SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES

LISA JUCHA and MARY CROWDER, as individuals and on behalf of all others similarly situated,

Plaintiffs.

VS.

PURPLE COMMUNICATIONS, INC., a Delaware Corporation; CSDVRS, LLC, a Delaware Limited Liability Company; and DOES 1 through 100,

Defendants.

Case No. 19STCV06373

NOTICE OF CLASS ACTION SETTLEMENT

To: All former employees of Defendant Purple Communications, Inc. ("Defendant") who worked as a non-exempt, non-union Video Interpreter at a California call center and whose employment terminated between October 11, 2013, and March 8, 2023, and who have not already signed a general release of liability with Defendant.

All current employees of Defendant who work or have worked as a non-exempt, non-union Video Interpreter at a California call center, and earned overtime wages and earned a "Video Interpreter Bonus" during the same month, at any time between October 11, 2013, and March 8, 2023, and who have not already signed a general release of liability with Defendant.

PLEASE READ THIS NOTICE CAREFULLY THIS NOTICE IS BEING PROVIDED TO YOU IN ENGLISH AND SPANISH YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT

You may be entitled to money from this Settlement. Defendant's records show that you were employed by Defendant as a non-exempt, non-union Video Interpreter at a California call center between October 11, 2013, and March 8, 2023 (the "Class Period") and either separated your employment or earned overtime wages during the same month that you earned a "Video Interpreter Bonus." The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit (defined in the "Release" section on page 3 below), to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment. Notice of the final judgment will be posted online at http://www.phoenixclassaction.com/jucha-v-purple-communications/

What is this case about?

Plaintiffs Lisa Jucha and Mary Crowder ("Plaintiffs") brought this Lawsuit against Defendant, asserting claims on behalf of all Settlement Class Members. Plaintiffs are known as the "Class Representatives," and their attorneys, who also represent the interests of all Settlement Class Members, are known as "Class Counsel."

In the Lawsuit, Plaintiffs alleged that Defendant: (1) failed to pay all overtime wages; (2) failed to pay all minimum wages; (3) failed to issue accurate, itemized wage statements; (4) engaged in unfair competition; (5) failed to pay all final wages upon separation of employment; and (6) is liable for civil penalties under the Private Attorneys General Act ("PAGA").

Defendant denies that it has done anything wrong. Defendant denies that it owes Settlement Class Members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant, who expressly denies all liability.

The Court has not ruled on the merits of Plaintiffs' claims. However, to avoid additional expense, inconvenience, and interference with business operations, the parties concluded that it is in the best interests of Defendant and the Settlement Class Members to settle the Lawsuit on the terms summarized in this Notice. After Defendant provided relevant information to Class Counsel, the Settlement was reached after mediation and negotiations between the parties.

The Class Representatives and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

If you are still employed by Defendant, your decision about whether to participate in the Settlement will not affect your employment. California law and Defendant's policy strictly prohibit unlawful retaliation. Defendant will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class Member because of his or her decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiffs / Settlement Class Members:

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What are the terms of the Settlement?

On March 8, 2023, the Court preliminarily certified the following subclasses – for settlement purposes only – (1) all former employees of Defendant Purple Communications, Inc. who worked as a non-exempt, non-union Video Interpreter at a California call center and whose employment terminated between October 11, 2013 and March 8, 2023, and who have not already signed a general release of liability with Defendant; (2) All current employees of Defendant who work or have worked as a non-exempt, non-union Video Interpreter at a California call center, and earned overtime wages and earned a "Video Interpreter Bonus" during the same month, at any time between October 11, 2013 and March 8, 2023, and who have not already signed a general release of liability with Defendant. Settlement Class Members who do not submit a valid and timely Request for Exclusion from the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendant, as described below in the "Release" section.

Defendant agreed to pay \$320,000.00 (the "Maximum Settlement Amount") to fully resolve all claims in the Lawsuit, including payments to Settlement Class Members, attorneys' fees and expenses, settlement administration costs, payment to the California Labor and Workforce Development Agency ("LWDA") for its share of PAGA civil penalties, and the Class Representative Enhancement Payments. Defendant will fund the Maximum Settlement Amount no later than 30 days after the final approval of the settlement (assuming no objections or appeals).

The following deductions from the Maximum Settlement Amount will be requested by the parties:

<u>Settlement Administration Costs</u>. The Court has approved Phoenix Settlement Administrators to function as the "Settlement Administrator," who is sending this Notice to you and who will perform other duties relating to the Settlement. The Court has approved setting aside up to \$10,950.00 from the Maximum Settlement Amount to pay the Settlement administration costs.

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Maximum Settlement Amount. Settlement Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Maximum Settlement Fund (which is currently estimated to be \$106,666.67) as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$40,000.00 for verified costs which were incurred by Class Counsel in connection with the Lawsuit.

<u>Class Representative Enhancement Payments</u>. Class Counsel will ask the Court to award \$10,000.00 total (\$5,000.00 to each named Plaintiff) as the Class Representative Enhancement Payments. This is meant to compensate Plaintiffs for their service and extra work provided on behalf of the Settlement Class Members.

<u>PAGA Payment to the State of California</u>. The parties have agreed to allocate \$20,000.00 of the Maximum Settlement Amount as PAGA civil penalties. Per Labor Code § 2699(i), 75% of such penalties (\$15,000.00) will be payable to the LWDA for its share of PAGA penalties, and the remaining 25% (\$5,000.00) will be payable to the individuals with PAGA standing ("Aggrieved Employees") as part of the Net Settlement Amount.

<u>Calculation of Settlement Class Members' Individual Settlement Payments</u>. After deducting the Court-approved amounts above, the balance of the Maximum Settlement Amount will form the Net Settlement Amount, which will be distributed to all Settlement Class Members who do not submit a valid and timely Request for Exclusion (described below). The Net Settlement Amount will be divided as follows:

(i) <u>Aggrieved Employee Allocation</u>: \$5,000.00 payable to Aggrieved Employees as PAGA civil penalties will be designated as the "Aggrieved Employee Allocation." All current and former employees of Defendant who work or have worked for

Defendant as a non-exempt Video Interpreter at a California call center at any time between October 11, 2016, and March 8, 2023, will receive an equal pro-rata share of the Aggrieved Employee Allocation.

- (ii) <u>Current Employee Allocation</u>: \$5,000.00 payable to the Current Employee Settlement Subclass will be designated as the "Current Employee Allocation." All current employees of Defendant who work or have worked as a non-exempt, non-union Video Interpreter at a California call center, and earned overtime wages and earned a "Video Interpreter Bonus" during the same month, at any time between October 11, 2013, and March 8, 2023, and who have not already signed a general release of liability with Defendant will receive an equal pro-rata share of the Current Employee Allocation.
- (iii) The remainder of the Net Settlement Amount will be distributed to the Former Employee Settlement Subclass and designated as the "Former Employee Allocation." All former employees of Defendant who worked as a non-exempt, non-union Video Interpreter at a California call center and whose employment terminated between October 11, 2013, and March 8, 2023, and who have not already signed a general release of liability with Defendant will receive an equal prorata share of the Former Employee Allocation.

Individual Settlement Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members who did not submit a valid and timely Request for Exclusion (and, with respect to shares of the Aggrieved Employee Allocation, to each Aggrieved Employee regardless of whether they submit a Request for Exclusion). Each participating Settlement Class Member who receives an Individual Settlement Payment must cash that check within 180 days from the date the Settlement Administrator issues it. Any funds payable to participating Settlement Class Members whose checks are not cashed within 180 days after issuance will be distributed to the Legal Aid Foundation of Los Angeles, a 501(c)(3) organization dedicated to providing legal services to the indigent population of Greater Los Angeles.

Allocation and Taxes. Each Individual Settlement Payment for Aggrieved Employees will be allocated as 100% penalties, form which no withholdings will be taken. Each Individual Settlement Payment for members of the Current Employee Settlement Subclass will be allocated as 50% penalties and interest, from which no withholdings will be taken, and 50% wages, from which applicable withholdings will be taken. Each Individual Settlement Payment for members of the Former Employee Settlement Subclass will be allocated as 100% penalties and interest, from which no withholdings will be taken. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members an IRS Form 1099 (for amounts paid as penalties and interest) and IRS Form W2 (for amounts paid as wages). The Settlement Administrator will issue Aggrieved Employees an IRS Form 1099 for these payments. The Settlement Administrator will be responsible for calculating and withholding all employee-share employment taxes and other legally required withholdings from each Individual Settlement Payment.

Release. If the Court approves the Settlement, each Settlement Class Member who has not submitted a timely and valid Request for Exclusion will fully release and discharge Defendant, its past and present officers, directors, shareholders, managers, employees, agents, principals, spouses, heirs, representatives, accountants, auditors, consultants, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (collectively "Defendant's Releasees") as follows:

All members of the Former Employee Settlement Subclass who do not submit a valid and timely Request for Exclusion shall, for the Class Period, fully and finally waive, release, and forever discharge Defendant and Defendant's Releasees from all claims (and for all resulting damages, restitution, penalties, interest, costs attorneys' fees, or other relief or liability) (i) asserted in the class and representative action titled *Jucha*, *et al.* v. *Purple Communications*, *Inc.*, *et al.*, Los Angeles Superior Court Case No. 19STCV06373 (the "Lawsuit") based on the factual allegations asserted in the Lawsuit, or (ii) which could have been asserted based on the factual allegations asserted in the Lawsuit, including those concerning the non-inclusion of bonus payments in the regular rate of pay for purposes of paying overtime wages, and off-the-clock work.

All members of the Current Employee Settlement Subclass who do not submit a valid and timely Request for Exclusion shall, for the Class Period, fully and finally waive, release, and forever discharge Defendant and Defendant's Releasees from all claims (and for all resulting damages, restitution, penalties, interest, costs attorneys' fees, or other relief or liability) based on or derivative of any alleged non-inclusion of bonus payments in the regular rate of pay for purposes of paying overtime wages.

Plaintiffs, the Aggrieved Employees, and the State of California, shall for the period between October 11, 2016 and March 8, 2023, fully and finally waive, release, and forever discharge Defendant's Releasees from any and all claims, rights, or causes of action for civil penalties (and for all resulting attorneys' fees, litigation costs, interest, and any other relief) under PAGA, predicated on, arising from, or derivative of any of the factual allegations or alleged California Labor Code and/or wage order violations (including, but not limited to, under California Labor Code §§ 201-203, 204, 210, 216, 226, 226.3, 510, 558, 1174, 1182.12, 1194, 1194.2, 1197, and 1198) based on the factual allegations asserted in the Lawsuit, the related class and representative action titled *Crowder v. Purple Communications, Inc., et al.*, Placer County Superior Court Case No. SCV0040180 (the "*Crowder* action"), or any letter to the LWDA relating to this Lawsuit or the *Crowder* action.

Effective Date. These releases will become effective on the date of the Court's final approval of the Settlement.

How can I claim money from the Settlement?

<u>Do Nothing</u>. If you do nothing, you will be entitled to your Individual Settlement Payment, which has been calculated for you based on the formula set forth above, as stated in the accompanying Notice of Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

<u>Dispute Information in Notice of Settlement Award.</u> Your award is based on your membership in the various classes. The information contained in Defendant's records regarding this information, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than June 5, 2023. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class Members. Should a consensus not be reached, any outstanding disputes will be submitted to the Court for a final determination.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion from the Class Action Settlement" letter or card postmarked no later than June 5, 2023, indicating that you do not want to participate in the Settlement, and including your name, address, telephone number, last four digits of your social security number, and your signature.

Send the Request for Exclusion directly to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863. Any person who submits a timely Request for Exclusion from the Settlement will, upon receipt by the Settlement Administrator, no longer be a Settlement Class Member, will be barred from participating in any portion of the Settlement, and will receive no benefits from the Settlement. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement. Aggrieved Employees do not have the opportunity to request exclusion from their share of the Aggrieved Employee Allocation.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. All objections or other correspondence must state the name and number of the case, which is *Jucha, et al. v. Purple Communications, Inc., et al.*, Los Angeles Superior Court Case No. 19STCV06373. Objections in writing must be postmarked on or before June 5, 2023.

You may also appear at the Final Approval Hearing scheduled for September 15, 2023 at 8:30 a.m. in Department 9 of the Los Angeles County Superior Court, located at 312 N Spring St, Los Angeles, California 90012. The location, date, and time of the Final Approval Hearing may be moved without further notice to you. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing if you wish to appear in person. You may also visit the following website for any updates to the location, date, and time of the Final Approval Hearing: http://www.phoenixclassaction.com/jucha-v-purple-communications/. You may additionally visit the court's online docket for any updates to the location, date, and time of the Final Approval Hearing by typing the case number here: https://www.lacourt.org/casesummary/ui/. You have the right to appear either in person or through your own attorney at this hearing, whether or not you submit a written objection. If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on September 15, 2023, at 8:30 a.m., in Department 9 of the Los Angeles County Superior Court, located at 312 N Spring St, Los Angeles, California 90012. The location, date, and time of the Final Approval Hearing may be moved without further notice to you. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, the Enhancement Payments to the Class Representatives, the Settlement Administrator's costs, and the amount related to the PAGA civil penalties. **You are not required to attend the Final Approval Hearing.**

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Clerk's Office at the Stanley Mosk Courthouse, located at 111 N Hill St, Los Angeles, California 90012, during regular business hours. You may also access case information online using the LACourt website at (https://www.lacourt.org/casesummary/ui/index.aspx) including the case number (19STCV06373). You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANT, OR DEFENDANT'S ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is June 5, 2023.