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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO

SARAH P. ESPINOZA; an individual, on
behalf of herself and on behalf of all persons
similarly situated,

PLAINTIFF,

vs.

LOVE'S COUNTRY STORES OF
CALIFORNIA; and DOES 1 through 50,
Inclusive;

DEFENDANTS.

Case No. CIV DS 2016481

**DECLARATION OF MADELY NAVA OF
ILYM GROUP, INC., IN SUPPORT OF
MOTION FOR FINAL APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: March 8, 2022
Time: 10:00 a.m.

Judge: David Cohn.
Dept.: S-26

1 I, Madely Nava, declare as follows:

2 1. I am a resident of the United States of America and am over the age of 18. I am the
3 Operations Manager for ILYM Group, Inc., (herein after referred to as “ILYM Group”), the
4 professional settlement services provider who has been retained by the Parties’ Counsel and
5 subsequently appointed by the Court to serve as the Claims Administrator for the above captioned
6 *Espinoza, et al. v. Love's Country Stores of California* matter. I am authorized to make this
7 declaration on behalf of ILYM Group and myself. I have personal knowledge of the facts herein,
8 and, if called upon to testify, I could and would testify competently to such facts.

9 2. ILYM Group has extensive experience in administering Class Action Settlements,
10 including direct mail services, database management, claims processing and settlement fund
11 distribution services for Class Actions ranging in size from 26 to 4.5 million Settlement Class
12 Members.

13 3. ILYM Group was engaged by the Parties’ Counsel and subsequently approved and
14 appointed by the Court to provide notification services and claims administration, pursuant to the
15 terms of the Settlement, in the above referenced Action. Duties performed to-date and to be
16 performed after Final Approval of the Settlement is granted, include: (a) printing and mailing the
17 *Notice of Pendency of Class Action Settlement and Final Hearing Date* (referred to as “Notice
18 Packet”); (b) receiving and processing requests for exclusion; (c) resolving Settlement Class
19 Members’ disputes over the number of workweeks Defendants have record of them working
20 during the Class Period, which was pre-printed on their individualized Class Notice; (d) calculating
21 individual settlement award amounts; (e) processing and mailing settlement award checks; (f)
22 handling tax withholdings as required by the Settlement and the law; (g) preparing, issuing and
23 filing tax returns and other applicable tax forms; (h) handling the distribution of any unclaimed
24 funds pursuant to the terms of the Settlement; and (i) performing other tasks as the Parties mutually
25 agree to and/or the Court orders ILYM Group to perform.

26 4. On November 23, 2021, ILYM Group received the Court approved text for the
27 Notice Packet from Counsel for Plaintiff. ILYM Group prepared a draft of the formatted Notice
28 Packet, which was approved by the Parties’ Counsel prior to mailing.

1 5. On December 1, 2021, ILYM Group received the class data file from Counsel for
2 Defendants, which contained the name, social security number, last known mailing address, and
3 the total number of applicable workweeks worked for each Settlement Class Member. The data
4 file was uploaded to our database and checked for duplicates and other possible discrepancies. The
5 Class List contained 1,501 individuals.

6 6. As part of the preparation for mailing, all 1,501 names and addresses contained in
7 the Class List were then processed against the National Change of Address (“NCOA”) database,
8 maintained by the United States Postal Service (“USPS”), for purposes of updating and confirming
9 the mailing addresses of the Settlement Class Members before mailing of the Notice Packet. The
10 NCOA contains requested change of addresses filed with the USPS. To the extent that an updated
11 address was found in the NCOA database, the updated address was used for the mailing of the
12 Notice Packet. To the extent that no updated address was found in the NCOA database, the original
13 address provided by Counsel for Defendants was used for the mailing of the Notice Packet.

14 7. On December 15, 2021, the Notice Packet was mailed, via U.S First Class Mail, to
15 all 1,501 individuals contained in the Class List. Attached hereto, as **Exhibit A**, is a true and
16 correct copy of the mailed Notice Packet.

17 8. On February 23, 2022, ILYM Group was informed by Defense Counsel that the
18 initial class list provided was incomplete as 173 Class Members were inadvertently excluded. The
19 class size is therefore 1,674 individuals.

20 9. As part of the preparation for the second mailing, the additional Class Members
21 were processed against the National Change of Address (“NCOA”) database, maintained by the
22 United States Postal Service (“USPS”), for purposes of updating and confirming the mailing
23 addresses of the Settlement Class Members before mailing of the Notice Packet. The NCOA
24 contains requested change of addresses filed with the USPS. To the extent that an updated address
25 was found in the NCOA database, the updated address was used for the mailing of the Notice
26 Packet. To the extent that no updated address was found in the NCOA database, the original address
27 provided by Counsel for Defendants was used for the mailing of the Notice Packet.

28 ///

1 10. On March 14, 2022, a second mailing of the Notice Packet was mailed, via U.S.
2 First Class Mail, to all Class Members. Attached hereto, as **Exhibit “B”**, is a true and correct
3 copy of the mailed Notice Packet.

4 11. As of the date of this declaration, 214 Notice Packets have been returned to our
5 office as undeliverable. Of the 214 returned Notice Packets, none included a forwarding address.
6 ILYM Group performed a computerized skip trace on the 214 returned Notice Packets that did not
7 have a forwarding address, in an effort to obtain an updated address for purpose of re-mailing the
8 Notice Packet. As a result of this skip trace, 84 updated addresses were obtained and the Notice
9 Packet was promptly re-mailed to those Class Members, via U.S First Class Mail.

10 12. As of the date of this declaration, a total of 84 Notice Packets have been re-mailed.
11 Specifically, 84 have been re-mailed as a result of ILYM Group’s skip tracing efforts. As of the
12 date of this declaration, a total of 130 Notice Packets have been deemed undeliverable as no
13 updated address was found via skip tracing efforts.

14 13. As of the date of this declaration, ILYM Group has received 1 request for exclusion.
15 The initial deadline to request exclusion from the Settlement was January 29, 2022. The deadline
16 to request exclusion from the Settlement for the second mailing was April 28, 2022.

17 14. As of the date of this declaration, ILYM Group has not received any objections to
18 the Settlement. The deadline to file an objection to the Settlement was January 29, 2022. The
19 deadline to file an objection to the Settlement for the second mailing was April 28, 2022.

20 15. As of the date of this declaration, ILYM Group will report a total of 1,673
21 Participating Class Members, representing 99.94% of the 1,674 Settlement Class Members.

22 16. Participating Class Members will receive a proportional share of the Net Settlement
23 Fund through individual settlement payments, based on the number of workweeks worked by Class
24 Members during the Class Period. The Net Settlement Fund is the amount remaining after
25 deduction of the Court-approved payments from the Gross Settlement Fund for Class Counsel Fees
26 and Litigation Costs, the Class Representative Enhancement Award, Claims Administration Fees
27 to ILYM Group, and the PAGA allocation, e.g.,
28

1	Gross Settlement Fund	\$2,219,318.18
2	Class Counsel Fees	\$739,772.72
3	Class Counsel Expenses	\$30,000.00
4	Class Representative Service Award	\$10,000.00
5	Class Representative Service Award	\$10,000.00
6	ILYM Group Fees	\$22,958.75
7	LWDA	\$60,000.00
8	PAGA Allocation to Aggrieved Employees	\$20,000.00
9	Net Settlement Fund	\$1,326,586.71

10 To determine a Participating Class Members' individual settlement award payment, the distribution
11 will be divided among all Class Members on a pro rata basis, based on the ratio of the Applicable
12 Workweeks worked by each Class Member during the Class Period, to the total number of
13 Applicable Workweeks worked by all Class Members during the Class Period. The total Applicable
14 Workweeks worked during the Class Period is 60,336. Based on these calculations, the
15 Participating Class Members will receive an estimated average gross payment of \$792.94, with the
16 estimated highest gross payment being \$2,399.53. To determine Aggrieved Employees' individual
17 settlement award payment, the distribution will be divided among all Aggrieved Employees on a
18 pro rata basis, based on the ratio of the Applicable PAGA Workweeks worked by each Aggrieved
19 Employee during the PAGA Period, to the total number of Applicable PAGA Workweeks worked
20 by all Aggrieved Employees during the PAGA Period. The total Applicable PAGA Workweeks
21 worked during the PAGA Period is 58,778. Based on these calculations, the Participating
22 Aggrieved Employees will receive an estimated average gross payment of \$11.95, with the
23 estimated highest gross payment being \$38.11.

24 17. ILYM Group's total fees and costs for services in connection with the administration
25 of this Settlement, which includes fees and costs incurred to-date, as well as anticipated fees and
26 costs for completion of the settlement administration, are \$22,958.75. ILYM Group's work in
27 connection with this matter will continue with the calculation of the settlement award payments,
28 issuance and mailing of the settlement award checks, the necessary tax filing and reporting on such

1 payments, and any other tasks that the Parties mutually agree to and/or the Court orders ILYM
2 Group to perform.

3 I declare under penalty of perjury under the laws of the State of California and the United
4 States that the foregoing is true and correct to the best of my knowledge and that this Declaration
5 was executed this 17th day of May 2022, at Tustin, California.

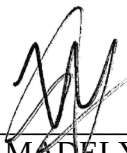
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7
8 
MADELY NAVA

EXHIBIT “A”

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Espinoza v. Love's country Stores of California, Case No. CIVDS2016481)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$«Total_Estimated_Settlement_Amount». See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement . Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of San Bernardino (the "Court") has been reached between Plaintiffs Estefania Renteria and Sarah P. Espinoza ("Plaintiffs") and Defendant Love's Country Stores of California ("Defendant"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All persons Defendant classified as non-exempt employees who are or previously were employed by Defendant in California during the period of May 15, 2019 to May 25, 2021.

The "Class Period" is the period of time running from May 15, 2019, to May 25, 2021.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On May 28, 2020, Plaintiff Renteria filed a Complaint against Defendant in the Superior Court of the State of California, County of San Kern case number BCV-20-101260 (the "Kern County Action"). Plaintiff asserted claims that Defendant: (a) Violated California Business and Professions Code § 17200 *et seq.*; (b) Failed to pay overtime wages in violation of California Labor Code §§ 510, *et seq.*; (c) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1; (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (f) Failed to provide accurate and complete itemized wage statements in violation of California Labor Code § 226; (g) Failed to provide wages when due in violation of California Labor Code §§ 201, 202, and 203. On August 3, 2020, Plaintiff Renteria filed a First Amended Complaint to include a Violation of the Private Attorneys General Act [Labor Code §§ 2698, *et seq.*]

On July 30, 2020, Plaintiff Espinoza filed the Lawsuit for: (a) Failure to properly calculate and pay overtime; (b) Failure to provide meal break; (c) Failure to provide rest breaks; (d) Failure to pay all wages due at the end of employment; (e) Failure to furnish accurate itemized wage statements; (f) Unlawful business practices in this case,

Superior Court of California, County of San Bernardino case number CIV-DS-2016481. On October 7, 2020, Plaintiff Espinoza filed the First Amended Complaint (“FAC”) against Defendant adding a seventh cause of action for violation of the Private Attorneys General Act [Labor Code §§ 2698, *et seq.*]

Defendant denies and disputes all claims asserted in the Renteria Action and the Espinoza Action. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant properly paid members of the class all wages and overtime that was due; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendants paid any members of the class all wages due them at the time of their terminations; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendant is not liable for any of the penalties claimed.

On May 25, 2021, the Parties participated in an all-day mediation with Steven Rottman, Esq., an experienced mediator of wage and hour class actions. At the conclusion of the full-day mediation, the Parties failed to reach an agreement. However, following the mediation, each side, represented by its respective counsel, agreed to settle the Action based on a Mediator’s proposal. To facilitate the Settlement, a Second Amended Complaint has been filed in the case initiated by Plaintiff Espinoza and pending in the Superior Court of California, County of San Bernardino. This Second Amended Complaint adds Plaintiff Estefania Renteria and consolidates/incorporates the claims that were concurrently pending in the Kern County Action into the instant case. The San Bernardino County Superior Court granted preliminary approval of the Settlement on November 16, 2021. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of JCL Law Firm, APC, Zakay Law Group, APC, and Mayall Hurley P.C. to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Two Million One Hundred Thousand Dollars (\$2,100,000) (the “Gross Settlement Amount” or “GSA”) to fund the settlement. The GSA includes the payment of all Settlement Payments to participating Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Costs, the PAGA Settlement, and the Class Representative Service Awards to the Plaintiffs.

After the Judgment becomes Final, Defendant will pay the GSA by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the GSA, which will be subject to final Court approval, and which will be deducted from the GSA before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, ILYM Group, Inc., estimated not to exceed \$16,763.60, for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Attorneys’ Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than 1/3 of the GSA (currently \$700,000) and a Class Counsel Litigation Expenses Payment of not more than \$30,000 for all expenses incurred as documented in Class Counsel’s billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Awards. Class Representative Service Awards of up to Ten Thousand Dollars (\$10,000.00) to each Plaintiff, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$80,000 relating to Plaintiffs’ claim under the Private Attorneys General Act (“PAGA”), \$60,000 of which will be paid to the State of California’s Labor and Workforce Development Agency (“LWDA”) and the remaining \$20,000 will be distributed to Aggrieved Employees in proportional shares based on the number of workweeks worked between April 6, 2019 and May 25, 2021 (the “PAGA Period”).

- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Class Counsel Award (including fees and costs), the Class Representative Service Award, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the “Net Class Settlement Amount,” shall be distributed to class members who do **not** request exclusion (“Settlement Class Members”). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the Net Class Settlement Amount by the total number of Workweeks for all Settlement Class Members that occurred during the Class Period and multiplying the result by each individual Settlement Class Member’s Workweeks that occurred during the Class Period. A “workweek” is defined as a normal seven-day week of work during the Class Period in which, according to Defendant’s records, a member of the class worked at least one-day during any such workweek. Settlement Class Members whose employment with Defendant ended during the Class Period will be credited with an additional four (4) Workweeks in order to compensate for the potential additional claim for waiting time penalties those individuals may have.
- Calculation of PAGA Penalties Payments to Aggrieved Employees. The Net PAGA Amount shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out of the Settlement. The Net PAGA Amount will be divided by the total number of Workweeks worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of Workweeks worked by each respective Aggrieved Employee during the PAGA Period. “Aggrieved Employees” means all non-exempt employees who are or previously were employed by Defendant in California during the period of April 6, 2019 to May 25, 2021.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. One-Fourth of each Individual Settlement Payment is allocated to wages. Taxes will be withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Three-Fourths of each Individual Settlement Payment is allocated to interest, penalties and other non-wage payments, no taxes will be withheld, and each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the Aggrieved Employee Payments paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant’s counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Class Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiffs and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims are defined as all class claims alleged in the operative complaint in the Renteria Action (Kern County Action) and/or Espinoza Action, which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside the Class Period, and excluding claims arising from allegations of misclassification of employees as exempt.

Released PAGA Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiffs, the LWDA, and all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement. “Released PAGA Claims” are defined as all PAGA claims alleged in the operative complaint and Plaintiff’s PAGA notices to the LWDA in the Renteria Action and/or the Espinoza Action, which occurred during the PAGA period, and expressly excluding all other claims, including claims for vested benefits, unpaid wages, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA class claims outside of the PAGA period, and excluding claims arising from allegations of misclassification of employees as exempt.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant involved any of the Released Class Claims. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have «Class_Workweeks_» Workweeks worked during the Class Period (May 15, 2019, to May 25, 2021).

Based on this information, your estimated Individual Settlement Payment is \$«Total_Estimated_Settlement_Amount».

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than January 29, 2022.

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: ILYM Group, Inc., P.O. Box 2031 Tustin, CA 92781. (888) 250-6810.

The Court will hold a hearing on March 8, 2022, to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www.ilymgroup.com

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than January 29, 2022. The address for the Settlement Administrator is ILYM Group, Inc., P.O. Box 2031 Tustin, CA 92781. The request for exclusion must state in substance: "I have read the Class Notice and I wish to opt out of the class action and settlement of the case *Espinoza v. Love's Country Stores of California, San Bernardino Superior Court, Case No. CIV-DS-2016481*." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after January 29, 2022, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the releases described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which are *Espinoza v. Love's Country Stores of California, San Bernardino Superior Court, Case No. CIV-DS-2016481*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. 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. Any Class Member who does not

object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than January 29, 2022. The address for the Settlement Administrator is ILYM Group, Inc., P.O. Box 2031 Tustin, CA 92781.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel.: (619) 826-6975
Fax: (619) 599-2891
E-Mail: jlapuyade@jcl-lawfirm.com
Website : www.jcl-lawfirm.com

Counsel for Defendant:

Caroline Massey
Dinsmore & Schohl, LLP.
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San Diego, CA 92101
(619) 400-0500
Fax : (619) 400-0501
E-Mail : caroline.massey@dinsmore.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 892-7095
Email: shani@zakaylaw.com
Website: www.zakaylaw.com

Class Counsel:

Robert J. Wasserman, Esq.
Jenny D. Baysinger, Esq.
Mayall Hurley, P.C.
2453 Grand Canal Blvd.
Stockton, CA 95207
Tel: (209) 477-3833
Email: rwasserman@mayalllaw.com
jbaysinger@mayalllaw.com
Website: www.mayalllaw.com

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

The Court will hold a Final Approval Hearing at 10:00 AM on March 8, 2022, at the San Bernardino County Superior Court, located at 247 West 3rd St., San Bernardino, CA 92415 in Department S-26 before Judge David Cohn. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at (888) 250-6810 or write to *Espinoza v. Love's Country Stores of California*, San Bernardino Superior Court, Case No. CIV-DS-2016481, Settlement Administrator, c/o ILYM Group, Inc., P.O. Box 2031 Tustin, CA 92781.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 3990 Old Town Ave., Suite C204, San Diego, CA 92110.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Settlement Class Members who cashed his or her Individual Settlement Payment check using the same workweek formula used for distribution of the Net Settlement Amount. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT “B”

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Espinoza v. Love's country Stores of California, Case No. CIVDS2016481)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$«Total_Estimated_Settlement_Amount». See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement . Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of San Bernardino (the "Court") has been reached between Plaintiffs Estefania Renteria and Sarah P. Espinoza ("Plaintiffs") and Defendant Love's Country Stores of California ("Defendant"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All persons Defendant classified as non-exempt employees who are or previously were employed by Defendant in California during the period of May 15, 2019 to May 25, 2021.

The "Class Period" is the period of time running from May 15, 2019, to May 25, 2021.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On May 28, 2020, Plaintiff Renteria filed a Complaint against Defendant in the Superior Court of the State of California, County of San Kern case number BCV-20-101260 (the "Kern County Action"). Plaintiff asserted claims that Defendant: (a) Violated California Business and Professions Code § 17200 *et seq.*; (b) Failed to pay overtime wages in violation of California Labor Code §§ 510, *et seq.*; (c) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1; (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (f) Failed to provide accurate and complete itemized wage statements in violation of California Labor Code § 226; (g) Failed to provide wages when due

in violation of California Labor Code §§ 201, 202, and 203. On August 3, 2020, Plaintiff Renteria filed a First Amended Complaint to include a Violation of the Private Attorneys General Act [Labor Code §§ 2698, *et seq.*]

On July 30, 2020, Plaintiff Espinoza filed the Lawsuit for: (a) Failure to properly calculate and pay overtime; (b) Failure to provide meal break; (c) Failure to provide rest breaks; (d) Failure to pay all wages due at the end of employment; (e) Failure to furnish accurate itemized wage statements; (f) Unlawful business practices in this case, Superior Court of California, County of San Bernardino case number CIV-DS-2016481. On October 7, 2020, Plaintiff Espinoza filed the First Amended Complaint (“FAC”) against Defendant adding a seventh cause of action for violation of the Private Attorneys General Act [Labor Code §§ 2698, *et seq.*]

Defendant denies and disputes all claims asserted in the Renteria Action and the Espinoza Action. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant properly paid members of the class all wages and overtime that was due; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendants paid any members of the class all wages due them at the time of their terminations; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendant is not liable for any of the penalties claimed.

On May 25, 2021, the Parties participated in an all-day mediation with Steven Rottman, Esq., an experienced mediator of wage and hour class actions. At the conclusion of the full-day mediation, the Parties failed to reach an agreement. However, following the mediation, each side, represented by its respective counsel, agreed to settle the Action based on a Mediator’s proposal. To facilitate the Settlement, a Second Amended Complaint has been filed in the case initiated by Plaintiff Espinoza and pending in the Superior Court of California, County of San Bernardino. This Second Amended Complaint adds Plaintiff Estefania Renteria and consolidates/incorporates the claims that were concurrently pending in the Kern County Action into the instant case. The San Bernardino County Superior Court granted preliminary approval of the Settlement on November 16, 2021. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of JCL Law Firm, APC, Zakay Law Group, APC, and Mayall Hurley P.C. to serve as Class Counsel and authorized mailing of an earlier version of this Notice.

After that initial mailing, it was discovered that additional individuals should have been included in the scope of the “Class” and received Notice of the Settlement. This development also resulted in the Gross Settlement Amount (“GSA”) increasing and the estimated Individual Settlement Payments to Class Members changing slightly. As a result, this revised Notice is being provided to all Class Members.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Two Million Two Hundred Nineteen Thousand Three Hundred Eighteen Dollars and Eighteen cents (\$2,219,318.18) (the “Gross Settlement Amount” or “GSA”) to fund the settlement. The GSA includes the payment of all Settlement Payments to participating Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Costs, the PAGA Settlement, and the Class Representative Service Awards to the Plaintiffs.

After the Judgment becomes Final, Defendant will pay the GSA by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the GSA, which will be subject to final Court approval, and which will be deducted from the GSA before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, ILYM Group, Inc., estimated not to exceed \$22,958.75, for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.

- Attorneys' Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than 1/3 of the GSA (currently \$739,772.72) and a Class Counsel Litigation Expenses Payment of not more than \$30,000 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Awards. Class Representative Service Awards of up to Ten Thousand Dollars (\$10,000.00) to each Plaintiff, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$80,000 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$60,000 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$20,000 will be distributed to Aggrieved Employees in proportional shares based on the number of workweeks worked between April 6, 2019 and May 25, 2021 (the "PAGA Period").
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Class Counsel Award (including fees and costs), the Class Representative Service Award, the PAGA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Class Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the Net Class Settlement Amount by the total number of Workweeks for all Settlement Class Members that occurred during the Class Period and multiplying the result by each individual Settlement Class Member's Workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendant's records, a member of the class worked at least one-day during any such workweek. Settlement Class Members whose employment with Defendant ended during the Class Period will be credited with an additional four (4) Workweeks in order to compensate for the potential additional claim for waiting time penalties those individuals may have.
- Calculation of PAGA Penalties Payments to Aggrieved Employees. The Net PAGA Amount shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out of the Settlement. The Net PAGA Amount will be divided by the total number of Workweeks worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of Workweeks worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employees" means all non-exempt employees who are or previously were employed by Defendant in California during the period of April 6, 2019 to May 25, 2021.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. One-Fourth of each Individual Settlement Payment is allocated to wages. Taxes will be withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Three-Fourths of each Individual Settlement Payment is allocated to interest, penalties and other non-wage payments, no taxes will be withheld, and each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the Aggrieved Employee Payments paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Class Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiffs and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims are defined as all class claims alleged in the operative complaint in the Renteria Action (Kern County Action) and/or Espinoza Action, which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside the Class Period, and excluding claims arising from allegations of misclassification of employees as exempt..

Released PAGA Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiffs, the LWDA, and all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement. "Released PAGA Claims" are defined as all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notices to the LWDA in the Renteria Action and/or the Espinoza Action, which occurred during the PAGA period, and expressly excluding all other claims, including claims for vested benefits, unpaid wages, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA class claims outside of the PAGA period, and excluding claims arising from allegations of misclassification of employees as exempt.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant involved any of the Released Class Claims. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have «Total_Class_Workweeks» Workweeks worked during the Class Period (May 15, 2019, to May 25, 2021).

Based on this information, your estimated Individual Settlement Payment is \$«Total_Estimated_Settlement_Amount».

If you wish to challenge the information set forth in the preceding paragraph, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than April 28, 2022.

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781.

The Court will hold a hearing on May 27, 2022, at 9:30 a.m. to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www.ilymgroup.com.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as**

follows. Irrespective of whether you exclude yourself from the Settlement or “opt out,” you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than April 28, 2022. The address for the Settlement Administrator is ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781. The request for exclusion must state in substance: “I have read the Class Notice and I wish to opt out of the class action and settlement of the case *Espinoza v. Love’s Country Stores of California, San Bernardino Superior Court, Case No. CIV-DS-2016481*.” The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after April 28, 2022, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the releases described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member’s name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which are *Espinoza v. Love’s Country Stores of California, San Bernardino Superior Court, Case No. CIV-DS-2016481*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. 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. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than April 28, 2022. The address for the Settlement Administrator is ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781.

The addresses for the Parties’ counsel are as follows:

Class Counsel:

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

The Court will hold a Final Approval Hearing at 9:30 a.m. on May 27, 2022, at the San Bernardino County Superior Court, located at 247 West 3rd St., San Bernardino, CA 92415 in Department S-26 before Judge David Cohn. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at (888) 250-6810 or write to *Espinoza v. Love's Country Stores of California, San Bernardino Superior Court, Case No. CIV-DS-2016481*, Settlement Administrator, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 3990 Old Town Ave., Suite C204, San Diego, CA 92110.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Children's Advocacy Institute. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.