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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS**

TED FERGUSON, individually, and on
behalf of other members of the general public
similarly situated, and LISA FLATHERS and
JOEL FLORES, individually, and on behalf
of other members of the general public
similarly situated and on behalf of all other
aggrieved employees pursuant to the
California Private Attorneys General Act,

Plaintiffs,

v.

G3 ENTERPRISES, INC., an unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: CV-21-000848

Honorable John D. Freeland
Department 23

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: July 25, 2023
Time: 8:30 a.m.
Department: 23

Complaint Filed: February 23, 2021
FAC Filed: June 27, 2023
Trial Date: None Set

1 This matter has come before the Honorable John D. Freeland in Department 23 of the
2 Superior Court of the State of California, for the County of Stanislaus, on July 25, 2023 at 8:30 a.m.
3 for Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement. Lawyers *for* Justice,
4 PC appears as counsel for Plaintiffs Ted Ferguson, Lisa Flathers, and Joel Flores (together,
5 “Plaintiffs”), individually and on behalf of all others similarly situated and other aggrieved
6 employees and Paul Hastings LLP appears as counsel for Defendant G3 Enterprises, Inc.
7 (“Defendant”).

8 The Court, having carefully considered the papers, argument of counsel, and all matters
9 presented to the Court, and good cause appearing, hereby GRANTS Plaintiffs’ Motion for
10 Preliminary Approval of Class Action Settlement.

11 **IT IS HEREBY ORDERED THAT:**

12 1. The Court preliminarily approves the Class Action and PAGA Action Settlement
13 Agreement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”), attached as
14 “EXHIBIT 1” to the Declaration of Kyla Buenaventura in Support of Plaintiffs’ Motion for Prelim-
15 inary Approval of Class Action Settlement. This is based on the Court’s determination that the
16 Settlement falls within the range of possible approval as fair, adequate, and reasonable.

17 2. This Order incorporates by reference the definitions in the Settlement Agreement,
18 and all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
19 Settlement Agreement.

20 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate
21 and reasonable. It appears to the Court that extensive investigation and research have been
22 conducted such that counsel for the parties at this time are able to reasonably evaluate their respective
23 positions. It further appears to the Court that the Settlement, at this time, will avoid substantial
24 additional costs by all parties, as well as avoid the delay and risks that would be presented by the
25 further prosecution of the case. It further appears that the Settlement has been reached as the result
26 of intensive, serious and non-collusive, arms-length negotiations, and was entered into in good faith.

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1 4. The Court preliminarily finds that the Settlement, including the allocations for the
2 Attorneys' Fees and Costs, Enhancement Awards, LWDA Payment, Settlement Administration
3 Costs, and payments to the Participating Class Members and Aggrieved Employees provided
4 thereby, appear to be within the range of reasonableness of a settlement that could ultimately be
5 given final approval by this Court. Indeed, the Court has reviewed the monetary recovery that is
6 being granted as part of the Settlement and preliminarily finds that the monetary settlement awards
7 made available to the Class Members and Aggrieved Employees are fair, adequate, and reasonable
8 when balanced against the probable outcome of further litigation relating to certification, liability,
9 and damages issues.

10 5. The Court concludes that, for settlement purposes only, the proposed Class meets
11 the requirements for certification under section 382 of the California Code of Civil Procedure in
12 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
13 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
14 community of interest amongst the members of the Class with respect to the subject matter of the
15 litigation; (c) Plaintiffs' claims are typical of the claims of the members of the Class; (d) Plaintiffs
16 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
17 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
18 Counsel is qualified to act as counsel for Plaintiffs in their individual capacities and as the
19 representatives of the Class.

20 6. The Court conditionally certifies, for settlement purposes only, the Class, defined as
21 follows:

22 All current and former non-exempt or hourly-paid individuals who worked for
23 Defendant in the State of California at any time during the Class Period (as it is
defined in the Settlement Agreement).

24 7. The Court provisionally appoints Arby Aiwazian, Joanna Ghosh, and Kyla
25 Buenaventura of Lawyers *for* Justice, PC as counsel for the Class ("Class Counsel").

26 8. The Court provisionally appoints Plaintiffs Ted Ferguson, Lisa Flathers, and Joel
27 Flores as the representatives of the Class ("Class Representatives").

28 9. The Court provisionally appoints Simpluris, Inc. ("Simpluris") to handle the

administration of the Settlement (“Settlement Administrator”).

10. Within twenty-one (21) calendar days of the date on which the Court enters this Order, Defendant shall provide the Settlement Administrator with an electronic database for the Class Members, containing the following information about each Class Member: full name, last known mailing address, telephone number, Social Security number, and the start and end dates of employment as a non-exempt or hourly paid employee of Defendant in California during the Class Period, Workweeks worked during the Class Period, and Workweeks worked during the PAGA Period, as reflected in Defendant’s records (collectively referred to as the “Class Member Data”) in conformity with the Settlement Agreement.

11. The Court approves, both as to form and content, the Notice of Class Action and PAGA Action Settlement (“Notice”) attached hereto as “**EXHIBIT A.**” The Notice shall be provided to Class Members in the manner set forth in the Settlement Agreement. The Court finds that the Notice appears to fully and accurately inform the Class Members of all material elements of the Settlement, of Class Members’ right to be excluded from the Settlement by submitting a Request for Exclusion, of Class Members’ right to dispute the Workweeks credited to each of them, and of each Participating Class Member’s right and opportunity to object to the Settlement by submitting a Notice of Objection to the Settlement Administrator. The Court further finds that distribution of the Notice substantially in the manner and form set forth in the Settlement Agreement and this Order, and that all other dates set forth in the Settlement Agreement and this Order, meet the requirements of due process and shall constitute due and sufficient notice to all persons entitled thereto. The Court further orders the Settlement Administrator to mail the Notice by First-Class U.S. mail to all Class Members within fourteen (14) calendar days of receipt of the Class Member Data, pursuant to the terms set forth in the Settlement Agreement.

12. The Court hereby preliminarily approves the proposed procedure, set forth in the Settlement Agreement, for seeking exclusion from the Settlement. Any Class Member may choose to be excluded from the Settlement by submitting a timely written Request for Exclusion in conformity with the requirements set forth in the Notice, to the Settlement Administrator, postmarked no later than the date which is sixty (60) calendar days from the initial mailing of the

1 Notice to Class Members (“Response Deadline”), or, in the case of a re-mailed Notice, the Response
2 Deadline will be extended to the date that is fifteen (15) calendar days from the date of the re-
3 mailing. Any such person who timely and validly chooses to opt out of, and be excluded from, the
4 Class Settlement will not be entitled to any recovery under the Class Settlement and will not be
5 bound by the Settlement or have any right to object, appeal, or comment thereon. However, all
6 current and former non-exempt or hourly-paid employees of Defendant who worked for Defendant
7 in the State of California at any time during the PAGA Period (“Aggrieved Employees”) will be
8 bound by the PAGA Settlement and will still be issued Individual PAGA Payments, irrespective of
9 whether they have submitted a Request for Exclusion from the Class Settlement. Class Members
10 who have not submitted a timely and valid request to be excluded from the Settlement (i.e.,
11 Participating Class Members) shall be bound by the Settlement Agreement and any final judgment
12 based thereon.

13 13. A Final Approval Hearing shall be held before this Court on
14 _____ at _____ a.m./p.m. in
15 Department 23 of the Stanislaus County Superior Court, located at 801 10th Street, Modesto,
16 California 95354 to determine all necessary matters concerning the Settlement, including: whether
17 the proposed settlement of the action on the terms and conditions provided for in the Settlement is
18 fair, adequate, and reasonable and should be finally approved by the Court; whether a judgment, as
19 provided in the Settlement, should be entered herein; whether the plan of allocation contained in the
20 Settlement should be approved as fair, adequate, and reasonable to the Class Members and
21 Aggrieved Employees; and determine whether to finally approve the requests for the Attorneys’
22 Fees and Costs, Enhancement Awards, and Settlement Administration Costs.

23 14. Class Counsel shall file a motion for final approval of the Settlement and for
24 Attorneys’ Fees and Costs, Enhancement Awards, and Settlement Administration Costs, along with
25 the appropriate declarations and supporting evidence, including the Settlement Administrator’s
26 declaration, by _____, to be heard
27 at the Final Approval Hearing.

28 15. To object to the Class Settlement in writing, a Participating Class Member must

1 submit a Notice of Objection to the Settlement Administrator postmarked on or before the Response
2 Deadline. The Notice of Objection must be signed and must contain the information that is required,
3 as set forth in the Notice, including and not limited to the grounds for the objection. Participating
4 Class Members may also present their objection(s) orally at the Final Approval Hearing, irrespective
5 of whether they have submitted a Notice of Objection.

6 16. The Settlement is not a concession or admission, and shall not be used against
7 Defendant as an admission or indication with respect to any claim of any fault or omission by
8 Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any
9 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
10 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or
11 deemed to be in evidence for any purpose adverse to the Defendant, including, but not limited to,
12 evidence of a presumption, concession, indication or admission by Defendant of any liability, fault,
13 wrongdoing, omission, concession, or damage, except for legal proceedings concerning the
14 implementation, interpretation, or enforcement of the Settlement.

15 17. In the event the Settlement does not become effective in accordance with the terms
16 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, canceled or
17 fails to become effective for any reason, this Order shall be rendered null and void, shall be vacated,
18 and the Parties shall revert back to their respective positions as of before entering into the Settlement
19 Agreement.

20 18. The Court reserves the right to adjourn or continue the date of the Final Approval
21 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
22 Members, and retains jurisdiction to consider all further applications arising out of or connected with
23 the Settlement.

24 **IT IS SO ORDERED.**

25
26 Dated: _____

By:

The Honorable John D. Freeland
Judge of the Superior Court

EXHIBIT A

NOTICE OF CLASS ACTION AND PAGA REPRESENTATIVE ACTION
SETTLEMENT

Ferguson, et al. vs. G3 Enterprises, Inc., Stanislaus Superior Court Case No. CV-21-000848

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from the above-referenced wage-and-hour putative class and representative action lawsuit (“Action”) against G3 Enterprises, Inc. (“G3 Enterprises,” “the Company,” or “Defendant”). The Action was filed by former G3 employees Ted Ferguson, Lisa Flathers, and Joel Flores (together, “Plaintiffs”), and seeks unpaid wages, penalties, and other relief for alleged violations of the California Labor Code and California Business and Professions Code section 17200, *et seq.*

“**Class Members**” means all current and former non-exempt or hourly-paid employees of G3 Enterprises who worked in California at any time during the period from February 23, 2017 through [REDACTED], 2023. “**Class Period**” means the period February 23, 2017 through [REDACTED], 2023.

“**Aggrieved Employees**” means all current and former non-exempt or hourly-paid employees of G3 Enterprises who worked in California at any time during the period from August 1, 2021 through [REDACTED], 2023. “**PAGA Period**” means the period from August 1, 2021 through [REDACTED], 2023.

The Settlement has two main parts: (1) a Class Settlement requiring G3 Enterprises to fund Individual Class Payments in exchange for the settlement and resolution of Released Class Claims, and (2) a PAGA Settlement requiring G3 Enterprises to fund Individual PAGA Payments and pay penalties to the California Labor & Workforce Development Agency (“LWDA”) in exchange for the settlement and resolution of Released PAGA Claims.

Based on G3 Enterprises’ records, **your Individual Class Payment is estimated to be \$ [REDACTED] (less employee’s share of taxes and withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. These are only estimates and the actual amount you will receive likely may be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to the Company’s records you are not an Aggrieved Employee and thus not eligible for an Individual PAGA Payment under the Settlement.)

Participating Class Members are eligible for Individual Class Payments under the Settlement based on the number of weeks they worked in California as an employee of G3 Enterprises in a non-exempt or hourly position (“**Workweeks**”) during the Class Period, based on payroll and time records, hire dates, re-hire dates (as applicable), leave of absence dates, and termination dates (as applicable). Aggrieved Employees are eligible for Individual PAGA Payments based on their Workweeks during the PAGA Period.

Based on the Company’s records, **you worked [REDACTED] Workweeks** during the Class Period and **you worked [REDACTED] Workweeks** during the PAGA Period. If you believe that you worked more

Workweeks during the Class Period or PAGA Period, you can submit a challenge by the deadline date. See Section **E.3.** of this Notice.

The Court has already preliminarily approved the Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. **Read this Notice carefully. You will be deemed to have carefully read and understood it.** At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys, Lawyers *for* Justice, PC ("Class Counsel"). The Court will also decide whether to enter a judgment that requires G3 Enterprises to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against G3 Enterprises and other Released Parties. See Section **D.7. and D.8.** of this Notice.

G3 Enterprises will not retaliate against you for any actions you take with respect to the Settlement.

A. SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

If you worked for G3 Enterprises during the Class Period and/or the PAGA Period, these are your options under the Settlement:

You Do Not Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, and eligible for an Individual Class Payment; if you are an Aggrieved Employee, you will also be eligible for an Individual PAGA Payment. If you are a Participating Class Member, you will give up your right to assert Released Class Claims against G3 Enterprises and other Released Parties. If you are an Aggrieved Employee, you will give up your right to assert Released PAGA Claims against G3 Enterprises and other Released Parties See Section D.7. and D.8. of this Notice.
You Can Opt Out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [RESPONSE DEADLINE]	If you do not want to participate in the Class Settlement, you can exclude yourself from the Class Settlement by completing and sending a written Request for Exclusion or the accompanying Request for Exclusion Form to the Settlement Administrator. See Section G. of this Notice. Once excluded from the Class Settlement, you will not be a Participating Class Member and no longer be eligible for an Individual Class Payment, you will, however, preserve your right to pursue Released Class Claims that you may have against G3 Enterprises and Released Parties. If you are an Aggrieved Employee, you will remain eligible for an Individual PAGA Payment and will give up your right to assert Released PAGA Claims against G3 Enterprises and Released Parties. You cannot opt out of the PAGA Settlement. See Section D.8 of this Notice.
Participating Class Members Can Object	All Class Members who do not opt out of the Class Settlement ("Participating Class Members") can object to the Class Settlement

to the Class Settlement; Written Objections Must be Submitted by [RESPONSE DEADLINE]	by completing and submitting a written Notice of Objection or the accompanying Notice of Objection Form to the Settlement Administrator or appearing and verbally objecting at the Court's Final Approval Hearing. You are not personally responsible for any payments to Class Counsel or Plaintiffs. If you hire your own separate attorney, you may be responsible for fees and costs for that attorney. See Section H. of this Notice.
You Can Participate in the [FINAL APPROVAL HEARING DATE TO BE INSERTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [DATE] at [TIME] in Department 22 of the Superior Court for the County of Stanislaus, Modesto, California. You do not have to attend but you do have the right to appear in person (or hire an attorney to appear on your behalf at your own cost). Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section H. and I. of this Notice.
You Can Dispute the Number of Workweeks Credited to You; Workweeks Disputes Must be Submitted by [RESPONSE DEADLINE]	The amount of your Individual Class Payment depends on how many Workweeks you worked during the Class Period, while the amount of your Individual PAGA Payment (if any) depends how many Workweeks you worked during the PAGA Period. The number of Workweeks you worked according to the Company's records are stated on the first page of this Notice. If you disagree with either of these numbers, you must send a Workweeks Dispute in conformity with the requirements set forth in Section E.3. of this Notice.

B. WHAT IS THE ACTION ABOUT?

On February 23, 2021, Plaintiff Ted Ferguson filed a Class Action Complaint for Damages, Case No. CV-21-000848 in the Superior Court of the County of Stanislaus, against Defendant G3 Enterprises, Inc. for violations of the California Labor Code and California Business and Professions Code. ("**Class Action**" or "**Action**"). On August 1, 2022, Plaintiffs Lisa Flathers and Joel Flores filed with the Labor and Workforce Development Agency ("**LWDA**") and served on Defendant a notice under California Labor Code section 2699.3 stating they intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for various alleged California Labor Code violations ("**PAGA Notice**"). On October 5, 2022, Plaintiffs Flathers and Flores filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. seeking civil penalties under the PAGA against Defendant, Case No. CV-22-004547 ("**PAGA Action**"). On May 17, 2023, Plaintiffs Flathers and Flores filed with the LWDA and served on Defendant another notice under California Labor Code section 2699.3 regarding their intent to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for various alleged Labor Code violations ("**Additional PAGA Notice**"). The First Amended Consolidated Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698 ("**Operative Complaint**") in the Action alleges that Defendant violated California labor laws by (a) failing to pay wages, including overtime premium pay and the minimum wage; (b) failing to provide meal and/or rest periods in accordance with applicable law, including payments equivalent to one hour of the

employee's regular rate of pay for missed, short, or late meal and/or rest periods and alleged non-payment of wages for meal periods worked and not taken; (c) omitting certain types of remuneration when calculating an employee's regular rate of pay; (d) failing to pay compensation at employees' final rate of pay for unused vested paid vacation days at the termination of employment and associated penalties thereon; (e) failing to indemnify and/or reimburse employees for all business expenses; (f) failing to maintain accurate, required payroll records; (g) failing to issue compliant, accurate wage statements; (h) failing to issue timely payment of wages during, and upon termination of, employment; (i) failing to provide one day's rest in seven; (j) failing to provide notice of material terms of employment; (k) failing to provide compliant paid sick leave and COVID supplemental sick leave; and (l) failing to provide compliant reporting pay. Based on these alleged violations, Plaintiffs have also asserted that Defendant engaged in unfair business practices in violation of the California Business and Professions Code § 17200, *et seq.* and owes civil penalties under the Private Attorneys General Act, California Labor Code § 2698, *et seq.* ("PAGA").

Plaintiffs are represented by attorneys in the Action: Lawyers *for* Justice, PC ("Class Counsel").

Defendant strongly denies violating any laws or failing to pay any wages and contends that it complied with all applicable laws.

C. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Plaintiffs or Defendant are/is correct on the merits. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the cases by agreement (settle the cases) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing the Class Action and PAGA Action Settlement Agreement ("**Settlement**," "**Settlement Agreement**," or "**Agreement**") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated a Settlement that is subject to the Court's final approval. Both sides agree the Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel believe that: (1) G3 Enterprises has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the Settlement is in the best interests of the Class Member, Aggrieved Employees, and State of California.

The Court preliminarily approved the Settlement as fair, reasonable, and adequate; authorized this Notice; and scheduled a hearing to determine whether to grant final approval of the Settlement and enter judgment.

D. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. The Total Settlement Amount is \$3,842,447.00 ("Total Settlement Amount"). G3 Enterprises has agreed to deposit \$3,500,000.00 into an account controlled by the Settlement Administrator for the Settlement (the "Gross Settlement Amount"). G3 Enterprises has already paid \$342,447.00 to current and former non-exempt

employees in pay adjustments, penalties, and settlement of California Labor Code and California Business and Professions Code section 17200 claims between the date the Action was filed and April 14, 2023 (“**Post-Action Payments**”). The Total Settlement Amount consists of the Gross Settlement Amount plus the Post-Action Payments. The Settlement Administrator will use the Gross Settlement Amount to pay the Individual Class Payments to Participating Class Members, Individual PAGA Payments to Aggrieved Employees, Enhancement Awards to Plaintiffs, Attorney’s Fees and Costs to Class Counsel, the Settlement Administration Costs to the Settlement Administrator, and LWDA Payment to the LWDA. Assuming the Court grants final approval of the Settlement, G3 Enterprises will fund the Gross Settlement Amount plus the employer’s portion of the payroll taxes due on wage payments made from the Net Settlement Amount to Class Members (“Employer Taxes”) not more than fourteen (14) calendar days after the Effective Date of the Settlement. The Settlement Administrator will make the required payments within seven (7) calendar days after G3 Enterprises deposits the Gross Settlement Amount and Employer Taxes.

2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - a. Attorneys’ Fees and Costs: Up to 38% of the Total Settlement Amount (up to \$1,460,129.86, if the Total Settlement Amount is \$3,842,447.00) to Class Counsel for attorneys’ fees and up to \$30,000.00 for their actual litigation costs and expenses (“**Attorneys’ Fees and Costs**”). To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - b. Enhancement Awards: Up to \$18,500.00 to Plaintiff Ferguson and up to \$11,500.00 each to Plaintiffs Flathers and Flores for prosecuting the Class Action and PAGA Action, working with Class Counsel, and representing the Class, Aggrieved Employees, and State of California (“**Enhancement Awards**”).
 - c. Settlement Administration Costs: Up to \$30,000.00 to the Settlement Administrator for its fees and expenses incurred in administering the Settlement (“**Settlement Administration Costs**”).
 - d. **PAGA Settlement Amount:** Up to \$400,000.00 for civil penalties under PAGA (“**PAGA Settlement Amount**”), allocated 75% (\$300,000.00) to the LWDA (“**LWDA Payment**”) and 25% (\$100,000.00) to the Aggrieved Employees (“**Aggrieved Employees’ PAGA Settlement**”) as Individual PAGA Payments, distributed *pro rata* based on their Workweeks during PAGA Period.
3. Net Settlement Amount Distributed to Participating Class Members. After making the deductions provided in Section **D.2** above in amounts approved by the Court,

the Settlement Administrator will distribute the rest of the Gross Settlement Amount (the “**Net Settlement Amount**”) by making Individual Class Payments to Participating Class Members based *pro rata* on their Workweeks during the Class Period.

4. Taxes Owed on Payments to Participating Class Members and Aggrieved Employees. Plaintiffs and G3 Enterprises are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“wage portion”) and 80% to [e.g., penalties, interest, etc.] (“non-wage portion”). The wage portion is subject to employee’s share of withholdings and will be reported on IRS W-2 Forms. (G3 Enterprises will separately pay the Employer Taxes it owes on the wage portion.) The Individual PAGA Payments are counted as penalties, rather than wages, for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the non-wage portions of the Individual Class Payments on IRS 1099-MISC Forms.

Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether any payments that you receive from the Settlement are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments you receive from the Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash, deposit, or otherwise negotiate your check by the void date, the check will be automatically canceled, and the monies will be deposited with the California State Controller’s Office, Unclaimed Property Division in your name. If the monies represented by your check are sent to the Controller’s Unclaimed Property Division, you should consult the Division’s instructions on how to retrieve your money at the following website: https://www.sco.ca.gov/upd_form_claim.html
6. The Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant final approval of the Settlement or decline to enter a judgment. It is also possible the Court will enter a judgment that is reversed on appeal. Plaintiffs and G3 Enterprises have agreed that, in either case, the Settlement will be void, and that G3 Enterprises will not pay any money (other than the Settlement Administrator’s fees and costs up to the date the Settlement is void). In the event that the Settlement is void, the releases of claims contemplated under the Settlement will also be void.
7. Class Settlement and Participating Class Members’ Release of Released Class Claims.

“**Class Settlement**” means the settlement and resolution of Released Class Claims

By virtue of the Settlement and by operation of the contemplated Final Approval Order and Judgment to be approved by the Court, upon the Effective Date of the Settlement and payment by Defendant to the Settlement Administrator of the full amount of the Gross Settlement Amount and Employer Taxes, Plaintiffs and the Participating Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims. The period of this release will extend to the limits of the Class Period.

“Released Class Claims” means all claims under federal, state, or local law alleged in the Operative Complaint or that could have been alleged based on the facts, matters, transactions, or occurrences alleged in the Operative Complaint, arising during the Class Period, including but not limited to claims for Defendant’s alleged (a) failure to (i) pay wages (including regular, minimum, overtime, and premium wages), (ii) provide compliant meal and rest periods and associated pay and premium payments in lieu thereof, (iii) timely pay wages during employment and upon termination, (iv) provide accurate, compliant wage statements, (v) maintain complete and accurate payroll records, (vi) reimburse necessary business-related expenses, (vii) provide one day’s rest in seven, (viii) provide notice of material terms of employment, (ix) provide paid sick leave and COVID supplemental sick leave, and (x) provide reporting time pay; (b) unfair or unlawful business practices pursuant to California Business and Professions Code sections 17200, *et seq.*, based on the aforementioned; and (c) violation of the California Labor Code arising from or related to the aforementioned, including, violation of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 245-249, 510, 512, 551, 552, 558, 1174(d), 1174.5, 1182.2, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2810.5, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, 7-2001, 8-2001, and 9-2001.

“Released Parties” means G3 Enterprises, Inc. its current and former subsidiaries, affiliated companies or entities, predecessors, and successors (including, but not limited to, each of their respective owners, members, officers, directors, managers, employees, partners, shareholders, and agents.

8. PAGA Settlement and Aggrieved Employees’ Release of Released PAGA Claims.

“PAGA Settlement” means the settlement and resolution of Released PAGA Claims

By virtue of the Settlement and by operation of the contemplated Final Approval Order and Judgment to be approved by the Court, upon the Effective Date of the Settlement and full funding of the full amount of the Gross Settlement Amount and Employer Taxes by Defendant, Plaintiffs Flathers and Flores, the State of California with respect to the Aggrieved Employees, and Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties (defined above in Section D.7 of this Notice) of all Released PAGA Claims pertaining to Plaintiffs Flathers and

Flores and the Aggrieved Employees, whether known or unknown. The State of California with respect the Aggrieved Employees, and Aggrieved Employees do not release any claims based on facts occurring outside the PAGA Period.

“Released PAGA Claims” means all claims for civil penalties under PAGA alleged in the Operative Complaint, PAGA Notice, and Additional PAGA Notice or that could have been alleged based on the facts, matters, transactions, or occurrences alleged in the Operative Complaint, PAGA Notice, and Additional PAGA Notice arising during the PAGA Period, including but not limited to claims for Defendant’s alleged (a) failure to (i) pay wages (including regular, minimum, overtime, and premium wages), (ii) provide compliant meal and rest periods and associated pay and premium payments in lieu thereof, (iii) timely pay wages during employment and upon termination, (iv) provide accurate, compliant wage statements, (v) maintain complete and accurate payroll records, (vi) reimburse necessary business-related expenses, (vii) provide one day’s rest in seven, (viii) provide notice of material terms of employment, (ix) provide paid sick leave and COVID supplemental sick leave, and (x) provide reporting time pay; and (b) violation of the California Labor Code arising from or related to the aforementioned, including, violation of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 245-249, 510, 512, 551, 552, 558, 1174(d), 1174.5, 1182.2, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2810.5, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, 7-2001, 8-2001, and 9-2001.

E. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Settlement Administrator will calculate and distribute each Participating Class Member’s *pro rata* share of the Net Settlement Amount (**“Individual Class Payment(s)”**) based on the number of their Workweeks during the Class Period. Individual Class Payments will be calculated as follows: the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Class Members to yield the **“Final Workweek Value,”** and multiply each Participating Class Member’s individual Workweeks by the Final Workweek Value to yield his, her, or their Individual Class Payment .
2. Individual PAGA Payments. The Settlement Administrator will calculate and distribute each Aggrieved Employee’s *pro rata* share of the Aggrieved Employees’ PAGA Settlement (**“Individual PAGA Payment(s)”**) based on their Workweeks during the PAGA Period. Individual PAGA Payments will be calculated as follows: the Settlement Administrator will divide the Aggrieved Employees’ PAGA Settlement (i.e., 25% of the PAGA Settlement Amount) by the total number of Aggrieved Employee’s Workweeks worked during the PAGA Period to yield the **“PAGA Workweek Value,”** and multiply each Aggrieved Employee’s individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his, her, or their Individual PAGA Payment.

3. Workweeks Disputes. The number of Workweeks you worked during the Class Period and PAGA Period (if applicable), as recorded in the Company's records, are stated in the first page of this Notice. If you believe any of that information is not correct, you can challenge it by sending a letter ("**Workweeks Dispute**") to the Settlement Administrator that: (a) contains the case name and number of the Class Action; (b) contains your full name, signature, address, telephone number, and the last four digits of your Social Security number; (c) clearly states that you dispute the number of Workweeks credited and what you contend is the correct number to be credited to you; (d) includes information and/or attaches documentation supporting the number of Workweeks that you contend should be credited; and (e) is returned by mail to the Settlement Administrator at the specified address, postmarked on or before **[RESPONSE DEADLINE]**. Section J. of this Notice has the Settlement Administrator's contact information.

The Settlement Administrator will accept the Company's calculation of Workweeks based on the Company's records as accurate unless you send copies of records containing contrary information or the Settlement Administrator discovers a computation error. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweek Dispute after consultation with you, Class Counsel and the Company's counsel. The Settlement Administrator's decision will be final. You cannot appeal or otherwise challenge its final decision.

F. HOW WILL I GET PAID?

The Settlement Administrator will issue every Participating Class Member (*i.e.*, every Class Member who does not exclude themselves from the Class Settlement) an Individual Class Payment and will issue every Aggrieved Employee an Individual PAGA Payment by way of checks sent by U.S. mail. The Settlement Administrator may issue a single check, combining the Individual Class Payment and the Individual PAGA Payment if the recipient is eligible for both of those payments.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section J. of this Notice has the Settlement Administrator's contact information.

G. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Complete and submit to the Settlement Administrator a written Request for Exclusion Form (attached) or an equivalent letter ("**Request for Exclusion**") to the Settlement Administration that reflects your wish to be excluded from the Class and to not participate in the Class Settlement. It must: (1) contain the case name and number of the Class Action; (2) contain your full name, signature, address, telephone number, and the last four digits of your Social Security number; (3) clearly state that you do not wish to be included in the Class Settlement; and (4) be sent by mail to the Settlement Administrator at the specified address, postmarked on or before **[RESPONSE DEADLINE]**, or it will be invalid. Section J. of the Notice has the Settlement Administrator's contact information.

H. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Class Settlement. To do so in writing, complete and submit to the Settlement Administrator a written Notice of Objection Form (attached) or an equivalent letter (“**Notice of Objection**”) to the Settlement Administrator reflecting your objection to the Class Settlement that: (1) contains the case name and number of the Class Action; (2) contains your full name, signature, address, telephone number, and last four digits of your Social Security number; (3) contains a written statement of all grounds for the objection to the Class Settlement accompanied by any legal support for such objection; (4) includes copies of any papers, briefs, or other documents upon which the objection to the Class Settlement is based; (5) contains the name and contact information of any attorney representing you with respect to your objection to the Class Settlement; and (6) is returned by mail to the Settlement Administrator at the specified address, postmarked on or before **[RESPONSE DEADLINE]**. Section J. of this Notice has the Settlement Administrator’s contact information.

Alternatively or in addition to submitting a written Notice of Objection, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section I. of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

I. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on **[DATE TO BE INSERTED]** at **[time]** in Department 22 of the Superior Court for the County of Stanislaus, located at 801 10th Street, 6th floor, Modesto, California 95354. At the hearing, the Court will decide whether to grant final approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiffs, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel, and counsel for G3 Enterprises before making a decision. You can attend (or hire a lawyer to attend).

It is possible the Court will reschedule the Final Approval Hearing. You should check the Court’s calendar at <https://www.stanislaus.courts.ca.gov/online-services/court-calendar> beforehand or contact the Settlement Administrator or Class Counsel to verify the date and time of the Final Approval Hearing.

J. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything G3 Enterprises and Plaintiffs have promised to do, and the terms for resolution of the Action, Released Class Claims, and Released PAGA Claims, under the Settlement. The easiest way to read the Agreement, the contemplated Final Approval Order and Judgment, or any other case-related or Settlement-related documents is to go to the Court’s website (<https://stanportal.stanct.org/search>) and enter the Case Number for the Class Action (Case No. CV-21-000848) or PAGA Action (Case No. CV-22-004547). You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below. You can also make an appointment to personally review court documents in the Clerk’s Office at

the Courthouse, located at 801 10th Street, 4th floor, Modesto, California 95354, by calling (209) 530-3100.

**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION
ABOUT THE SETTLEMENT.**

Class Counsel:

LAWYERS *for* JUSTICE, PC

Arby Aiwazian (CA State Bar No. 269827)

Joanna Ghosh (CA State Bar No. 272479)

Kyla Buenaventura (CA State Bar No. 346443)

410 West Arden Avenue, Suite 203

Glendale, California 91203

Telephone: (818) 265-1020

Facsimile: (818) 265-1021

Settlement Administrator:

Name of Company: Simpluris

Email Address: TO BE INSERTED

Mailing Address: TO BE INSERTED

Telephone: TO BE INSERTED

K. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.