

**SUPERIOR COURT OF THE STATE OF CALIFORNIA,
COUNTY OF SANTA CLARA**

*This is NOT a solicitation.
This is NOT a lawsuit against you and you are NOT being sued.*

NOTICE OF SETTLED REPRESENTATIVE ACTION

Walter Manay et al. v. Montalvan Sales, Inc., Case No. 20CV372305

If you were a non-exempt employee or salesperson of Montalvan Sales, Inc., in the State of California, between August 3, 2019 to March 15, 2021, then you are receiving money from a representative action settlement.

PLEASE READ THIS NOTICE CAREFULLY!

I. What is the Purpose of this Settlement?

The purpose of this notice is to let you know that there was a representative action lawsuit that settled in the Superior Court of California for the County of Santa Clara, and you are considered to be a member of the represented group. The lawsuit was filed by former employees named Walter Manay and Jose Umanzor ("Plaintiffs") in the Superior Court of California, County of Santa Clara, ("the Lawsuit") and asserted claims for penalties pursuant to the California Private Attorneys General Act of 2004 ("PAGA") for various violations of the California Labor Code. On [REDACTED], 2021, a duly appointed Judge of the Superior Court of the State of California, approved the Settlement of the Lawsuit.

II. What is Montalvan Sales, Inc.'s Position on Settlement?

Montalvan Sales, Inc. ("Defendant") has repeatedly asserted and continues to assert defenses to the claims in the Lawsuit and has expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Lawsuit. Although Defendant believes it has meritorious defenses to the Lawsuit, it has concluded that the further defense of this Litigation would be lengthy and expensive for all Parties. Defendant has, therefore, agreed to settle this Lawsuit to put to rest all claims that are or could have been asserted against it and the Released Parties in the Lawsuit.

III. Why Did I Get this Notice?

You received this notice because Defendant's records identify you as an individual who was employed as a non-exempt employee or salesperson of Montalvan Sales, Inc. in the State of California ("PAGA Group Member"), between August 3, 2019 to March 15, 2021 ("the Release Period").

IV. Who Are the Parties in this Representative Action?

This lawsuit was filed against Defendant. Plaintiffs, former employees of Defendant, brought the action on behalf of themselves and all similarly situated persons in the state of California, as described above.

V. What is the Settlement?

Defendant has agreed to pay a settlement in the amount of \$230,000.00. This sum includes the following: (1) fees for claims administration, which is anticipated to be no more than \$4,000.00, (2) Plaintiffs' attorneys' fees

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Questions? Call (800) ###-####

Fax Number – Claims Administrator: (###)###-####

in the amount \$76,660.00 (i.e., 33.3% of the gross settlement amount) and actual litigation costs of \$7,943.00, (3) enhancements to Plaintiffs in the amount of \$5,000.00 each (\$10,000.00 total), and (4) the Labor Workforce Development Agency Payment which will consist of 75% of the remainder of the total settlement amount after the deduction of any award of attorneys' fees and litigation costs, enhancement, and administrative costs. Each of these amounts was approved by the Court on [REDACTED] 2021.

After the deduction of the Court-approved expenses from the settlement amount, the remaining sum will be available to pay each PAGA Group Member. Each PAGA Group Member will receive a share of that remaining sum based on the total number of pay periods the individual PAGA Group Member worked as a non-exempt employee or salesperson of Montalvan Sales, Inc. in the State of California during the Release Period.

The amount paid to each PAGA Group Member will be allocated as follows: one-hundred percent (100%) will be attributed to penalties and will be reported on an IRS Form 1099. The Parties agree that all PAGA Group Members who receive payment pursuant to this settlement will be responsible for any and all tax obligations associated with such receipt. **You will be responsible for correctly characterizing this compensation for tax purposes and paying any taxes that may be due on the payment you receive. Neither Counsel for Plaintiffs, Counsel for Defendant, nor the Settlement Administrator may legally provide you with advice regarding the tax implications of the receipt of this settlement payment.**

VI. What is the Effect of this Settlement on My Rights?

Plaintiff and the State of California will release any and all claims within the PAGA Period that were alleged in the Litigation, against Defendant, Defendant's officers, directors, employees and all agents thereof, including any and all claims for civil penalties under the Private Attorneys General Act of 2004 Cal. Lab. Code § 2698. As a result of this release, the State of California cannot pursue these claims through you or on your behalf, and you cannot assert or pursue any of the above released PAGA claims.

VII. Why Does the Labor Workforce Development Agency Receive Any Money?

California's Private Attorneys General Act of 2004 allows private citizens to step into the State's shoes and recover civil penalties for violations of California's Labor Code. Seventy-five (75) percent of any such recovery must be given to the State. Without PAGA, Plaintiff would not have been able to bring this action on behalf of the PAGA Group Members. In the present case, the Settlement provides that 75 percent of the net settlement amount be paid to the State as its share of the penalties recovered in this case.

VIII. How Much Did it Cost to Administer the Settlement?

It cost approximately \$4,000.00, for the Settlement Administrator to fully administer the settlement.

IX. Who is the Settlement Administrator?

The Settlement Administrator is an independent third party selected by Plaintiff and the Defendant to send this notice, process and issue settlement checks, and otherwise administer the settlement. The Court has approved ILYM to be the Settlement Administrator in this case. You may contact the Settlement Administrator to provide updated contact information, make corrections regarding your information, or ask questions regarding the processing of settlement awards. You may contact the Settlement Administrator at:

[REDACTED]
[REDACTED]
[REDACTED]
FAX NUMBER: [REDACTED]

EMAIL: [REDACTED]

X. Who Can I Contact if I Have Any Questions?

If you have any questions regarding this award of this case, you can contact the Settlement Administrator for this representative action settlement at [Number].

You may also contact the attorneys identified below.

Jose Macias, Jr., Esq. Hector J. Rodriguez, Esq. MACIAS RODRIGUEZ ADAMS LLP 1550 The Alameda, Suite 332 San Jose, CA 95126 (408) 455-1243
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IMPORTANT: PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS SETTLEMENT OR THE ADMINISTRATION PROCESS.