

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT*Sweat, et al. v. JKS Ventures, Inc.*

Placer County Superior Court, Case No. S-CV-0047106

THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.**PLEASE READ THIS NOTICE CAREFULLY.****YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To:	All current and former hourly-paid, non-exempt employees of JKS Ventures, Inc. dba Incredible Pets who were employed by JKS Ventures, Inc. dba Incredible Pets in the state of California at any time from August 4, 2017 through November 4, 2022.
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BASIC INFORMATION**1. What is this Settlement about?**

Plaintiff Glenn Sweat filed a wage and hour class action lawsuit against JKS Ventures, Inc. dba Incredible Pets on August 4, 2021, with the Placer County Superior Court, Case No. S-CV-0047106. On July 19, 2021, Plaintiff Sweat filed a separate Representative Action under the Private Attorneys General Act of 2004 (“PAGA”) with the Placer County Superior Court, Case No. S-CV-0047016. On October 27, 2022, Plaintiffs Glenn Sweat and Jamie Chinn (collectively “Plaintiffs”) filed an amended Complaint adding the PAGA claims with the wage and hour class action. The case is currently pending in the Placer County Superior Court, Case No. S-CV-0047106 (the “Lawsuit”).

The Lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiffs allege that Defendant failed to provide compliant meal and rest periods or pay meal and rest break premiums, did not properly pay employees overtime or pay minimum wages for all time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the PAGA. The Lawsuit claims that the Defendant violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution. Defendant denies all alleged violations and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the Lawsuit.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case Glenn Sweat and Jamie Chinn, also known as “Plaintiffs”), sue on behalf of people who appear to have similar claims (in this case all hourly, non-exempt individuals who worked for JKS Ventures, Inc. dba Incredible Pets (“Defendant”) within the State of California at any time from August 4, 2017 through November 4, 2022). All these people are referred to here as Class Members. In a class action one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Placer County Superior Court (the “Court”) is in charge of this particular class action.

3. Why is there a Settlement?

The Court has not decided in favor of the Plaintiffs or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action Settlement and Release (“Agreement” or “Settlement”).

On May 5, 2023 the Court granted preliminary approval of the Settlement, appointed Plaintiffs Glenn Sweat and Jamie Chinn as the Class Representatives, and appointed their attorneys at Protection Law Group, LLP and Lawyers *for* Justice, PC as counsel for the Class (“Class Counsel”).

The Class Representatives and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?**4. How do I know if I am part of the Settlement?**

You are part of the Settlement, and a Class Member, if you were employed by Defendant as an hourly-paid, non-exempt employee who worked for JKS Ventures, Inc. dba Incredible Pets within the State of California at any time between August 4, 2017 through November 4, 2022 (the “Class Period”).

You are part of the Settlement, and a PAGA Member, if you were employed by Defendant as an hourly-paid, non-exempt employee who worked for JKS Ventures, Inc. dba Incredible Pets within the State of California at any time between May 14, 2020 through November 4, 2022 (the “PAGA Period”).

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the Settlement provide?

The Settlement provides that Defendant will pay a gross settlement amount of Four Hundred Seventy-Five Thousand Dollars (\$475,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 35% of the Gross Settlement Amount or One Hundred Sixty-Six Thousand Two Hundred Fifty Dollars (\$166,250.00);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Twenty-Five Thousand Dollars (\$25,000.00);
- C. **Incentive Payment to the Class Representatives** in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00) each to Plaintiffs Sweat and Chinn;
- D. **Settlement Administration Costs** in an amount not to exceed Ten Thousand Dollars (\$10,000.00); and
- E. **PAGA Payment** in the amount of Twenty-Five Thousand Dollars (\$25,000.00) for the settlement of claims arising under the PAGA. Seventy-Five percent (75%) of this amount, (\$18,750.00) shall be paid to the Labor & Workforce Development Agency (“LWDA”). The remaining twenty-five percent (25%) (\$6,250.00) will be distributed to the PAGA Members.

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment”, will be determined on a *pro rata* basis, based on the number of workweeks you worked in California as an hourly-paid, non-exempt employee of Defendant from August 4, 2017 through November 4, 2022 (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Settlement Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest, and forty percent (40%) penalties. PAGA Payments will be considered one hundred percent (100%) penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of each Class Member’s settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked «Total_Weeks» Workweeks during the Class Period. Your Individual Settlement Payment is «Total_Est_Amt». The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, if any.

This Amount was determined based on Defendant’s record of your employment between August 4, 2017 through November 4, 2022, and is presumed correct. If you dispute the accuracy of Defendant’s records as to the number of Workweeks you worked during the period described above you must contact the Settlement Administrator and provide any documentation you have supporting such dispute. Submission of these documents must be postmarked before July 11, 2023. All disputes regarding your Workweeks will be resolved and decided by the Parties after you submit evidence to the Settlement Administrator. If the Parties do not agree, the dispute will be submitted to the Court. The Settlement Administrator’s contact information is listed below:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment from the Settlement?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Gross Settlement Amount by Defendant, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely request for exclusion will release the “Released Parties” from the “Released Class Claims” for the “Released Claims Period.”

The “Released Parties” include Defendant JKS Ventures, Inc. dba Incredible Pets, together with its past and present parents, subsidiaries, affiliates, predecessors, and related entities, and all of their respective employees, officers, directors, owners (whether direct or indirect), general partners, limited partners, trustees, representatives, shareholders, stockholders, and members.

The “Released Class Claims” means any and all claims, actions, or causes of action alleged in the operative Complaint, or that could have been alleged or raised in the operative Complaint based upon or arising out of the facts alleged therein, during the Class Period including the following claims: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; and (vii) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative Complaint.

The “Released Claims Period” during which the release of Released Class Claims pertains is from August 4, 2017 through November 4, 2022.

All PAGA Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all Released Class Claims arising under PAGA with respect to all of the Released Parties irrespective of whether a Class Member submits a request for exclusion during the PAGA Period.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Class Claims other than those which arise under the Private Attorney General Act (California Labor Code sections 2698 *et seq.*), then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible as a PAGA Member, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Class Claims you must submit a written Request for Exclusion. You must include your full name, address, telephone number and the last four digits of your social security number, and the case name and number of the Lawsuit. Your Request for Exclusion must also include a statement that you do not wish to be included in this Lawsuit similar to the following: “I wish to exclude myself from the class settlement reached in the matter of *Sweat, et al. v. JKS Ventures, Inc.* I understand that by excluding myself, I will not receive money from the settlement reached in this matter.”

The written Request for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by July 11, 2023. You cannot exclude yourself by phone.

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims (except for Released Class Claims that arise under the Private Attorney General Act (California Labor Code sections 2698 *et seq.*)).

You may be able to sue Defendant and/or the Released Parties or continue any suit you have pending against Defendant or the Released Parties, regarding the Released Class Claims (except for Released Class Claims that arise under the Private Attorney General Act (California Labor Code sections 2698 *et seq.*)).

9. If I don’t exclude myself, can I sue Defendant for the same thing later?

No. Unless you submit a Request for Exclusion, you give up the right to sue Defendant and Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this Settlement?

No (except if you worked for Defendant between May 14, 2020 through November 4, 2022, in which case you will still receive the portion of your Individual Settlement Payment for Released Class Claims that arise under PAGA.).

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP and LAWYERS *for* JUSTICE, PC as Class Counsel. The firm's contact information is:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.
Amir Nayebedadash, Esq.
237 California Street
El Segundo, California 90245
Telephone: (844) 294-3095

LAWYERS *for* JUSTICE, PC

Edwin Aiwarzian
410 West Arden Avenue
Suite 203
Glendale, California 91203
Telephone: (818)265-1020

Class Counsel will ask the Court for attorneys' fees of up to \$166,250.00 and reimbursement of litigation cost/expenses of up to \$25,000.00. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don't like the Settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than July 11, 2023. Your objection must include your full name, address, telephone number, the last four digits of your social security number, the case name and number of the Lawsuit, the specific reason for your objection, and state whether you intend to appear at the Final Approval Hearing. You may also come to the Final Approval Hearing on July 27, 2023 and make an objection at that time, regardless of whether you submitted a written objection. However, if you have an attorney who will represent you in your objection to the Settlement, that attorney must file a notice of appearance with the Court and serve Class Counsel and Defendant's Counsel no later than July 11, 2023.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

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

The Court will hold the Final Approval Hearing at 8:30a.m on July 27, 2023, at the Placer County Superior Court, located at 10820 Justice Center Drive, Roseville, California 95678, in Department 3.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I have to come to the hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Please see <http://www.placer.courts.ca.gov/RAS.shtml> for information on how to schedule remote appearances.

16. How will I learn if the Settlement was approved?

A notice of final judgment will be posted on the Settlement Administrator website located at <https://www.phoenixclassaction.com/jks-ventures/>.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or Released Parties about the Released Class Claims, ever again. Your Individual Settlement Payment will be mailed to you and will remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be forwarded to the Controller of the State of California pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et seq.*, to be held in trust. You may then claim these funds from there.

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the Settlement located on the Settlement Administrator's website at <https://www.phoenixclassaction.com/jks-ventures/> or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE