

NOTICE OF SETTLEMENT OF CLASS ACTION

**YOU ARE NOT BEING SUED
YOU MAY QUALIFY FOR AN INDIVIDUAL SETTLEMENT PAYMENT
PLEASE READ CAREFULLY**

Ryan Clay, individually, on behalf of all others similarly situated v. Conservice, LLC
Superior Court of the State of California, County of Santa Clara
Case Nos. 21CV387223 and 21CV391470

To: All non-exempt employees who have worked, or continue to work, for Conservice, LLC (“Conservice”) in California from April 3, 2017 through and including April 18, 2023 (the “Class”):

THIS NOTICE is of a proposed settlement of a class action lawsuit, and an announcement of a court hearing that you may choose to attend. Your rights may be affected by the legal proceedings in this action. The Court will conduct a hearing on October 11, 2023 to address whether the proposed settlement should be approved (“Final Approval Hearing”). You may be entitled to receive a payment under the terms of this class action settlement contained in the Settlement Agreement.

«First_Name» «Last_Name»

«Address_1»

«City», «State» «Zip»

You have been identified as a Class Member in the above lawsuits. Under the terms of the proposed settlement, you are estimated to receive approximately «Total_Est_Amt» as your share of the Net Settlement Amount should the Court grant the settlement in full. Please note that this is only an estimate. Your actual share of the Net Settlement Amount may be more or less than this estimate. Your estimate is based on the number of weeks you worked at Conservice in California between April 3, 2017 through April 18, 2023 (the “Class Period”). Your options and eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT (SEE SECTION VIII FOR MORE DETAILS)	
DO NOTHING	Receive a settlement payment and give up your right to sue on the Released Claims described in Section III. You are automatically included and eligible to receive a payment once the Court approves the settlement. Please alert the Settlement Administrator if your mailing address changes.
EXCLUDE YOURSELF	You may “opt-out” of any connection with this case including any right to a settlement payment if you would like to retain the right to pursue your own individual claims against the Company. If you choose to opt-out, you must submit a Request for Exclusion by July 17, 2023 (see Section VI). All persons who validly and timely opt-out of the Settlement will <u>not</u> receive any settlement payment and will preserve Released Claims described in Section IV subject to applicable statutes of limitations, except that Settlement Class Members who worked during the PAGA limitations period are nevertheless bound by the release of the PAGA claims.
OBJECT	Write to the Court and Settlement Administrator about why you do not like the Settlement by completing and submitting an Objection by July 17, 2023 (see Section VI).
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement.

I. Why should I read this Notice?

The Court has granted preliminary approval of a proposed settlement (the “Settlement”) in two cases entitled *Ryan Clay, individually, on behalf of all others similarly situated v. Conservice, LLC and DOES 1-20, inclusive*, Santa Clara County Superior Court Case Nos. 21CV387223 and 21CV391470 (collectively, the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

Conservice’s records show that you were employed in California as a non-exempt employee (meaning you were paid hourly or otherwise eligible for overtime pay) at some point during the Class Period. The Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you were employed by Conservice as a non-exempt employee in California during the Class Period, you are automatically included in the Settlement and do not need to take any further action to receive a payment. You should alert the Settlement Administrator, using the contact information provided herein, if you change your mailing address in the future.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the proposed Settlement, and to discuss your rights and options in connection with the Lawsuit and the Settlement.

II. What is this lawsuit about?

On September 30, 2021, Plaintiff and Class Representative Ryan Clay, through his attorneys (“Class Counsel”), filed a class action complaint against Conserve for wage and hour violations on behalf of all current and former non-exempt employees who were employed by the Company in California at any time since April 3, 2017. Clay also filed, through his attorneys, a separate lawsuit seeking civil penalties under the California Private Attorneys General Act, California Labor Code section 2698 *et seq.* (“PAGA”), on December 7, 2021. The complaints in the Lawsuit allege that Conserve violated various Labor Code sections by failing to pay wages for all hours worked including overtime wages, as well as failing to provide all required meal and rest breaks, failing to timely pay final wages, failing to provide accurate and complete wage statements, failing to pay sick pay at the correct rate, and failing to reimburse necessary business expenses.

Conserve denies these allegations and contends that it has done nothing wrong. Conserve denies that it owes any wages, expenses, restitution, penalties, or other damages. Accordingly, this class Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Conserve, which expressly denies all liability.

The Court has not ruled on the merits of the claims alleged in the Lawsuit. And, by approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose the Lawsuit if it went to trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, Conserve and Plaintiffs have concluded that it is in their respective best interests and the interests of the Settlement Class to settle the Lawsuit on the terms summarized in this Notice. After an extensive provision of information to Class Counsel by Conserve, the Settlement was reached following an arm’s length mediation. In these negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the Proposed Settlement was a good option to resolve the disputed claims.

If you are still employed by Conserve, this Settlement will not affect your employment. Conserve will not take any adverse action against any Class Member because of the Class Member’s participation or decision not to participate in this Settlement.

III. Who are the attorneys?

<u>Class Counsel:</u>
Kashif Haque Jessica Campbell Kristy Connolly Aegis Law Firm, PC 9811 Irvine Center Drive, Suite 100 Irvine, CA 92618 Tel: (949) 379-6250

IV. What are the terms of the Settlement?

On **April 18, 2023**, the Court certified a class, for settlement purposes only, of all hourly employees employed by Conserve in California between April 3, 2017, through **April 18, 2023** (the “Settlement Class”). Individuals who do not opt out of the Settlement Class, pursuant to the procedures set forth in this Notice, (“Class Members”) will be mailed Settlement checks and in exchange be bound by the Settlement and release of certain wage and penalty claims against Conserve.

Without admitting any wrongdoing, Conserve has agreed to pay One Million Two Hundred Fifty-Three Thousand Two Hundred Twenty-Eight Dollars and Fifty-Five Cents (\$1,253,228.55) (the “Settlement Amount”) in U.S. dollars to fully resolve all claims in the Lawsuit, which includes payments for Individual Settlement Payments to eligible Class Members, attorneys’ fees and costs, Settlement Administration Costs, and Class Representative Service Awards.

The Parties agreed to the following payments from the Settlement Amount:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, a maximum of \$6,950 will be paid from the Settlement Amount to pay the Settlement Administration Costs.

Penalties to the California Labor Workforce and Development Agency (“LWDA”). Fifty Thousand Dollars (\$50,000) of the Settlement Amount will be allocated to Plaintiffs’ claim under PAGA (the “PAGA Payment”). Of this amount, Seventy-Five Percent (75%) will be paid to the LWDA in satisfaction of the claims for penalties under PAGA, and the remaining Twenty-Five Percent (25%) will be included in the Net Settlement Amount to be divided between all Class Members who worked for Conservice during the PAGA Period, regardless of whether they opt-out of the settlement.

Service Awards to Settlement Class Representatives. Class Counsel will ask the Court to award Class Representatives Ryan Clay and Jeff Raquel a Service Award in the amount of Ten Thousand Dollars (\$10,000) each to compensate them for service and extra work provided on behalf of the Class Members. The Class Representatives also may receive shares of the Settlement as Class Members.

Attorneys’ Fees and Expenses. Class Counsel, Aegis Law Firm, PC, have been prosecuting the Lawsuit on behalf of the 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 Settlement Amount. 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 thirty-five (35%) of the Settlement Amount (currently, up to Four Hundred Thirty-Eight Thousand Six Hundred Twenty-Nine Dollars and Ninety-Nine Cents (\$438,629.99) as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through finalization of the Settlement. Class Counsel also will ask for reimbursement of up to Thirty Thousand Dollars (\$30,000) for the costs Class Counsel incurred in connection with the Lawsuit.

Calculation of Individual Settlement Payments to Class Members. After deducting the amounts above, the balance will form the Net Settlement Amount for distribution to the participating Class Members (who are Class Members who do not opt-out). The Net Settlement Amount will total approximately Seven Hundred Seven Thousand Six Hundred Forty-Eight Dollars and Fifty-Six Cents (\$707,648.56). A Class Member’s Individual Settlement Payment shall be calculated by dividing the number of eligible workweeks attributed to the Class Member during the Class Period by all Eligible Workweeks during the Class Period attributed to all members of the Settlement Class, multiplied by the portion of the Net Settlement Amount that is not attributable to the PAGA Payment. A Class Member who worked as an hourly employee for the Company in California between April 3, 2020 and April 18, 2023 (the “PAGA Period”) shall also receive a share of the PAGA Payment. The Class Member’s share of the PAGA Payment shall be proportionate to the number of eligible workweeks attributed to the Class Member during the PAGA Period divided by all eligible workweeks attributed to all Class Members during the PAGA Period, multiplied by Twenty-Five percent (25%) of the PAGA Payment. The individual settlement payment for a Class Member who opts out of the Settlement, and who was employed by the Company during the PAGA Period, shall consist solely of a share of the PAGA Payment. The share of such a Class Member shall be proportionate to the number of eligible workweeks attributed to the Class Member during the PAGA Period, divided by all eligible workweeks attributed to all Class Members during the PAGA Period, multiplied by Twenty-Five percent (25%) of the PAGA Payment.

For each Settlement Class Member, the weeks worked at Conservice during the Class Period will be calculated from Conservice’s records. Conservice’s records indicate that you worked for «Class_Weeks» **Workweeks** in California during the Class Period, and «PAGA_Weeks» **Workweeks** during the PAGA Period. If you disagree with either of these numbers, you may submit evidence to the Settlement Administrator on or before July 17, 2023, with documentation to establish the number of weeks you claim to have actually worked for Conservice in California during the Class Period and/or the PAGA Period (excluding any excluded workweeks). **DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.**

Based on the above criteria, your estimated gross share of the Settlement is «**Total_Est_Amt**».

Payments to Class Members. After the Court grants Final Approval of the Settlement and Judgment is entered, settlement checks will be mailed to all participating Class Members who did not timely request to be excluded. In addition, if you (a) were employed during the PAGA Period, and (b) timely submitted a request for exclusion, you will still receive a proportionate share of the PAGA Payment.

If a settlement check remains uncashed after 180 days from the date it is issued, the check will become void and the amount of the uncashed check will be paid to Legal Aid at Work, who will serve as the *cy pres* recipient.

Allocation and Taxes. Each Individual Settlement Payment will represent wages and penalties allocated using the following formula: 20% allocated to wages and 80% allocated to penalties and interest. The PAGA Settlement Amount represents 100% penalties. Applicable taxes will be withheld from your payment.

The Settlement Administrator, Conservice and its counsel, and Class Counsel cannot provide tax advice and make no representations as to the tax treatment or legal effect of the Individual Settlement Payments. Participating Class Members will be solely responsible for the payment of any taxes and penalties assessed on their Individual Settlement Payments. Accordingly, Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court grants final approval of the Settlement and you do not opt out of the Settlement, you will be deemed to have released Conservice from any and all claims that were alleged or reasonably could have been alleged based on the facts in Plaintiff's operative complaint during the Class Period. These claims include, but are not limited to: (1) failure to pay minimum wages (2) failure to pay overtime wages (3) failure to provide meal periods (4) failure to permit rest breaks (5) failure to reimburse business expenses (6) failure to provide accurate itemized wage statements (7) failure to pay all wages due upon separation of employment; and (8) violation of Business and Professions Code §§ 17200, et seq. ("Released Claims").

Additionally, if you worked during the PAGA Period, you are a PAGA Group Member and you will also release the right to bring a claim for civil penalties on behalf of the State (and other employees) based on the same facts or theories as the Released Claims, which arose during the PAGA Period, even if you have formally opted-out of being a Settlement Class Member. You will not be able to pursue any claim on behalf of the State for such penalties.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

V. How can I claim money from the settlement?

You are automatically included as a Settlement Class Member to receive a settlement payment, provided that you do not exercise your right to opt-out as explained below, and do not have to take any further action. It is the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement amount.

VI. What other options do I have?

- A. **Do Nothing and Participate in the Settlement.** Under the Settlement, you will automatically receive a settlement payment unless you choose to exclude yourself from the settlement by following the exclusion procedure set forth below. If you disagree with the number of weeks worked, as described in this Notice, you may dispute the allocation of the Settlement without excluding yourself or objecting, as described below.

If you are a current employee, your decision as to whether or not to participate in this Settlement will not be considered by Conservice and Conservice will not take any adverse employment action against you based on your participation in the Settlement.

- B. **Exclude Yourself from the Settlement.** If you **do not** wish to take part in the Settlement, you may exclude yourself by submitting a written statement requesting exclusion from the Class and mail it to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863. The statement must be signed by you or your authorized representative and must be postmarked on or before July 17, 2023.

Any person who files a timely Request for Exclusion, upon receipt: (1) will not have any rights under this Settlement, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive any payments in connection with the release of the class action claims under this Settlement; and (3) will not be bound by this Settlement, or the Judgment, except that Settlement Class Members who worked during the PAGA period are nevertheless bound by the release of the PAGA claims. This means that even if a Class Member opts-out from the settlement, they will still be paid their allocation of the PAGA Settlement Amount, if any, and will remain bound by the release of the PAGA Released Claims regardless of their request to opt out.

- C. **Object to Settlement.** You may object to the proposed settlement in writing. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Clay v. Conservice, LLC*, Case Number 21CV387223), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113 or by contacting the court by email (complex@scscourt.org) or telephone (408-882-2286); (c) also be mailed to the Settlement Administrator and (d) be filed or postmarked on or before July 17, 2023.

You may also appear at the Final Approval Hearing to make an oral objection remotely whether or not any notice of appearance has been provided. Class members may appear at the final approval hearing remotely using the Microsoft Teams link for Department 19 (Afternoon Session). Instructions for appearing remotely are provided at https://www.scscourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class members who wish to appear remotely are encouraged to contact Class Counsel at least three days before the hearing is possible, so that potential technology or audibility issues can be avoided or minimized.

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 participating Class Members who do not object.

VII. What is the effect of the settlement?

Released Rights and Claims. The Settlement is intended to settle all claims against the Released Parties that were asserted or could have been asserted in the Lawsuit regarding the alleged violations of wage and hour laws. If you were employed by Conservice in California at any time during the Class Period and do not elect to 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. If the Settlement is not approved by the Court or does not become final for some other reason, the Lawsuit may continue, and the releases will not take effect.

VIII. What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement, and Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Awards to the Class Representatives on October 11, 2023, at 1:30 p.m. in Department 19 of the Santa Clara County Superior Court, located at 191 N. 1st Street, San Jose, CA 95113.

Class members may appear at the final approval hearing remotely using the Microsoft Teams link for Department 19 (Afternoon Session). Instructions for appearing remotely are provided at https://www.sccourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class members who wish to appear remotely are encouraged to contact Class Counsel at least three days before the hearing is possible, so that potential technology or audibility issues can be avoided or minimized.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

IX. How can I get additional information?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at <https://portal.sccourt.org/>, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator. You may also visit the website maintained by the Settlement Administrator at <https://www.phoenixclassaction.com/clay-v-conservice/>.

PLEASE DO NOT TELEPHONE THE COURT OR CONSERVICE'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT.

X. Reminder as to time limits.

Class Members do not have to take any further action to participate in the Settlement. The deadline for submitting a Request for Exclusion is July 17, 2023. The deadline for mailing an objection to the Settlement Administrator is July 17, 2023. These deadlines will be strictly enforced.

**PLEASE DO NOT CALL OR WRITE THE COURT
FOR INFORMATION ABOUT THIS SETTLEMENT**