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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

DFT, INC. WAGE AND HOUR CASES

Coordinated Actions:

ERIC BETANCES vs. DFT, INC. D/B/A
CANNON MANAGEMENT

ROXANA VALDEZ vs. DFT, INC.
D/B/A CANNON MANAGEMENT

JUDICIAL COUNCIL COORDINATION
PROCEEDING NO.: JCCP4882

Honorable John Shepard Wiley, Jr.
Department SSC9

Superior Court of California, County of Los
Angeles: BC559751

Complaint Filed: October 6, 2014

Superior Court of California, County of San
Bernardino: CIVDS1605358

Complaint Filed: April 12, 2016

**DECLARATION OF ELIZABETH
KRUCKENBERG ON BEHALF OF
SETTLEMENT ADMINISTRATOR
WITH RESPECT TO SETTLEMENT
NOTICE ADMINISTRATION**

Date: January 18, 2019
Time: 11:00 a.m.
Department: SSC9

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I, Elizabeth Kruckenberg, declare as follows:

1. I am the Director of Case Management at Phoenix Settlement Administrators (PSA), the Court-appointed Settlement Administrator in the case entitled *DFT, Inc. Wage and Hour Cases*. I have personal knowledge of the facts stated herein and, if called upon to testify, I could and would testify competently to such facts.

2. PSA was approved by the Court to provide notice of the Stipulation of Class Action and PAGA Settlement and Release and Amendment No. 1 to Stipulation of Class Action and PAGA Settlement and Release (together, “Settlement” or “Settlement Agreement”) and perform settlement administration duties in this action. Pursuant to the Settlement Agreement, PSA was responsible for (i) formatting, printing, and mailing the Notice of Class Action and PAGA Settlement (“Class Notice”); (ii) responding to inquiries from Class Members regarding the Settlement; (iii) receiving and processing written requests to be excluded from the Settlement (“Requests for Exclusion”), written objections to the Settlement (“Notices of Objection”), and disputes regarding the number of Workweeks or, if applicable, PAGA Workweeks credited to each Class Member (“Workweek Disputes”); (iv) calculating the Net Settlement Amount, Settlement Shares to Class Members who do not opt out of the Settlement (“Settlement Class Members”), and Individual PAGA Payments to Settlement Class Members who were employed by Defendant during the time period between October 6, 2013 and July 6, 2018 (“PAGA Class Members”); (v) issuing payment of Settlement Shares (“Individual Settlement Payments”) to Settlement Class Members and Individual PAGA Payments to PAGA Class Members; (vi) issuing payments for Court-awarded Attorneys’ Fees and Costs to Class Counsel, Class Representative Enhancement Payments to Plaintiffs, Settlement Administration Costs to PSA, and the employer/employee payroll taxes to the appropriate taxing authorities; and (vii) such other tasks as set forth in the Settlement Agreement or as the parties mutually agree or as the Court orders.

3. On July 17, 2018, PSA received the Court-approved text for the Class Notice from Class Counsel.

4. On August 3, 2018, PSA received a data file from Defendant's Counsel in Microsoft Excel format that contained the full names, last known mailing addresses, Social Security numbers, and dates of

1 employment during the period from October 6, 2010 to July 6, 2018 ("Class Period") for Class Members
2 ("Class List"). The Class List contained information for eight hundred eighty-six (886) individuals
3 identified as Class Members, of which seven hundred nineteen (719) were PAGA Class Members.

4 5. On August 20, 2018, PSA conducted a National Change of Address (NCOA) search in an
5 attempt to update the Class List of addresses as accurately as possible. A search of this database provides
6 updated addresses for any individual who has moved in the previous four (4) years and notified the U.S.
7 Postal Service of their change of address.

8 6. On August 20, 2018, after updating the Class List with any addresses located through
9 NCOA, PSA mailed the Class Notice via First-Class U.S Mail to all eight hundred eighty-six (886) Class
10 Members on the Class List. A true and correct copy of an exemplar Class Notice is attached hereto as
11 **"Exhibit A."**

12 7. As of the date of this declaration, one hundred sixty-seven (167) Class Notices have been
13 returned to PSA as undeliverable. A total of twenty-seven (27) were returned with a forwarding address
14 provided by the Post Office and were promptly re-mailed to the forwarding address. For the one hundred
15 forty (140) Class Notice returned from the Post Office without a forwarding address, PSA attempted to
16 locate a current mailing address using TransUnion TLOxp, one of the most comprehensive address
17 databases available for skip-tracing. Of the one hundred forty (140) Class Notices that were skip-traced,
18 one hundred thirty-six (136) updated addresses were located and the Class Notice was promptly re-mailed
19 to those Class Members via First-Class U.S. Mail. As of the date of this declaration, twenty-six (26)
20 Class Notices are considered undeliverable. Specifically, four (4) Class Notices were undeliverable
21 because an updated address was not obtained through skip-tracing and twenty-two (22) were returned
22 undeliverable a second time.

23 8. The deadline for Class Members to fax or postmark a Request for Exclusion, Notice of
24 Objection, and/or Workweek Dispute to the Settlement Administrator was October 4, 2018 ("Response
25 Deadline").

26 9. PSA has received four (4) Requests for Exclusion from Class Members.

27 10. PSA has not received any Notices of Objection to the Settlement from Class Members.

28 11. There are no outstanding Workweek Disputes from Class Members.

12. Eight hundred eight-two (882) Class Members, having not submitted a timely and valid Request for Exclusion, are deemed to be Settlement Class Members, of which seven hundred fifteen (715) are PAGA Class Members.

13. The Net Settlement Amount of \$275,500.00 available to pay Settlement Class Members was determined by subtracting the requested attorneys' fees (\$192,500.00), maximum amount allocated for reimbursement of litigation costs and expenses (\$30,000.00), requested Class Representative Enhancement Payments totaling (\$12,500.00), the PAGA Settlement Amount (\$30,000.00), and the requested Settlement Administration Costs (\$9,500.00) from the Maximum Settlement Amount (\$550,000.00).

14. Based on the Net Settlement Amount of \$275,500, the highest Settlement Share to a Settlement Class Member is approximately \$1,155.95 and the average Settlement Share is approximately \$312.36. Settlement Shares are subject to reduction for employee's and employer's side of payroll taxes with respect to the wage portion of the Settlement Shares.

15. Twenty-five percent (25%) of the PAGA Settlement Amount, or \$7,500, will be paid out to PAGA Class Members on a *pro rata* basis, based on PAGA Workweeks. The highest Individual PAGA Payment to be distributed to a PAGA Class Member is estimated to be \$27.65 and the average Individual PAGA Payment is estimated to be \$10.43.

16. PSA's costs associated with the administration of this matter are \$9,500.00. This includes all costs incurred to date, as well as estimated costs involved in completing the settlement distribution. A true and correct copy of the invoice from PSA is attached hereto as **Exhibit B**.

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.

Executed this 21th day of December 2018, at Orange, California.

Elizabeth Kruckenberg

Exhibit A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

DFT, INC. WAGE AND HOUR CASES

Coordinated actions:

BETANCES vs. DFT, INC. D/B/A CANNON
MANAGEMENT

VALDEZ vs. DFT, INC. D/B/A CANNON
MANAGEMENT

**JUDICIAL COUNCIL COORDINATION
PROCEEDING NO: 4882**

SUPERIOR COURT OF CALIFORNIA COUNTY OF
LOS ANGELES
CASE NO.: BC559751

SUPERIOR COURT OF CALIFORNIA COUNTY OF
SAN BERNARDINO
CASE NO.: CIVDS1605358

To: All hourly-paid or non-exempt individuals employed by DFT, Inc. dba Cannon Management within the State of California between October 6, 2010 to July 6, 2018.

**PLEASE READ THIS NOTICE CAREFULLY
IT MAY AFFECT YOUR LEGAL RIGHTS**

INTRODUCTION

You have received this Notice of Class Action and PAGA Settlement ("Settlement Notice") because the records of DFT, Inc. dba Cannon Management ("Cannon") indicate that you were employed as an hourly-paid or non-exempt employee by Cannon within the State of California at any time between October 6, 2010 and July 6, 2018 ("Class Period"). All individuals who fall within that description are considered "Class Members" under the terms of this Settlement Notice.

We are providing you with this Settlement Notice to make you aware that a proposed class action settlement (the "Settlement") of the above-entitled coordinated lawsuits (collectively referred to as the "Action"), pending in the Superior Court of the State of California for the County of Los Angeles, has been reached by the parties and has been granted preliminary approval by the Court supervising the Action. A Final Approval Hearing will be held on January 18, 2019 at 11:00 a.m. to determine whether the Settlement should be granted final approval.

Cannon's records indicate that you are a Class Member and therefore you are entitled to payment under the Settlement. The Settlement affects your legal rights unless you "opt out" of the Settlement. The purpose of this Settlement Notice is to: (1) describe the Action; (2) inform you of the terms of the Settlement; and (3) inform you of your rights and options in connection with the Settlement. Cannon will not fire, punish, retaliate, or otherwise discriminate against any employee because he or she chooses to or not to participate in the Settlement or objects to the Settlement.

SUMMARY OF THE ACTION

Plaintiffs Eric Betances and Roxana Valdez (collectively, "Plaintiffs") are former employees of Cannon. Plaintiff Eric Betances ("Betances") filed a putative class and representative action complaint against Cannon in Los Angeles Superior Court on October 6, 2014 (Los Angeles Superior Court, Case No. BC559751); Plaintiff Roxana Valdez ("Valdez") filed a putative representative action complaint in San Bernardino Superior Court on April 12, 2016 (San Bernardino Superior Court, Case No. CIVDS1605358) (collectively, the "Lawsuits"). The Lawsuits collectively allege that Cannon violated the California Labor Code and Business Professions Code by failing to pay wages, including, but not limited to, overtime and minimum wages, failing to provide meal and rest periods, failing to reimburse business expenses, failing to provide accurate

Questions? Contact the Settlement Administrator toll free at 1-800-523-5773

wage statements, failing to provide timely wages during and after employment, failing to keep payroll records, and committing unfair business practices. Plaintiffs seek recovery of alleged unpaid wages, statutory penalties, civil penalties under the California Private Attorneys General Act (“PAGA”), interest, and attorneys’ fees and costs. Plaintiffs also seek to maintain a class action for their claims on behalf of themselves and all hourly-paid or non-exempt individuals employed by Cannon within the State of California during the Class Period.

Cannon has denied, and continues to deny, the factual allegations and legal claims asserted in the Action and believes that Plaintiffs’ claims have no merit. By agreeing to settle, Cannon is not admitting liability on any of the factual allegations or claims asserted in the Action or that it can or should proceed as a class action. Cannon has agreed to settle the case solely for economic efficiency.

The parties have actively litigated this Action and the Lawsuits. Counsel for the parties have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Plaintiffs’ counsel believes that the claims alleged in the Action have merit, Plaintiffs’ counsel also recognize that further proceedings in this Action, including a trial and possible appeals, would be very expensive and lengthy, and that it is uncertain how various legal questions at issue would ultimately be determined in the Action. Therefore, upon careful consideration of all of the facts and circumstances of this case, Plaintiffs’ counsel believe that the proposed Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members.

Plaintiffs and Cannon engaged in extensive settlement discussions in an attempt to resolve the claims in the Action. As a result of these discussions, the parties entered into a Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”). Each party has entered into this Settlement with the intention to avoid further disputes and litigation and their attendant risk, inconvenience, and expense.

The Court granted preliminary approval of the Settlement on July 6, 2018 on behalf of a Class defined as:

All hourly-paid or non-exempt individuals employed by Cannon within the State of California at any time during the period from October 6, 2010 to July 6, 2018.

At that time the Court also preliminarily approved Plaintiffs to serve as Class Representatives, Phoenix Class Action Administration Services to serve as Settlement Administrator, and Lawyers for Justice, PC and Girardi | Keese to serve as counsel for Plaintiffs and the Class (“Class Counsel”).

By granting preliminary approval of the Settlement, the Court has determined that the Settlement falls within the range of possible approval as fair, reasonable, and adequate. The final determination of whether the Settlement is fair, reasonable, and adequate will be made at the Final Approval Hearing, which is scheduled for January 18, 2019 at 11:00 a.m., in Department 9 of the Los Angeles County Superior Court – Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012.

SUMMARY OF SETTLEMENT TERMS

Settlement Amount. Cannon has agreed to pay a maximum settlement amount of \$550,000 (“Maximum Settlement Amount”) to fully resolve the Action and obtain a release of claims as described below. All payments associated with the Settlement shall be paid from the Maximum Settlement Amount, including all payments to Settlement Class Members, Plaintiffs, Class Counsel, the Settlement Administrator, and employees’ and employer’s share of tax withholdings or deductions on the wage portion of each Settlement Class Member’s Settlement Share. The Net Settlement Amount refers to the amount available for payment to the Settlement Class Members after deducting the following from the Maximum Settlement Amount: (1) Class Representative Enhancement Payments; (2) Settlement Administration Costs, (3) Attorneys’ Fees and Costs, and (4) the PAGA Settlement Amount (as described below).

Settlement Administration and Other Payments. The Court has tentatively approved certain payments to be made from the Maximum Settlement Amount as follows, which will be subject to final approval by the Court:

- **Class Representative Enhancement Payments.** Payments of up to \$7,500 to Plaintiff Betances and up to \$5,000 to Plaintiff Valdez for their efforts and services they have provided on behalf of the Class in prosecuting the Action.

Questions? Contact the Settlement Administrator toll free at 1-800-523-5773

These Class Representative Enhancement Payments will be in addition to whatever payment Plaintiffs are otherwise entitled to as Class Members.

- **PAGA Settlement Amount.** Payment of \$30,000 as alleged civil penalties under the PAGA, of which \$22,500 (75%) will be paid to the California Labor & Workforce Development Agency ("LWDA"), and \$7,500.00 (25%) shall be paid on a *pro rata* basis to Class Members who do not submit timely and valid Requests for Exclusion ("Settlement Class Members") and who were employed by Cannon during the period of October 6, 2013 through July 6, 2018 ("PAGA Class Members").
- **Settlement Administration Costs.** Payment to the Settlement Administrator, estimated at this time not to exceed \$17,000, for the expense of notifying the Class of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweek Disputes, and distributing payments under the Settlement.
- **Attorneys' Fees and Costs.** Payment to Class Counsel of attorneys' fees in the amount not to exceed thirty-five percent (35%) of the Maximum Settlement Amount (i.e., \$192,500) as reasonable compensation for the work Class Counsel has performed in this Action, and will continue to perform through settlement finalization, together with reimbursement of the costs and expenses associated with Class Counsel's litigation and settlement of the Action, in an amount not to exceed \$30,000.

Calculation of Each Class Member's Settlement Share. Each Class Member who does not validly opt out of the Settlement (i.e., Settlement Class Member) will be issued a share of the Net Settlement Amount ("Settlement Share") if the Settlement is granted final approval by the Court. Each Class Member's Settlement Share will be calculated as follows:

1. "Workweeks" means the number of weeks of employment that each Class Member worked as an hourly-paid or non-exempt employee for Cannon within the State of California during the Class Period.
2. Each Class Member's number of Workweeks will be calculated based on each Class Member's individual payroll and/or time records, as maintained by Cannon. The Settlement Administrator will determine the total number of Workweeks worked by all Class Members resulting in the "Class Workweeks."
3. To determine each Class Member's estimated Settlement Share, the Settlement Administrator will use the following formula: $\text{estimated Settlement Share} = (\text{Net Settlement Amount} \div \text{Class Workweeks}) \times \text{Workweeks}$.
4. If any Class Members validly opts out of the Settlement, the Settlement Administrator will proportionately increase the Settlement Share of each Class Member to ensure that the entire Net Settlement Amount is distributed to Class Members.
5. Each Class Member's Settlement Share will be reduced by any required deductions for each Class Member, including the employer's and employee's share of payroll taxes or withholdings with respect to the wage portion of the Settlement Share, resulting in the Class Member's Individual Settlement Payment.

Cannon's records indicate that you worked a total of ____ Workweeks. Based on your Workweeks and the above calculations, if the Settlement is approved and you elect not to opt out of the Settlement, your estimated Settlement Share is \$ ____.

Calculation of Individual PAGA Payments. In addition to the Settlement Share described above, each Class Member who does not validly opt out of the Settlement and who worked as an hourly-paid or non-exempt employee for Cannon within the State of California during the period of October 6, 2013 through July 6, 2018 (the "PAGA Period") (i.e., PAGA Class Members) will be issued a share of the PAGA Settlement Amount ("Individual PAGA Payment") if the Settlement is granted final approval by the Court. Each PAGA Class Member's Individual PAGA Payment will be calculated as follows:

1. "PAGA Workweeks" means the number of weeks of employment that each PAGA Class Member worked as an hourly-paid or non-exempt employee for Cannon within the State of California during the PAGA Period.

2. The Settlement Administrator will calculate the total number of PAGA Workweeks of each individual PAGA Class Member ("Individual PAGA Workweeks") and the total number of PAGA Workweeks worked by all PAGA Class Members ("Total PAGA Workweeks").
3. To determine each PAGA Class Member's Individual PAGA Payment, the Settlement Administrator will use the following formula: Individual PAGA Payment = $(\$7,500.00 \div \text{Total PAGA Workweeks}) \times \text{Individual PAGA Workweeks}$.
4. The remaining portion of the PAGA Settlement Amount (\$22,500) will be paid by the Settlement Administrator to the LWDA.

Cannon's records indicate that you worked a total of ____ PAGA Workweeks. Based on your Individual PAGA Workweeks and the above calculations, if the Settlement is approved and you elect not to opt out of the Settlement, your estimated Individual PAGA Payment is \$____.

Tax Withholding. IRS Forms W-2 and 1099 will be distributed to the Class Members and the appropriate taxing authorities, reflecting the payments that are issued to the Class Members under the Settlement. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

- Individual Settlement Payments: One-third (1/3) of each Settlement Share will be allocated as alleged unpaid wages, one-third (1/3) will be allocated as alleged unpaid interest, and one-third (1/3) will be allocated as alleged unpaid penalties. The portion allocated as wages will be reduced for employee's and employer's share of federal and state withholdings and taxes. Each Settlement Share minus employees' and employers' share of taxes is an Individual Settlement Payment.
- Individual PAGA Payments: All Individual PAGA Payments will be allocated as alleged unpaid penalties and will be reported on an IRS Form-1099 by the Settlement Administrator (and will not be reduced for any taxes or withholdings prior to payment).

Release of Claims. Upon final approval of the Settlement, each Class Member (other than those who submit a timely and valid Request for Exclusion) shall be deemed to have fully, finally, and forever released Cannon and any of its current and former parents, subsidiaries, affiliates, divisions, successors, assigns, and officers, directors, employees, and shareholders thereof, if any (the "Released Parties"), from any and all Released Claims, which include all allegations, claims, rights, demands, liabilities and causes of action of any nature and description, against Cannon and any of its current and former parents, subsidiaries, affiliates, divisions, successors, assigns, and officers, directors, employees, and shareholders thereof, if any ("Released Parties"), under state, federal, or local law, whether statutory, constitutional, contractual, common law, and administrative law claims, made or which could have been made in the Action, based on the allegations in the Lawsuits and amendments thereto, during the Class Period, including the following claims and any corresponding or related claims under the Fair Labor Standards Act: failure to pay for all hours worked, including but not limited to minimum wage and overtime hours; failure to provide meal periods and failure to pay associated premium payments; failure to provide rest breaks and failure to pay associated premium payments; failure to timely pay wages during employment; failure to reimburse business expenses; failure to keep accurate payroll records; failure to provide compliant wage statements; failure to timely pay all wages due at time of separation and associated waiting time penalties; failure to comply with the California Labor Code and associated PAGA civil penalties; and alleged violation of the California Business and Professions Code section 17200, *et seq.*, including, but not limited to, injunctive relief, punitive damages, liquidated damages, penalties of any nature, interest, fees, and costs.

All Class Members who do not submit a timely and valid Request for Exclusion from the Settlement (i.e., Settlement Class Members) shall be bound by this release.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order finally approving the Settlement.

YOUR OPTIONS UNDER THE SETTLEMENT

Option 1— *Do Nothing*

You do not need to do anything if you want to receive payment from and participate in the Settlement. If you chose this **Option 1** (i.e., do nothing in response to this Settlement Notice) and the Court grants final approval of the Settlement, you will be mailed a check for your Individual Settlement Payment and, if applicable, Individual PAGA Payment. In addition, you will be deemed to have released and waived the Released Claims against the Released Parties. Class Members will be bound by the release of Released Claims unless they submit a valid Request for Exclusion pursuant to Option 2 below.

Stated above in this Settlement Notice is the number of Workweeks, and if applicable, PAGA Workweeks credited to you, and your estimated Individual Settlement Share and, if applicable, Individual PAGA Payment. If you believe that the number of Workweeks or PAGA Workweeks shown above are incorrect, you can dispute that information by faxing or mailing a Workweek Dispute to the Settlement Administrator on or before October 4, 2018 at the following address:

DFT, Inc. Wage and Hour Cases Settlement Administration
c/o Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92867
Fax Number: 949-209-2503

To be valid, a Workweek Dispute must be in writing and contain: (i) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (ii) the case name and number of the Action (the case name and number is: DFT, Inc. Wage and Hour Cases, JCCP 4882); and (c) the number of Workweeks and/or PAGA Workweeks you contend is correct and any evidence supporting your contention.

Option 2 — *Opt Out of the Settlement*

If you do not wish to participate in the Settlement, you may exclude yourself or “opt out” from the Settlement. If you opt out, you will receive no compensation from the Settlement, and you will not be bound by its terms. To validly opt out, you must submit a valid Request for Exclusion to the Settlement Administrator postmarked or fax stamped no later than **October 4, 2018** and sent to the Settlement Administrator at the address or fax number listed above in Option 1.

The Request for Exclusion must be in writing and must include (i) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (ii) the case name and number of the Action (the case name and number is: DFT, Inc. Wage and Hour Cases, JCCP 4882); and (iii) a clear statement that you do not wish to be included in the Settlement.

If you choose this **Option 2**, you will no longer be a Class Member. You will not be deemed to have released the Released Claims, you will not receive any payment from the Settlement, and you will lack standing to submit any objection to the Settlement.

Option 3 — *Object to the Settlement*

If you wish to object to the Settlement because you find it unfair or unreasonable, you must fax or mail a Notice of Objection to the Settlement Administrator. A valid Notice of Objection must be in writing and include: (i) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (ii) the case name and number of the Action (the case name and number is: DFT, Inc. Wage and Hour Cases, JCCP 4882); (iii) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iv) a statement of whether you intend to appear at the Final Approval Hearing and whether you are represented by counsel; and (v) copies of any papers, briefs, or other documents upon which the objection is based.

If you submit a Notice of Objection as outlined above, you may, but are not required to, appear at the Final Approval Hearing set for January 18, 2019 at 11:00 a.m. in Department 9 of the Los Angeles County Superior Court – Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012, and discuss your objection with the Court.

Questions? Contact the Settlement Administrator toll free at 1-800-523-5773

and counsel for the parties. You may also retain an attorney to represent you at the hearing. If you wish to appear at the Final Approval Hearing and/or retain an attorney to represent you at the hearing, you must do so at your own expense. Notwithstanding the foregoing, the Court may hear any and all Class Members who object at the Final Approval Hearing regardless of whether a Notice of Objection was submitted.

All Notices of Objection must be faxed or mailed to the Settlement Administrator (at the address or fax number listed above under Option 1) no later than **October 4, 2018**. By submitting a Notice of Objection, you are not excluding yourself from the Settlement. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

If you choose this **Option 3**, you may still receive payment under the Settlement if the Settlement is granted final approval by the Court. In addition, you will be subject to the release of Released Claims referenced above.

Additional Information

This Settlement Notice is only a summary of the case and the settlement. **Class Members should contact the Settlement Administrator at 1-800-523-5773 with any concerns or questions regarding the Settlement.** You may also refer to the pleadings, the Stipulation of Class Action and PAGA Settlement and Release (which is attached as Exhibit 1 to the Declaration of Edwin Aiwarzian in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement), Amendment No 1 to Stipulation of Class Action and PAGA Settlement and Release (which is attached as Exhibit A to the Supplemental Declaration of Edwin Aiwarzian in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement) and other papers filed in the Action, which may be inspected at the Office of the Clerk for the Superior Court of California for the County of Los Angeles, Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California 90012.

All inquiries by Class Members regarding this Settlement Notice and/or the settlement should be directed to the Settlement Administrator or Counsel for the Parties, at the addresses set forth below.

Class Counsel

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JACKSON LEWIS P.C.
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Los Angeles, California 90017
Tel.: (213) 689-0404

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH QUESTIONS.

Exhibit B



PHOENIX SETTLEMENT ADMINISTRATORS

CLASS ACTION SETTLEMENT SOLUTIONS

CASE OVERVIEW

Class Members	886
Total Opt-Outs	4
Subtotal Admin Only	\$13,424.96
WILL NOT EXCEED	\$9,500.00

December 21, 2018

Case: DFT, Inc. Wage and Hour Cases

Case R Data Base Group / Toll Free Setup / Call Center / NCOA (USPS)			
Administrative Task	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	4	\$400.00
Programming Database & Setup	\$100.00	4	\$400.00
Toll Free Setup*	\$150.00	2	\$300.00
Call Center & Long Distance	\$2.50	165	\$412.50
NCOA (USPS)	\$400.00	1	\$400.00
		Total	\$1,912.50

Data Merge & Scrub / Notice Opt Out Form & Postage			
Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	2	\$200.00
Data Merge & Duplication Scrub	\$0.15	886	\$132.90
Notice Package	\$1.05	886	\$930.30
Estimated Postage (up to 1 oz.)*	\$0.49	886	\$434.14
		Total	\$1,697.34

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables			
Project Action	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	6	\$330.00
Skip Tracing Undeliverables	\$0.85	140	\$119.00
Remail Notice Packets	\$0.95	163	\$154.85
Estimated Postage	\$0.49	163	\$79.87
Programming Undeliverables	\$50.00	1	\$50.00
		Total	\$733.72

Database Programming / Processing Opt-Outs, Deficiency or Disputes			
Project/Action	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$150.00	2	\$300.00
Case Associate	\$55.00	6	\$330.00
Opt-Outs/Deficiency/Dispute Letters	\$2.50	4	\$10.00
Case Manager	\$85.00	7	\$595.00
Total			\$1,235.00

Calculation & Disbursement Programming / Create & Manage QSF / Mail Checks			
Administrative tasks	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	3	\$405.00
Disbursement Review	\$135.00	3	\$405.00
Programming Manager	\$95.00	3	\$285.00
QSF Bank Account & EIN	\$135.00	2	\$270.00
Check Run Setup & Printing	\$135.00	3	\$405.00
Mail Class Checks *	\$0.85	882	\$749.70
Estimated Postage	\$0.55	882	\$485.10
Total			\$3,004.80

Tax Reporting & Reconciliation / Reconciliation of Checks / Conclusion Reports and Declaration			
Project/Action	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$115.00	5	\$575.00
Case Associate	\$75.00	6	\$450.00
Reconcile Uncashed Checks	\$85.00	6	\$510.00
Conclusion Reports	\$115.00	5	\$575.00
Case Manager Conclusion	\$85.00	5	\$425.00
Final Reporting & Declarations	\$115.00	4	\$460.00
Set-up/Printing Tax Forms	\$0.75	882	\$661.50
Postage for Tax Forms	\$0.55	882	\$485.10
IRS & QSF Annual Tax Reporting * (State Tax Reporting Included)	\$700.00	1	\$700.00
Total			\$4,841.60

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$13,424.96