wage and hour claims of all current or former non-exempt employees of Defendants employed in California at any time beginning July 2, 2017 and continuing through February 28, 2023.

Because your rights may be affected by the Settlement (defined below), it is important that you read this notice carefully. Defendants' records show that you were employed by Defendants, or either of them, sometime from July 2, 2017 up to and including February 28, 2023 ("Class Period"). Therefore, you are a "Class Member" in this lawsuit.

The purpose of this notice is to provide you with a brief description of the class action lawsuit and representative action, what investigation of the claims has taken place, to inform you of the terms of the proposed Settlement (defined below) and to discuss your rights and options in connection with the lawsuit and the Settlement (defined below).

II. WHAT YOU NEED TO DO IN RESPONSE TO THIS NOTICE:

You have received this notice because Defendants' records indicate that you are a member of the conditionally certified Class (defined below). You have the following options:

1. IF YOU WISH TO PARTICIPATE IN THE CLASS ACTION SETTLEMENT AND REMAIN A MEMBER OF THE SETTLEMENT CLASS AND BE ISSUED A PAYMENT UNDER THE SETTLEMENT, YOU (or in the event of a deceased Class Member, the estate or authorized beneficiary) ARE NOT REQUIRED TO TAKE ANY FURTHER ACTION. You will be issued payment if the Court grants final approval of the Settlement (defined below) and judgment becomes final, and you will release the Released Parties for the Released Claims (see section VIII below for definitions of "Released Claims" and "Released Parties"). If you wish to receive a payment under the Settlement, you must not "Opt Out" of the Settlement. **To ensure receipt of your payment, you must make sure that your correct mailing address is on file with the Settlement Administrator.**

2. YOU MAY ELECT TO "OPT OUT" OF THE SETTLEMENT CLASS AND THUS EXCLUDE YOURSELF FROM THE SETTLEMENT. If you wish to opt out of the Settlement and exclude yourself from the Settlement, you must mail to the Settlement Administrator a written request ("Request for Exclusion") postmarked on or before May 19, 2023. A Request for Exclusion must include: (1) your full name, address, and email address or telephone number; (2) the case name and number of the action (i.e., *Gabriel Pastrana v. National Sign & Marketing Corp., et al.*); and (3) a statement indicating that you wish to be excluded from the Settlement. If a timely and complete Request for Exclusion is not received by the Settlement Administrator at the address listed below, postmarked on or before May 19, 2023, you will be deemed to have forever waived your right to opt out of the Settlement. Class Members who do not properly opt out of the Settlement shall be "Settlement Class Member(s)." Class Members who do properly opt out of the Settlement shall not be bound by the terms of the Settlement, shall not be allowed to object to this Settlement, and shall not be entitled to any benefits as a result of this Settlement, including payment of any Individual Settlement Amount (defined below), except a portion of the PAGA Payment, if applicable, in the estimated amount of [\$ ____]. Current and former non-exempt employees of Defendants employed in California at any time from July 1, 2020 through the end of the Class Period have no right or ability to opt out of the portion of this Settlement releasing Labor Code Private Attorneys General Act of 2004 ("PAGA") claims. The Settlement Administrator's address is below:

**Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863**

- 3. PROVIDED YOU DO NOT OPT OUT OF THE SETTLEMENT CLASS, YOU MAY OBJECT TO THE SETTLEMENT.** You may object to the Settlement by mailing a written objection (“Objection”) to the Settlement Administrator, on or before May 19, 2023, to the address listed in section II.2 above. The Objection must (1) contain your full name, dates of employment as an employee of Defendants, and signature; (2) the case name and number of the action (*Gabriel Pastrana v. National Sign & Marketing Corp., et al.*); (3) the reason(s) for the objection (if any); and (4) identify any counsel representing you in connection with the Objection. You may attend the Settlement Hearing (defined below), including by audio or visual technology, and may ask to speak regarding your objections, regardless of whether you submitted an Objection. More information can be found at www.sb-courts.org. If you take no action, you will remain a member of the Class (defined below). A Class Member who does not opt out of participation in the Settlement will be bound by the judgment and be issued payment under the Settlement (defined below). If you remain a member of the Class, you will be represented by the following attorneys who have been designated by the Court as Class Counsel:

BIBIYAN LAW GROUP, P.C.

David D. Bibiyan, Esq.
8484 Wilshire Blvd #500
Beverly Hills, CA 90211

INFORMATION REGARDING FINAL APPROVAL HEARING. The Final Approval Hearing determines whether the Settlement should be finally approved as fair, reasonable, and adequate and whether the Service Award (defined below) to Plaintiff Gabriel Pastrana, Administration Expenses (defined below) to the Settlement Administrator, and attorneys’ fees and costs to Class Counsel should be awarded. That hearing will be held on July 27, 2023 at 10:00 a.m. before the Hon. David Cohn, in Department S-26 of the San Bernardino Superior Court located at 247 W 3rd St, San Bernardino, CA 92415 (“Settlement Hearing”). Face masks are strongly recommended inside all San Bernardino County courthouses.

If the Court enters judgment based on the Settlement (defined below), the judgment will be posted on the Settlement Administrator’s website. The Settlement Administrator’s website address is <https://www.phoenixclassaction.com/pastrana-v-national-sign-marketing/>.

You are not required to attend the Settlement Hearing, although you are welcome to attend the hearing.

III. WHAT THE CASE IS ABOUT:

On behalf of himself and on behalf of other employees, Gabriel Pastrana ("Class Representative" or "Plaintiff") claims that Defendants are liable for (1) Failure to Pay Overtime Wages; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; (9) Violation of Labor Code Section 227.3; (10) Unfair Competition; and (11) Civil Penalties Under the Private Attorney General Act (2004). On behalf of himself and other employees of Defendants, Plaintiff seeks, *inter alia*, damages, unpaid wages, penalties, attorneys' fees, and interest for alleged wage and hour violations. Plaintiff alleges that Defendants employed him and the Class Members.

Defendants vehemently deny the Class Representative’s allegations. Defendants adamantly deny each, every, and all of the allegations of the lawsuit, and maintain that they complied with all California wage and hour laws, such that the Class Representative cannot properly recover any damages including but not limited to civil penalties under California law. Although Defendants deny these allegations, Defendants have chosen to resolve the matter based upon the terms and conditions set forth in the Class, Collective, and Representative Settlement Agreement and Class Notice ("Settlement Agreement" or "Settlement"). The Court will determine whether or not to grant final approval of the Settlement.

The Settlement provides for the certification, for settlement purposes only, of all current and former non-exempt employees of Defendants employed in California at any time between July 2, 2017 and continuing through February 28, 2023.

IV. THE SETTLEMENT OF THE CLAIMS:

On August 18, 2022, the parties participated in a full-day mediation in Los Angeles before an employment law mediator, Eve Wagner. The parties were able to resolve the matter subsequent to the mediation and agreed to the Settlement Agreement.

The Class Representative and Class Counsel believe the Settlement is in the best interest of the Class (defined below).

Through the Settlement, neither Defendants nor any of their employees have admitted any liability or wrongdoing and, in fact Defendants expressly deny any wrongdoing. The Court did not decide in favor of Plaintiff or Defendants. The Settlement Agreement has been preliminarily approved by the Court. A full copy of the Settlement Agreement, embodied in the document entitled “**CLASS, COLLECTIVE, AND REPRESENTATIVE SETTLEMENT AGREEMENT AND CLASS NOTICE**” as preliminarily approved by the Court, as well as other public documents filed in this case, can be inspected in the Office of the Court Clerk located at 247 W 3rd St, San Bernardino, CA 92415. Face masks are strongly recommended inside all San Bernardino County courthouses.

V. THE TERMS OF THE CONDITIONAL CLASS ACTION SETTLEMENT:

On behalf of the Class Members, the Class Representative has reached a Settlement with Defendants and on February 28, 2023 the

Court conditionally certified a class, for settlement purposes only, comprised of the following persons (collectively, the "Class"):

All current and former non-exempt employees of Defendants employed in California at any time during the Class Period.

Without admitting liability, Defendants have agreed to pay \$825,000.00 (the "Gross Settlement Amount") for a release of Defendants and all Released Parties (defined below) from the Released Claims (defined below) (see below for more information). This is a non-reversionary settlement. Settlement Class Members will be bound by the Settlement and will release Defendants and all Released Parties (defined below) from the Released Claims (defined below) (see below for more information).

This Settlement is conditioned upon the Superior Court of the State of California for the County of San Bernardino, entering an order at or following the Settlement Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Class.

The following payments will be sought, subject to final approval by the Court, from the Gross Settlement Amount:

- (1) Payment in the amount of up to \$7,500.00 to the Class Representative ("Service Award") in addition to the sum that he will receive as a Settlement Class Member, to compensate him for acting on behalf of the Class, including the time he expended to fulfill the role of Class Representative (e.g., assisting with the investigation of the claims, etc.);
- (2) Payment to the Settlement Administrator for the fees and costs of administering this Settlement ("Administration Expenses"), in the estimated maximum amount of \$6,995.00;
- (3) Payment in an amount of \$20,000 ("PAGA Settlement Amount") for penalties pursuant to the California Labor Code Private Attorney General Act of 2004 ("PAGA"), of which 75% of the amount (\$15,000.00) will be distributed to the California Labor Workforce and Development Agency ("LWDA") and the remaining 25% of the amount (\$4,000.00) of the penalties will be distributed to current and former non-exempt employees of Defendants employed in California at any time from July 1, 2020 up to and including the end of the Class Period;
- (4) Payment in an amount of up to 35% of the Gross Settlement Amount, which unless increased pursuant to the Settlement Agreement, amounts to \$288,750.00 to Class Counsel as attorneys' fees, to compensate them for their services in litigating this case on a contingency basis; and
- (5) Payment in an amount of up to \$25,000.00 to Class Counsel, to reimburse Class Counsel for actual litigation costs and expenses expended in this matter by Class Counsel.

The "Net Settlement Amount" is the Gross Settlement Amount less the above-mentioned requested payments, which are subject to final approval by the Court and which are not inclusive of Defendants' share of state and federal employment and payroll taxes and withholdings. The Net Settlement Amount will be automatically distributed to Settlement Class Members, and these gross individual shares are known as the "Individual Settlement Amount." The Individual Settlement Amount for each Settlement Class Member shall be determined on a *pro rata* basis based on his or her number of Workweeks (defined below) as compared to the total Workweeks of all Settlement Class Members. Workweeks are calculated by determining the number of days between the Settlement Class Member's start and end dates of employment from July 2, 2017 up to and including February 28, 2023 and then dividing by seven (7). If a Settlement Class Member was hired prior to July 2, 2017, then his or her "start date" will be July 2, 2017.

VI. WHAT IS YOUR EXPECTED SHARE:

As discussed above, the Net Settlement Amount will be automatically distributed to Class Members who do not opt out of this Settlement, based on their respective number of Workweeks.

Defendants' records reflect that you worked [insert number of workweeks] workweeks during the Class Period, and based on this number of Workweeks, your gross Individual Settlement Amount is estimated to be [insert estimated amount].

If you wish to dispute the number of Workweeks attributed to you, you may do so by submitting a written dispute ("Workweeks Dispute") to the Settlement Administrator at the address listed in section II.2 (above), postmarked on or before May 19, 2023. A Workweeks Dispute must state: (a) your full name, address, telephone number, last four digits of your social security number, and signature; (b) the case name and number of the action (*Gabriel Pastrana v. National Sign & Marketing Corp., et al.*); (c) contain a statement indicating your intent to dispute or challenge the number of Workweeks credited to you and clearly identify the number of Workweeks you contend should be credited to you; and (d) include any records or documentation to support the Workweeks Dispute.

The amount stated herein as your estimated Individual Settlement Amount may change depending on the number of Class Members who do not opt-out and the Court's order with respect to the requests for attorneys' fees, litigation costs and expenses, award to class representative, administration expenses, and PAGA payment. Further, your gross Individual Settlement Amount will be allocated as 10% wages (reported on an IRS Form W-2), and 90% interest and penalties (reported on an IRS Form 1099). The wage portion is subject to employee's and employer's share of state and federal employment and payroll taxes and withholdings prior to distribution.

VII. WHEN CAN I EXPECT TO RECEIVE MY SHARE OF THE SETTLEMENT:

The Settlement Administrator will distribute the settlement funds after funding has occurred and after the Court enters the final approval order and judgment.

Within 14 days after the Settlement Administrator deposits the Gross Settlement Amount into a qualified settlement account, the Settlement Administrator shall distribute the payments as follows: the Individual Settlement Payments to Settlement Class Members, Service Award to Class Representative, LWDA payment, Administration Expenses to the Settlement Administrator, and attorneys' fees and costs to Class Counsel, all in the Court-approved amounts.

VIII. RELEASE OF CLAIMS OF SETTLEMENT CLASS MEMBERS:

If the Court grants final approval of the Settlement and the Gross Settlement Amount is fully funded, Class Members who do not Opt Out of the Settlement, will release, discharge, and agree to hold harmless the Released Parties (defined below), and each of them, of and from any and all Released Claims (defined below).

"Released Parties" means Defendants, and their past, present, and future parents, subsidiaries, affiliated companies, agents, managing agents, employees, servants, officers, directors, owners (whether direct or indirect), general partners, limited partners, trustees, representatives, shareholders, stockholders, members, mortgagees or ground lessors, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and/or alleged joint employers, temporary staffing agencies, dual employers, potential and/or alleged dual employers, co-employers, potential and/or alleged co-employers, common law employers, contractors, affiliates, service providers, alter-egos, potential and/or alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns and any and all persons and/or entities acting under, by, through or in concert with any of them.

"Action" means the case titled *Gabriel Pastrana v. National Sign & Marketing Corp.*, filed on July 2, 2021, in the San Bernardino County Superior Court, and assigned Case No. CIVSB2118749.

"Operative Complaint" means the First Amended Complaint filed in the Action.

"Released Claims" means the Released Class Claims and the Released PAGA Claims.

"PAGA Notice" means Plaintiff's letter to Defendants and the LWDA, dated July 1, 2021, providing notice pursuant to Labor Code § 2699.3, subd.(a).

"Released PAGA Claims" means PAGA penalties that were alleged or could have been alleged based on the facts alleged in the PAGA Notice and the Operative Complaint. All Aggrieved Employees, including those who timely and effectively submit a Request for Exclusion from the Settlement, shall nevertheless be bound by the Released PAGA Claims and shall receive a pro rata portion of 25 percent of the PAGA Settlement Amount. The Released PAGA Claims include any and all claims asserted in the Action, and wage and hour claims, rights, demands, liabilities and causes of action of any nature or description arising from or related to the facts and claims alleged in the Action, or that could have been alleged in the Action based on the facts and claims alleged in the Action, and/or Plaintiff's PAGA Notice, including, without limitation, California Labor Code sections 96, 98.6, 200, 201, 201.3, 202, 203, 204, 204b, 204.1, 204.2, 205, 205.5, 210, 218.6, 221, 223, 226, 226.3, 226.7, 227.3, 232, 232.5, 246, et seq., 404, 432, 510, et seq., 512, 515, 558, 558.1, 1102.5, 1174, 1174.5, 1181.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1182.12, 1198.5, 1199, 2698, et seq., 2699, 2699.3, 2802, et seq., 2810.5, 6401, 6402, 6403, 6409.6, California Code Regs, title 8, sections 11040, 110404, Business and Professions Code sections 16600, 16700, and 17200, and the applicable Industrial Welfare Commission Wage Order(s).

The "Released Class Claims" include any and all claims, wage and hour claims, rights, demands, liabilities and causes of action of any nature or description alleged/asserted in the Operative Complaint or that could have been alleged/asserted based on the facts asserted in the Operative Complaint. The Released Class Claims include all claims for (1) Failure to Pay Overtime Wages; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6) Wage Statement Violations; (7) Failure to Timely Pay Wages; (8) Failure to Indemnify; (9) Violation of Labor Code Section 227.3; and (10) Unfair Competition, as well as claims for unpaid wages, including, but not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; failure to properly calculate the regular rate of pay and associated claims; wages related to alleged illegal time rounding; failure to pay wages at least twice each calendar month; failure to timely pay wages; failure to timely pay final wages; missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; reimbursement for all necessary business expenses, including work-related tools and safety equipment, uniforms and laundering uniforms, cellular phones and cellular phone plan expenses, and car mileage and gas for work-related travel; payment for all hours worked, including off-the-clock work; failure to provide accurate itemized wage statements; deductions; failure to keep accurate records; failure to provide suitable seating; failure to maintain temperature providing reasonable comfort; unlawful deductions and/or withholdings from wages; unfair business practices; suitable seating; penalties, including, but not limited to, recordkeeping penalties, wage statement and payroll reporting penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs related to the Released Class Claims. The Released Class Claims also include but are not limited to all such claims arising under: California Labor Code sections 96, 98.6, 200, 201, 201.3, 202, 203, 204, 204b, 204.1,

204.2, 205, 205.5, 210, 218.6, 221, 223, 226, 226.3, 226.7, 227.3, 232, 232.5, 246, et seq., 404, 432, 510, et seq., 512, 515, 558, 558.1, 1102.5, 1174, 1174.5, 1181.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1182.12, 1198.5, 1199, 2698, et seq., 2699, 2699.3, 2802, et al., 2810.5, 6401, 6402, 6403, 6409.6, and the applicable Industrial Welfare Commission Wage Order(s); all claims arising under the California Private Attorneys General Act of 2004 (“PAGA”) related to the Released Claims; California Code of Regulations tit. 8 sections 3395, 11040, and 110404; all claims relating to the Released Class Claims under the California Business and Professions Code sections 16600, 16700, 17200, et seq., 17203, 17200-17208; the Released Class Claims shall also include all claims relating to the Released Claims under the applicable Wage Orders of the California Industrial Welfare Commission, (including, but not limited to, IWC Wage Order Nos. 4-2001, 5-2001, 10-2001 and 8 CCR §§ 11100, 11040) for failure to provide accurate itemized wage statements, failure to provide right to inspect or copy personnel files, failure to keep accurate records, for civil and statutory penalties, including wage statement penalties, record keeping penalties, reporting time pay, and penalties for personnel file violation. The Released Claims include those under the Fair Labor and Standards Act (“FLSA”), including those related to recordkeeping obligations, 29 U.S.C. §211(c); 29 C.F.R. §§ 516, 778.223, 778.315 *et seq.*; and all state and federal law equivalents arising from or related to the facts and claims alleged in the Operative Complaint and/or PAGA Notice or that could have been alleged in the Operative Complaint and/or PAGA Notice; California Civil Code sections 3287, 3288, 3289; California Code of Civil Procedure sections 382, 392, et seq., 410.10, 474, 1021.5, 1032; and the California common law of contract. This release excludes the release of claims not permitted by law, including but not limited to claims brought for workers’ compensation benefits.

The following language will be printed on the reverse of each Settlement Payment Check, or words to this effect: “By endorsing or otherwise negotiating this check, I acknowledge that I read, understood, and agree to the terms set forth in the Notice of Class Action Settlement and I consent to join in the Fair Labor Standards Act (“FLSA”) portion of the Action, elect to participate in the settlement of the FLSA claims, and agree to release all of my FLSA claims that are covered by the Settlement.”

Upon entry of Judgment, Class Members are precluded from filing a wage and hour action under the Fair Labor Standards Act against the Released Parties for claims and/or causes of action encompassed by the Released Claims which are extinguished and precluded pursuant to the holding in *Rangel v. PLS Check Cashers of California, Inc.*, 899 F.3d 1106 (2018). This release excludes the release of claims not permitted by law.

In connection with the above Released Claims, and in consideration of Defendants’ payments of the Gross Settlement Amount, each and every Class Member who does not Opt Out, including Plaintiff, will be deemed also to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to Defendants and the Class Members because there is a good faith dispute as to whether any wages are due at all to any Class Member. California Labor Code section 206.5 provides in pertinent part as follows:

AN EMPLOYER SHALL NOT REQUIRE THE EXECUTION OF A RELEASE OF A CLAIM OR RIGHT ON ACCOUNT OF WAGES DUE, OR TO BECOME DUE, OR MADE AS AN ADVANCE ON WAGES TO BE EARNED, UNLESS PAYMENT OF THOSE WAGES HAS BEEN MADE.

IX. RELEASE OF CLAIMS OF PAGA GROUP MEMBERS:

If the Court grants final approval of the Settlement and the Gross Settlement Amount is fully funded, each PAGA Group Member (defined below) and Plaintiff, each release, discharge, and agree to hold harmless the Released Parties of and from any and all Released PAGA Claims.

“PAGA Group Member(s)” means all current and former non-exempt employees of National Sign & Marketing Corp. employed in California at any time from July 1, 2020 through the end of the Class Period.

X. HOW TO OBTAIN ADDITIONAL INFORMATION:

This Notice is only a summary of the class action lawsuit and the associated Settlement. For more information, you may inspect the Court files and the Settlement Agreement at the San Bernardino County Superior Court, located at 247 W 3rd St, San Bernardino, CA 92415. Face masks are strongly recommended inside all San Bernardino County courthouses.

You may also contact Class Counsel, the Settlement Administrator, and/or Defendants' Counsel for more information:

<p>BIBIYAN LAW GROUP, P.C. David D. Bibiyan, Esq. 8484 Wilshire Blvd #500 Beverly Hills, CA 90211 Telephone: (310) 438-5555 Facsimile: (310) 300-1705 david@tomorrowlaw.com</p>	<p>Defendants' Counsel: Beth Kahn, Esq. Ryan McKim, Esq. Keith Rossman, Esq. CLARK HILL LLP 555 South Flower Street, 24th Floor Los Angeles, CA 90071 Telephone: (213) 891-9100 Facsimile: (213) 488-1178 bkahn@clarkhill.com rmckim@clarkhill.com krossman@clarkhill.com</p>
<p>Settlement Administrator: Phoenix Settlement Administrators P.O. Box 7208 Orange, CA, 92863 Phone: (800) 523-5773 info@phoenixclassaction.com</p>	

PLEASE DO NOT CALL OR WRITE TO THE COURT ABOUT THIS NOTICE.