## SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF ALAMEDA

IRIA JIMENEZ SANDOVAL, on behalf of herself and all other similarly aggrieved employees,

Plaintiffs,

v.

MARATHON PACKING CORPORATION, a California Corporation; and DOES 1-50, Inclusive,

Defendants.

Case No. RG21115325

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

ATTENTION: ALL PERSONS EMPLOYED BY MARATHON PACKING CORPORATION AS NON-EXEMPT EMPLOYEES IN CALIFORNIA FROM OCTOBER 8, 2017 THROUGH MARCH 9, 2023:

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO RECIEVE PAYMENT OR TO EXCLUDE YOURSELF FROM THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

IF YOU DO NOT WISH TO RECEIVE PAYMENT UNDER THE SETTLEMENT OR PARTICIPATE IN THE SETTLEMENT, YOU MUST REQUEST TO BE EXCLUDED FROM THE SETTLEMENT CLASS ON OR BEFORE JUNE 15, 2023.

Pursuant to the Order Granting Preliminary Approval of Class Action and PAGA Settlement of the Superior Court of the State of California in and for Alameda County entered March 9, 2023.

## YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A class action settlement has been reached between the Parties in the above-captioned lawsuit pending in the Superior Court of the State of California for the County of Alameda on behalf of all individuals employed by Marathon Packing Corporation as non-exempt employees in California between October 8, 2017 and March 9, 2023 (the "Settlement Class" or "Class Members"); the Settlement Class does not include persons who submit valid Requests for Exclusion (as explained below), or who previously settled, released or received awards for claims covered by the Settlement.

The "Released Parties" in the Action include (i) Marathon Packing Corporation ("Defendant"); (ii) each of Defendant's respective past, present and future parents, subsidiaries and affiliates; (iii) past, present and future partners, shareholders, directors, officers, agents, attorneys, insurers, predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

You have received this notice because records indicate you worked as a non-exempt employee in California for Defendant during the Class Period (defined below). This notice is to advise you of how you can either participate in the Settlement or be excluded from the Settlement.

## I. BACKGROUND OF THE CASE

On October 8, 2021, Plaintiff Iria Jimenez Sandoval filed a complaint against Defendant in the Alameda County Superior Court on behalf of herself and other non-exempt employees who worked for Defendant in California for penalties for alleged wage and hour violations of the California Labor Code. On or about October 26, 2022, a first amended complaint was filed adding a claim for class actions violations and alleging the same wage and hour violations of the California Labor Code, claims under the California Business and Professions Code section 17200, *et seq.*, as amended, on behalf of themselves and other non-exempt employees who worked for Defendant in California, ("Complaint"). Jimenez is hereinafter referred to as "Plaintiff" or "Class Representatives." The term "Action" means this putative class and Private Attorneys General Act ("PAGA") action pending in Alameda County Superior Court, Case No. RG21115325. The Class Period is between October 8, 2017, and March 9, 2023 (the "Class Period").

Plaintiffs' Complaint alleges a failure to provide meal periods, failure to authorize and permit rest periods, failure to pay overtime wages and minimum wages, failure to timely pay final wages, failure to provide accurate wage statements and to maintain accurate time records and/or payroll records, failure to reimburse business expenses, unfair competition, and a PAGA cause of action, on behalf of all non-exempt employees who worked for Defendant in California from October 8, 2017 to the present. Plaintiffs' Complaint seeks recovery of compensatory damages, penalties, interest, and attorneys' fees and costs. Defendant denies all claims and denies that Plaintiffs and the Class Members are entitled to any recovery.

The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in extensive private settlement negotiations. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions including the complete defenses to liability potentially available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation, the Parties reached a class wide and PAGA Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims.

The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and Defendant, which has been preliminarily approved by the Court.

If you are part of the Settlement Class, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement.

## II. SUMMARY OF THE PROPOSED SETTLEMENT

#### A. The Amount of the Settlement

Under the terms of the Settlement, Defendant agrees to pay a Maximum Settlement Amount of \$415,000.00 for all claims, attorneys' fees and costs, enhancement awards, penalties, and claims administration expenses ("Maximum Settlement Amount"). Deducted from this Maximum Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed thirty-three and one-third percent (33 1/3%) of the Maximum Settlement Amount which equals \$138,333.00, attorneys' costs not to exceed \$20,000, an Enhancement Award to each Class Representative not to exceed \$10,000 the fees and expenses of the Claims Administrator estimated not to exceed \$7500, the employer payroll taxes on the wage portion of the Settlement Awards, and \$30,000 payable to the California Labor and Workforce Development Agency ("LWDA") for alleged PAGA penalties, which will result in a "Net Settlement Amount" for distribution to all Class Members. As explained further below, the amount of each Class Member's Settlement Award will depend on the number of weeks worked by participating Class Members during the Class Period.

# B. Settlement Formula, and Settlement Awards

Defendant will pay Settlement Awards through a Claims Administrator, as described below, to each Class Member who has not submitted a Request for Exclusion from the Settlement. All Settlement Awards will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that all Settlement Awards payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as 20% unpaid wages for which IRS Forms W-2 will issue and 80% for alleged unpaid penalties and interest for which IRS Forms 1099-MISC will issue.

Settlement Awards to Class Members will be based on the number of weeks worked by individual Class Members during the Class Period. The number of workweeks will be determined by reference to Defendant's records. The Claims Administrator or Defendant, based on Defendant's records, will calculate the number of workweeks for each Class Member during the Class Period. The number of weeks worked will be calculated by dividing by seven (7) the total number of days worked by the Class Member for Defendant in California during the Class Period. Partial workweeks will not be counted, meaning incomplete workweeks will be rounded down; however, if a Class Member worked only one (1) day as a Class Member, such Class Member will be credited with having worked one (1) workweek for purposes of the Settlement.

Receipt of the Settlement Awards will not entitle any Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement.

## C. <u>Calculations to Be Based on Defendant's Records</u>

For each Class Member, the amount payable to the Class Member will be calculated by the Claims Administrator from Defendant's records. Defendant's records will be presumed correct, unless evidence to the contrary is provided to the Claims Administrator. Defendant's records and any additional evidence will be reviewed by the Claims Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute will be resolved by the Claims Administrator as described in Section E below.

#### D. Release of Claims

The Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and Defendant contains a release which releases Defendant and the Released Parties from all claims under state, federal and local law alleged in the Action and that reasonably could have been alleged in the Action based on the factual allegations contained in the operative Complaint in the Action and any amendments thereto, as to the Class Members, including but not limited to California Labor Code sections 201, 202, 203, 204, 210, 216, 218.5, 221, 222, 223, 224, 226, 226.2, 226.3, 226.6, 226.7, 227.3, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698 et seq., 2802, and 2810.5, California Business and Professions Code section 17200, et seq., class and representative claims, the applicable Wage Order(s), the federal Fair Labor Standards Act, 29 U.S.C. sections 201-219 as amended, and all claims for or related to unpaid wages, overtime, double time, minimum wages, off-the-clock work, regular rate of pay, rounding time, on call time, reporting time, split shifts, timely paid wages, timely paid final wages, breach of any express or implied contract relating to the payment of wages, meal periods and/or meal period premiums, rest periods and/or rest period premiums, accurate and itemized wage statements, failure to maintain accurate time records and/or payroll records as required by law, unreimbursed business expenses, unfair competition, unfair business practices, unlawful business practices, fraudulent business practices, injunctive relief, declaratory relief, liquidated damages, penalties of any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA penalties), interest, fees, costs, as well as all other claims and allegations alleged in the Action, from October 8, 2017 through the date the Court finally approves the Settlement (collectively "Released Claims"). Expressly excluded from the release are claims for retaliation, discrimination, unemployment insurance, disability, workers' compensation, and claims outside the Released Claims.

#### E. Resolution of Workweek Disputes

If a Class Member disputes the accuracy of Defendant's records as to the number of workweeks worked, any documentation supporting such dispute must be submitted to the Claims Administrator. All workweek disputes will be resolved and decided by the Claims Administrator, and the Claims Administrator's decision on all disputes will be final and binding.

# F. Enhancement Awards for the Class Representatives

Subject to approval by the Court, the Class Representative will receive an Enhancement Award up to \$10,000. This payment will be made for her service as a Class Representative, including active participation in prosecution of the Action, as well as willingness to accept the risk of incurring Class Counsel's costs or paying Defendant's attorneys' fees and costs for an unsuccessful outcome in the Action. Each Class Representative also signed a general release of all claims, which is broader than the release applicable to all other Class Members, to be eligible for the Enhancement Award.

## G. Attorneys' Fees and Costs

As consideration for the Settlement and in exchange for the release by the Settlement Class, Defendant agrees to pay Class Counsel's attorneys' fees and costs to be set by the Court, up to a maximum of thirty-three and one-third percent (33 1/3%) of the Maximum Settlement Amount which equals \$138,333.00, and attorneys' and costs not to exceed \$20,000. Class Counsel's attorneys' fees and costs will be paid and deducted from the Maximum Settlement Amount.

# III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

## A. Excluding Yourself from the Settlement

If you do not wish to participate in the Settlement, you may be excluded (*i.e.*, "opt out") by submitting a timely written request to the Claims Administrator stating you have received notice of the Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement, or words to that effect ("Request for Exclusion"). Your Request for Exclusion must also state your full name, address, date of birth, and dates you were employed by Defendant as a non-exempt employee in California. The Request for Exclusion must be signed, dated and mailed by First-Class U.S. Mail, or the equivalent, to:

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

https://www.phoenixclassaction.com/sandoval-v-marathon-packing-corporation/

The Request for Exclusion must be postmarked no later than June 15, 2023. If you submit a Request for Exclusion which is not postmarked by June 15, 2023, your Request for Exclusion will be rejected, and you will be bound by the Release and all other Settlement terms. 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 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 by the Claims Administrator, no longer be a Class Member, shall be barred from participating in any portion of the Settlement, shall not be entitled to object to the Settlement, shall receive no benefits from the Settlement, shall not be deemed to have relinquished the Released Claims against the Released Parties, and, at his or her own expense, may pursue any claims he or she may have against the Released Parties.

#### B. Objection to Settlement

If you do not exclude yourself from the Settlement, you can object to the terms of the Settlement before Final Approval. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object, you may file a written objection and a notice of intention to appear at the Final Approval hearing currently set for July 13, 2023 at 3PM in Department 22:

## **CLASS COUNSEL**

Justin Lo, Esq. WORK LAWYERS, PC 22939 Hawthorne Boulevard, Suite 202 Torrance, CA 90505

## **DEFENDANT'S COUNSEL**

Daniel Whang, Esq. Gina Gi, Esq. Seyfarth Shaw LLP 2029 Century Park East Suite 3500 Los Angeles, CA 90067

Any written objection should state each specific reason in support of your objection and any legal support for each objection. Your objection must also state your full name, address, date of birth, and dates you were employed as a non-exempt employee in California by Defendant. To be valid and effective, any objections to approval of the Settlement should be filed with the Clerk of the Court, Alameda County Superior Court, 24405 Amador St, Alameda, California 94544, and send copies to the Claims Administrator, and each of the above-listed attorneys no later than sixty (60) calendar days after the Claims Administrator mails this Class Notice. **DO NOT TELEPHONE THE COURT.** 

However, a Class Member may appear at the Final Approval Hearing, either in person or through their own counsel, and object to the Settlement Agreement and any of its terms without submitting a prior objection in the manner and by the deadline specified above.

To appear remotely through a Zoom link, please contact Department 22 in this matter at dept22@alameda.courts.ca.gov.

If you choose to file an objection to the terms of this Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself) or through your own attorney at your own expense. To do so, you must file an Entry of Appearance with the Clerk of the Alameda County Superior Court, and deliver copies to the Claims Administrator and each of the attorneys listed above. Such Entry of Appearance must be filed with the Court and delivered to the above attorneys no later than 45 days after the Claims Administrator mails this Class Notice to Class Members. You will then continue as a Settlement Class Member either *in propria persona* or with representation by your own attorney, and you will be solely responsible for the fees and costs of your own attorney. The final fairness hearing at which the Court will be asked to approve the Settlement will be at 3:00 p.m. (Pacific Time) on July 13, 2023, in Department 22, Superior Court of the State of California for the County of Alameda, or such other later date as the Court may authorize.

The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court's website, known as 'eCourt Public Portal,' at <a href="https://eportal.alameda.courts.ca.gov">https://eportal.alameda.courts.ca.gov</a>. After arriving at the website, click the 'Search 'tab at the top of the page, then select the Document Downloads link, enter the case number and click 'Submit.' Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

If you require additional information regarding the final approval date or making a remote appearance, please visit the County of Alameda Superior Court Website located at <a href="https://eportal.alameda.courts.ca.gov">https://eportal.alameda.courts.ca.gov</a> and <a href="https://eportal.alameda.courts.ca.gov">https://eportal.

## IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

Upon Final Approval being granted by the Court, each and every Class Member, who does not opt out of the Settlement, will release Defendant and the Released Parties from the Released Claims as described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into this release and to have released the above-described Released Claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the Released Claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

## V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department 22 of the Superior Court of the State of California in and for the County of Alameda, on July 13, 2023, at 3:00 p.m. (Pacific Time), to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the costs of administration, and the Enhancement Awards to be paid to the Class Representatives. Class Counsel's application for attorneys' fees and litigation costs will be on file with the Court no later than July 1, 2023, and will be available for review after that date. Class Counsel are seeking approval of a total of not more than thirty-three and one-third percent (33 1/3%) of the Settlement for attorneys' fees which equals \$138,333.00, and not more than \$20,000 for attorneys' costs.

The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

# VI. <u>ADDITIONAL INFORMATION</u>

If you want additional information about this lawsuit and its proceedings, you can contact Class Counsel:

Justin Lo, Esq. WORK LAWYERS, PC 22939 Hawthorne Boulevard, Suite 202 Torrance, CA 90505 Telephone: (310) 248-2994

Facsimile: (424) 355-8535 E-mail: justin@caworklawyer.com

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.