

JAMES HAWKINS APLC
James R. Hawkins, SBN 1929245
james@jamesshawkinsaplc.com
Christina M. Lucio, SBN 253677
christina@jamesshawkinsaplc.com
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676

Attorneys for Plaintiffs Efrain J. Sanchez,
Alejandro Ruiz, Luis Franco, individually and
on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

EFRAIN J. SANCHEZ, an individually and
on behalf of the State of California, as a
private attorney general,

Plaintiff,

vs.

GRUPO DECO CALIFORNIA
CORPORATION, a California Corporation;
GRUPO DECO AMERICA
CORPORATION, a Delaware Corporation;
and DOES 1-50, inclusive,

Defendants.

Case No. BC 526934

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

Date: June 21, 2022

Time: 10:00 a.m.

Judge: Kenneth R. Freeman

Dept.: 14

1 I, Nathalie Hernandez, 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 professional
4 settlement services provider who has been retained by the Parties’ Counsel and subsequently appointed by
5 the Court to serve as the Claims Administrator for the above captioned *Sanchez v. Grupo Deco California*
6 *Corporation, et al.* matter. I am authorized to make this declaration on behalf of ILYM Group and myself.
7 I have personal knowledge of the facts herein, and, if called upon to testify, I could and would testify
8 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 distribution
11 services for Class Actions ranging in size from 26 to 4.5 million Settlement Class Members.

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

24 4. On October 5, 2021, ILYM Group received the Court approved text for the Notice Packet
25 from Counsel for Plaintiff. ILYM Group prepared a draft of the formatted Notice Packet, which was
26 approved by the Parties’ Counsel prior to mailing.

27 5. On October 5, 2021, ILYM Group received the class data file from Counsel for Defendants,
28 which contained the name, last known mailing address, employment dates, and the total number of sales

1 for each Settlement Class Member. The data file was uploaded to our database and checked for duplicates
2 and other possible discrepancies. The Class List contained 379 individuals.

3 6. As part of the preparation for mailing, all 379 names and addresses contained in the Class
4 List were then processed against the National Change of Address (“NCOA”) database, maintained by the
5 United States Postal Service (“USPS”), for purposes of updating and confirming the mailing addresses of
6 the Settlement Class Members before mailing of the Notice Packet. The NCOA contains requested change
7 of addresses filed with the USPS. To the extent that an updated address was found in the NCOA database,
8 the updated address was used for the mailing of the Notice Packet. To the extent that no updated address
9 was found in the NCOA database, the original address provided by Counsel for Defendants was used for
10 the mailing of the Notice Packet.

11 7. On December 29, 2021, the Notice Packet was mailed, via U.S First Class Mail, to all 379
12 individuals contained in the Class List. Attached hereto, as **Exhibit A**, is a true and correct copy of the
13 mailed Notice Packet.

14 8. As of the date of this declaration, 67 Notice Packets have been returned to our office as
15 undeliverable. ILYM Group performed a computerized skip trace on the 67 returned Notice Packets that
16 did not have a forwarding address, in an effort to obtain an updated address for purpose of re-mailing the
17 Notice Packet. As a result of this skip trace, 49 updated addresses were obtained and the Notice Packets
18 were promptly re-mailed to those Settlement Class Members, via U.S First Class Mail.

19 9. As of the date of this declaration, a total of 49 Notice Packets have been re-mailed.
20 Specifically, 49 have been re-mailed as a result of ILYM Group’s skip tracing efforts.

21 10. As of the date of this declaration, a total of 18 Notice Packets have been deemed
22 undeliverable. Specifically, 18 have been deemed undeliverable as no updated address was found
23 notwithstanding the skip tracing.

24 11. As of the date of this declaration, ILYM Group has received 2 requests for exclusion from
25 Maria de Los Angeles Lopez and Obdulia Cobian. The deadline to request exclusion from the Settlement
26 was February 12, 2022.

27 12. As of the date of this declaration, ILYM Group has not received any objections to the
28 Settlement. The deadline to file an objection to the Settlement was February 12, 2022.

1 13. As of the date of this declaration, ILYM Group will report a total of 377 Participating
2 Claimants, representing 99.47% of the 379 Settlement Class Members.

3 14. Participating Claimants will receive a proportional share of the Net Settlement Fund through
4 individual settlement payments, based on the number of points by Class Members during the Class Period.
5 The Net Settlement Fund is the amount remaining after deduction of the Court-approved payments from the
6 Gross Settlement Fund for Class Counsel Fees and Litigation Costs, the Class Representative Enhancement
7 Award, Claims Administration Fees to ILYM Group, and the PAGA allocation, e.g.,

Gross Settlement Fund	\$80,000.00
Class Counsel Fees	\$26,640.00
Class Counsel Litigation Costs	\$15,000.00
Enhancement Award – Efrain Sanchez	\$2,500.00
Enhancement Award – Alejandro Ruiz	\$2,500.00
Enhancement Award – Luis Franco	\$2,500.00
Administration Fees	\$12,000.00
LWDA Payment	\$750.00
Net Settlement Fund (estimated)	\$18,110.00

17 To determine a Participating Claimant's individual settlement award payment, the distribution shall be
18 divided among all Class Members on a pro rata basis, based on the ratio of the Applicable Points by each
19 Class Member during the Class Period, to the total number of Applicable Points by all Class Members during
20 the Class Period. Based on these calculations, the Participating Claimants will receive an estimated average
21 gross payment of \$48.04, with the estimated highest gross payment being \$2,175.39

22 15. ILYM Group's total fees and costs for services in connection with the administration of this
23 Settlement, which includes fees and costs incurred to-date, as well as anticipated fees and costs for
24 completion of the settlement administration, are \$12,000.00. ILYM Group's work in connection with this
25 matter will continue with the calculation of the settlement award payments, issuance and mailing of the
26 settlement award checks, the necessary tax filing and reporting on such payments, and any other tasks that
27 the Parties mutually agree to and/or the Court orders ILYM Group to perform.

28 ///

1 I declare under penalty of perjury under the laws of the State of California and the United States
2 that the foregoing is true and correct to the best of my knowledge and that this Declaration was executed
3 this 18th day of May 2022, at Tustin, California.

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7 *Nathalie Hernandez*
8 NATHALIE HERNANDEZ
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EXHIBIT “A”

PLEASE DISREGARD ANY PRIOR NOTICE, IF ANY, RECEIVED REGARDING THIS SETTLEMENT

NOTICE OF PENDENCY OF CLASS ACTION AND OF SETTLEMENT OF CLASS ACTION, SETTLEMENT HEARING AND RIGHT TO APPEAR

TO: All individuals who were employed as non-exempt employees by Defendants Grupo Deco California Corporation, Grupo Deco America Corporation, and/or Deco California Insurance Agency (hereafter “Defendants”) -- including without limitation pre-need agents (hereafter “Pre-Need Agents”) to sell pre-need policies in the State of California at any time and who earned a commission from selling pre-need policies for Defendants – at any time from November 6, 2009 to July 12, 2019 (the “Settlement Class”):

Please read this notice carefully. It relates to a proposed settlement of class action litigation. If you are a class member as described hereafter, it contains important information as to your right to make a claim for payment, to elect not to be included in the class, or to object to the proposed settlement, as further described below.

TO PARTICIPATE IN THE SETTLEMENT, YOU DO NOT NEED TO DO ANYTHING. IF A FINAL SETTLEMENT IS APPROVED BY THE COURT, YOU WILL RECEIVE APPROXIMATELY THE AMOUNT SET FORTH ON PAGE 4 BELOW.

THE PAYMENTS PURSUANT TO THIS SETTLEMENT WILL BE MADE OVER A PERIOD OF APPROXIMATELY THREE YEARS. CLASS MEMBERS MUST KEEP THE SETTLEMENT ADMINISTRATOR APPRISED OF ANY CHANGES OF ADDRESS.

Pursuant to the orders of the Los Angeles County Superior Court entered July 12, 2019 and April 28, 2021, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A proposed settlement has been reached between the parties in an action captioned as *Efrain J. Sanchez v. Grupo DecoCalifornia, et al.*, Case No. BC526934, pending in the Superior Court of Los Angeles County, California on behalf of current and former non-exempt employees of Defendants who were employed by Defendants at any time from November 6, 2009 and July 12, 2019. You have received this notice because records indicate that you may be one of these individuals.

DESCRIPTION OF THE LITIGATION

On November 6, 2013, Sanchez filed a Complaint in the Superior Court for the County of Los Angeles, CaseNo. BC526934, on behalf of himself and all others similarly situated naming Grupo Deco as defendant. The case was assigned to Judge Kenneth R. Freeman. Sanchez filed a First Amended Complaint on or about May 28, 2015 (hereafter the "First Amended Complaint") and purported to allege therein class action and Private Attorney General Act (“PAGA”) claims for (1) breach of contract and the implied covenant of good faith and fair dealing, (2) failure to pay overtime wages, (3) failure to pay minimum wages, (4) failure to reimburse necessary expenditures, (5) failure to provide meal periods, (6) failure to authorize and permit rest periods, (7) failure to provide with accurate itemized wage statements, (8) failure to pay wages owed upon separation from employment, (9) unfair competition, and, (10) violation of Labor Code Section 2698, *et seq.* (hereafter collectively the "Class Action Claims").

Defendants have vigorously denied and continue to deny any liability and/or wrongdoing alleged in the First Amended Complaint and further assert that, for any purpose other than settlement, this action is not appropriate for class treatment.

The Court has not decided whether Plaintiffs or Defendants will prevail in this litigation. Instead, the parties have agreed to settle this matter.

Since the lawsuit was filed, there has been ongoing investigation and information exchanged through formal and informal discovery. Furthermore, the parties participated in extensive settlement discussions including a mediation in March 2017. As a result of the arm's-length negotiations, the Parties have entered into a Settlement and Release Agreement to Settle the Class Action ("Settlement Agreement"), which has been given preliminary approval by the Court. The Settlement Class Representatives and Settlement Class Counsel support this settlement. Among the reasons for their support are the complete defenses to liability potentially available to Defendants, the inherent risk of trial on the merits, the current and projected status of the economy and Defendants' current and projected financial condition along with the delays associated with litigation.

If you are a member of a Settlement Class as defined below, you may have the right to participate in the settlement. This settlement contemplates (a) entry of a final order approving the settlement and judgment; and (b) discharge of all Parties and their respective counsel from liability for any and all of the released claims.

THE CLASS

For purposes of settling this Litigation and Settlement only, the Court has certified the Settlement Class defined as follows:

All individuals who were employed as non-exempt employees by Defendants Grupo Deco California Corporation, Grupo Deco America Corporation, and/or Deco California Insurance Agency (hereafter "Defendants") -- including without limitation pre-need agents (hereafter "Pre-Need Agent") by Defendants to sell pre-need policies in the State of California at any time and who earned a commission from selling pre-need policies for Defendants -- from November 6, 2009 to July 12, 2019.

This group will hereafter be referred to as the "Settlement Class." You are a Settlement Class member if you fit within the definition of the Class stated above regardless of whether you are currently employed by Defendants.

If the settlement is not approved by the Court or does not become final for any other reason, the Lawsuit will continue.

ATTORNEYS OF RECORD

Counsel for the Settlement Class ("Settlement Class Counsel")

is: James Hawkins
Christina Lucio
James Hawkins APLC
9880 Research Drive, Suite 200
Irvine, California 92618
(949) 987-7200

Counsel for Defendants:

Joseph D. Tuchmayer
The Law Office of Joseph D.
Tuchmayer 888 South Figueroa, Suite
620
Los Angeles, California
90017 (323) 806-2209

Copies of any documents filed with the Court in this Litigation should be sent to the above-listed counsel.

SUMMARY OF THE PROPOSED SETTLEMENT

The settlement as preliminarily approved by the Court provides for the following:

A. Settlement Fund

The total and all-inclusive Settlement Fund is eighty thousand and 00/100 dollars (\$80,000.00).

B. Litigation Costs

Settlement Class Counsel shall be reimbursed from the Settlement Fund for their reasonable out-of-pocket litigation costs, as determined by the Court ("Litigation Costs") up to a maximum of fifteen thousand and 00/100dollars (\$15,000.00).

C. Attorneys' Fees

Subject to Court approval, Class Counsel will be paid thirty-three and one-third percent (33 1/3%) of the Settlement Fund, which equals twenty-six thousand six hundred forty and 00/100 dollars (\$26,640.00). All of Plaintiffs' attorneys' fees and litigation costs shall be paid from this Settlement Fund.

D. Incentive Payments for Plaintiffs

Named plaintiffs Efrain Sanchez, Alejandro Ruiz and Luis Franco shall receive incentive payments of two thousand five hundred and 00/100 dollars (\$2,500.00) *each* for their service as plaintiffs in this action as well asfor their willingness to accept the risks associated with bringing this lawsuit.

E. Settlement Administration Costs

ILYM Group, Inc. will be paid up to twelve thousand dollars (\$12,000) for the costs of administering the Settlement pursuant to the terms of the Settlement Agreement and the Court's Order.

F. PAGA Payment

The Parties have also agreed to allocate \$1,000 as a PAGA penalty payment to settle any and all claims for which penalties under the Private Attorneys General Act of 2004, Labor Code section 2698, et seq. ("PAGA") may be sought or are otherwise available as set forth in the operative complaint. Seventy-five percent (75%) of this amount or \$750 will be paid to the LWDA and twenty-five percent (25%) of this amount or \$250 will be distributed to the Class as part of the Net Settlement Fund.

G. Settlement Amounts Payable to Settlement Class Members

Settlement Class members will be paid their individual Settlement Amount from the Settlement Fund after deduction of (1) Litigation Costs; (2) Class Counsel's Attorney's Fees in the amount ordered by the Court; (3) the Incentive Awards to the named plaintiffs; (4) the Settlement Administration Costs; and, (5) the amount paid to the LWDA. The amount left after these deductions from which to pay Settlement Class members is the "Net Settlement Fund."

For purposes of determining distributions of the Net Settlement Fund, each Settlement Class member will be paid according to the number of points the Class Member received in accordance with the terms set forth below. The total sum of all points for all Settlement Class members will be divided into the total of the Net Settlement Fund which the Parties estimate to be approximately \$18,000.00. That quotient multiplied by the number of points assigned to each individual member of the Settlement Class shall provide the approximate amount ofthe Net Settlement Fund to be distributed to each member of the Settlement Class. Points shall be allocated to each member of the Settlement Class -- as follows:

- a. One (1) point for each month an individual was on the payroll of Defendants at any time from November 6, 2009 to July 12, 2019 and employed as a non-exempt employee, and,
- b. Two (2) points for each commissioned pre-need sale made by a non-exempt from November 6, 2009 to July 12, 2019. “Commissioned pre-need sales” are limited to sales in which the purchaser did not revoke or otherwise cause the sale to be cancelled (including without limitation by a failure to make required payments) within twelve months of the date the sales contract was executed by the purchaser. In the event the twelve-month period has not elapsed by July 12, 2019 with respect to a sales contract, that contract shall be treated as a completed sale.
- c. The value of each point will be determined by dividing the Net Settlement Fund by the total number of points derived from the sum of a. and b. above. The estimated amount due to a Settlement Class Member shall be the value of a single point multiplied by the total points available to that Settlement Class Member.
- d. If an individual was not on the payroll for at least fifteen (15) days during a month, that individual shall not receive a point for that month.

The “Effective Date” of the Settlement Agreement shall be sixty-one (61) calendar days plus two court days after the entry of the Final Approval Order and Judgment. However, in the event that an appeal or other effort to obtain reconsideration or review has been initiated, the “Effective Date” shall instead mean two court days after the date that such appeal or other reconsideration or review has been finally concluded in favor of the Final Approval Order and Judgment and the Final Approval Order and Judgment is no longer subject to review, whether by appeal, petitions for rehearing, petitions for rehearing *en banc*, petitions for *certiorari*, or otherwise. The disposition entered by the Court will not adjudicate the merits of the action or the liability of the Parties resulting from the allegations of the action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this action and over all Parties and Settlement Class Members to enforce and effectuate the terms and intent of this Agreement.

Each Individual Settlement Payment will represent wages, interest, penalties, and expense reimbursement allocated using the following formula: 15% allocated to wages; 80% to expense reimbursement; and 5% allocated to penalties and interest. Individual Settlement Payments paid from the Net Settlement Amount allocated to wages will be reduced by applicable payroll withholdings and deductions, and the Settlement Administrator will issue a Form W-2 for the wage portion of the Individual Settlement Payments. The Settlement Administrator will issue a Form 1099 to the extent required by law for the expense reimbursement, interest and penalty portions of the Individual Settlement Payments.

Defendants’ records indicate the following regarding the beginning date and termination (if any) of employment with Defendants and the Commissioned Pre-Need Sales by you during the applicable time frames set forth in (a) and (b) above:

Point Category	Points	Total
1	<<Points>>	6,153
2	<<Points>>	7,190
Total Points		13,343
Estimated value per Point		\$1.36
Estimated distribution to you	<<Est.SettlementAmt>>	

Please be patient. If the Settlement Agreement is approved by the Court, Defendants will fund the Settlement Fund by making payments into the Fund for up to forty-two (42) months. Payments from the Settlement Fund will be made to Settlement Class Members who do not opt out of the Settlement in two installments. The first payment will be made within 600 days of the Effective Date stated above, and the second payment will be made within twenty days after the last payment is made by Defendants into the Settlement Fund. Amounts due to Settlement Class Counsel for attorney's fees and costs, and payments to the Class Representatives shall be treated in the same fashion as distributions to the Settlement Class.

Please keep the Settlement Administrator updated on your current address to ensure that you receive any payments made.

YOUR RIGHTS AS A CLASS MEMBER

A. No Need To Do Anything If You Want to Be Part of a Class

To participate in the settlement as described in the preceding paragraph, you do not need to do anything (if a final settlement is approved by the court).

Your participation in the settlement will be based on the formula described in the summary above and in detail in the Settlement Agreement although this amount could change based on the factors outlined in the Settlement Agreement.

By not doing anything – such as excluding yourself from the class or objecting to the settlement in Court (as described in Paragraphs B and C, below) – you will be bound by the terms of the Settlement Agreement and/or by any other final disposition of this Lawsuit. Specifically, you receive the payments specified in the Settlement Agreement and will be bound by the terms of the release as described below and therefore be forever barred from pursuing any claims against Defendants that were asserted in this Lawsuit for any period through the date of the final settlement. If the proposed settlement is approved, you will receive a Settlement Sum.

B. Excluding Yourself from the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself (“opt out”) by completing the Request for Exclusion Form that is enclosed. The Request for Exclusion Form must be completed, signed, dated, and returned to:

ILYM Group, Inc.
Attention: Sanchez v. Grupo Deco, et al.
P.O. Box 2031
Tustin, CA 92781

The Request for Exclusion Form must be postmarked no later than February 12, 2022.

If the Request for Exclusion Form is sent from within the United States, it must be sent through the United States Postal Service via First-Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope. Any person who submits a complete and timely Request for Exclusion Form shall, upon receipt, no longer be a member of the Settlement Class, shall be barred from participating in any portion of the settlement, and shall receive no benefits from the settlement. Any such person, at his/her own expense, may pursue any claims he/she may have against Defendants. However, there are deadlines to pursuing such claims known as statutes of limitation. Please consult an attorney of your choice to ensure you are not forever barred from pursuing your individual claim if you decide to opt out of the settlement.

C. Objecting to the Settlement

You may choose to object to the terms of the settlement. However, if the Court rejects your objection, you will still be bound by the terms of the settlement as you must be a Class Member to object to the settlement. You may not submit both a Request for Exclusion Form and an Objection. If you submit both an Objection and a Request for Exclusion, the Request for Exclusion will be accepted, and the Objection will be rejected. If you choose to object to the settlement, you may file a written objection, but you are not required to do so. In lieu of filing a written objection (or in conjunction with such filing) you may enter an appearance in *propria persona* (meaning you choose to represent yourself) or through your own attorney at your own cost at the hearing. If you choose to submit a written Objection, the Objection should be sent to the Settlement Administrator at:

ILYM Group, Inc.
Attention: Sanchez v. Grupo Deco, et al.
P.O. Box 2031
Tustin, CA 92781

For any written Objection you must submit your name, address, dates of employment with Defendants, the last four digits of your social security number, and a detailed statement of the specific reason for your objection and any legal support for each objection, as well as any supporting documents, briefs, exhibits or other materials. The Objection must be signed by you or your attorney, and it must also state whether you or your attorney intend to appear at the Final Fairness and Approval Hearing. Within two business days of receipt, the Settlement Administrator will provide the Objection and any related documents to Settlement Class Counsel who will then file the Objection with the Court. ***Any written Objection which you choose to file must be postmarked no later than February 12, 2022.***

D. Disputes Regarding Calculation of the Amount to Be Paid to You Under the Settlement Agreement

If you believe that the calculations of the amount that may be due to you under the Settlement Agreement are incorrect because, for example, you have not been credited with enough commissioned sales, you should promptly send a letter explaining the reason(s) you believe the calculation is incorrect together with any supporting documents to Defendants' Counsel with a copy to Settlement Class Counsel at the addresses set forth below. They will review and respond to your letter within five business days of receipt; however, their decision on matters is final and your only recourse if you continue to disagree will be to opt out of the class or formally object to the Settlement Agreement as outlined in Paragraphs B and C above.

Settlement Class Counsel:

James Hawkins
james@jameshawkinsaplc.com
Christina Lucio
christina@jameshawkinsaplc.com
mJames Hawkins APLC
9880 Research Drive, Suite 200
Irvine, California 92618

Counsel for Defendants:

Joseph D. Tuchmayer
joetuchmayer@hotmail.com
The Law Office of Joseph D. Tuchmayer
888 South Figueroa, Suite 620
Los Angeles, California 90017

RELEASE OF CLAIMS

Upon the final approval by the Court of this Settlement Agreement and completion of administration, and except as to such rights or claims as may be created by this Settlement Agreement, the Settlement Class, including Named Plaintiffs Sanchez, Ruiz and Franco and each member of the Settlement Class fully releases and discharges Defendants Grupo Deco California Corporation, Grupo Deco America Corporation, and Deco California Insurance Agency, and all of its and their present and former parent companies, subsidiaries, related entities, partners, limited partners, affiliates, successors, assigns and general partners (the “Released Parties”), as well as their shareholders, officers, partners, directors, employees, agents, spouses, descendants, servants, registered representatives, attorneys, insurers, affiliates and successors and assigns of the foregoing from the “Released Claims” which include any and all claims, debts, liabilities, demands, obligations, wages, salaries, commissions, penalties, costs, expenses, reimbursement for expenses, attorneys' fees, damages, actions or causes of action of whatever kind or nature that were alleged or could have been alleged in the First Amended Complaint based on the facts and circumstances alleged therein including without limitation any claims for unpaid wages (including wages in the form of commissions), minimum wage, overtime pay, expenses, penalties, liquidated damages, interest, costs or attorney’s fees under Labor Code Sections 201, 202, 203, 226, 226.3, 226.7, 510, 558, 1174, 1194, 1198, 2698 *et seq*, 2802 and any Industrial Wage Commission Wage Order, Business and Professions Code Section 17200, and/or damages relating to the payment of wages under local and/or state as set forth in the operative Complaint for the time period from November 6, 2009 to July 12, 2019.

FINAL SETTLEMENT APPROVAL HEARING

The Los Angeles Superior Court will hold a hearing in the Courtroom of the Honorable Kenneth R. Freeman located at the Los Angeles Superior Court, Department 14, 312 North Spring Street, Los Angeles, California 90012 on June 21, 2022 at 10:00 a.m., to determine whether the settlement should be finally approved as fair, reasonable, and adequate.

The Court also will be asked to approve Settlement Class Counsel’s request for attorneys’ fees and reimbursement of costs and expenses and the Incentive Awards to be paid to the named plaintiffs. Settlement Class Counsel’s application for attorneys’ fees and reimbursement of expenses will be on file with the Court no later than May 3, 2022 and will be available for review after that date. The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing unless you object to the proposed settlement and you have timely submitted an objection to the Settlement.

ADDITIONAL INFORMATION

The above is a summary of the basic terms of the settlement. You may contact the Administrator or Settlement Class Counsel for additional information.

Settlement Class Counsel:

James Hawkins
Christina Lucio
James Hawkins APLC
9880 Research Drive, Suite 200
Irvine, California 92618
(949) 387-7200

Settlement Administrator:

ILYM Group, Inc.
Attention: Sanchez v. Grupo Deco, et al.
P.O. Box 2031
Tustin, CA 92781
Phone Number: 888-250-6810

For the precise terms and conditions of the settlement, you should consult the complete Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this Lawsuit, including the Settlement Agreement, may be examined at any time during regular business hours at the Office of the Clerk, 312 North Spring Street, Los Angeles, California 90012.

Please put the last four digits of your social security number on all correspondence to Settlement Class Counsel and to the Defense Counsel and/or the Settlement Administrator in this matter. If you move after receiving this notice, or if it was incorrectly addressed, please provide your correct address to the Settlement Administrator listed above.

**PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION REGARDING THIS
SETTLEMENT OR THE CLAIM PROCESS.**

**NOTICE OF PENDENCY OF CLASS ACTION AND OF SETTLEMENT OF CLASS
ACTION, SETTLEMENT HEARING AND RIGHT TO APPEAR**

TO: All individuals who were employed as non-exempt employees by Defendants Grupo Deco California Corporation, Grupo Deco America Corporation, and/or Deco California Insurance Agency (hereafter “Defendants”) -- including without limitation pre-need agents (hereafter “Pre-Need Agents”) to sell pre-need policies in the State of California at any time and who earned a commission from selling pre-need policies for Defendants – at any time from November 6, 2009 to July 12, 2019 (the “Settlement Class”):

Please read this notice carefully. It relates to a proposed settlement of class action litigation. If you are a class member as described hereafter, it contains important information as to your right to make a claim for payment, to elect not to be included in the class, or to object to the proposed settlement, as further described below.

TO PARTICIPATE IN THE SETTLEMENT, YOU DO NOT NEED TO DO ANYTHING. IF A FINAL SETTLEMENT IS APPROVED BY THE COURT, YOU WILL RECEIVE APPROXIMATELY THE AMOUNT SET FORTH ON PAGE 4 BELOW.

THE PAYMENTS PURSUANT TO THIS SETTLEMENT WILL BE MADE OVER A PERIOD OF APPROXIMATELY THREE YEARS. CLASS MEMBERS MUST KEEP THE SETTLEMENT ADMINISTRATOR APPRISED OF ANY CHANGES OF ADDRESS.

Pursuant to the orders of the Los Angeles County Superior Court entered July 12, 2019 and April 28, 2021, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A proposed settlement has been reached between the parties in an action captioned as *Efrain J. Sanchez v. Grupo Deco California, et al.*, Case No. BC526934, pending in the Superior Court of Los Angeles County, California on behalf of current and former non-exempt employees of Defendants who were employed by Defendants at any time from November 6, 2009, and July 12, 2019. You have received this notice because records indicate that you may be one of these individuals.

DESCRIPTION OF THE LITIGATION

On November 6, 2013, Sanchez filed a Complaint in the Superior Court for the County of Los Angeles, Case No. BC526934, on behalf of himself and all others similarly situated naming Grupo Deco as defendant. The case was assigned to Judge Kenneth R. Freeman. Sanchez filed a First Amended Complaint on or about May 28, 2015 (hereafter the "First Amended Complaint") and purported to allege therein class action and Private Attorney General Act (“PAGA”) claims for (1) breach of contract and the implied covenant of good faith and fair dealing, (2) failure to pay overtime wages, (3) failure to pay minimum wages, (4) failure to reimburse necessary expenditures, (5) failure to provide meal periods, (6) failure to authorize and permit rest periods, (7) failure to provide with accurate itemized wage statements, (8) failure to pay wages owed upon separation from employment, (9) unfair competition, and, (10) violation of Labor Code Section 2698, *et seq.* (hereafter collectively the "Class Action Claims").

Defendants have vigorously denied and continue to deny any liability and/or wrongdoing alleged in the First Amended Complaint and further assert that, for any purpose other than settlement, this action is not appropriate for class treatment.

The Court has not decided whether Plaintiffs or Defendants will prevail in this litigation. Instead, the parties have agreed to settle this matter.

Since the lawsuit was filed, there has been ongoing investigation and information exchanged through formal and informal discovery. Furthermore, the parties participated in extensive settlement discussions including a mediation in March 2017. As a result of the arm's-length negotiations, the Parties have entered into a Settlement and Release Agreement to Settle the Class Action ("Settlement Agreement"), which has been given preliminary approval by the Court. The Settlement Class Representatives and Settlement Class Counsel support this settlement. Among the reasons for their support are the complete defenses to liability potentially available to Defendants, the inherent risk of trial on the merits, the current and projected status of the economy and Defendants' current and projected financial condition along with the delays associated with litigation.

If you are a member of a Settlement Class as defined below, you may have the right to participate in the settlement. This settlement contemplates (a) entry of a final order approving the settlement and judgment; and (b) discharge of all Parties and their respective counsel from liability for any and all of the released claims.

THE CLASS

For purposes of settling this Litigation and Settlement only, the Court has certified the Settlement Class defined as follows:

All individuals who were employed as non-exempt employees by Defendants Grupo Deco California Corporation, Grupo Deco America Corporation, and/or Deco California Insurance Agency (hereafter "Defendants") -- including without limitation pre-need agents (hereafter "Pre-Need Agent") by Defendants to sell pre-need policies in the State of California at any time and who earned a commission from selling pre-need policies for Defendants -- from November 6, 2009 to July 12, 2019.

This group will hereafter be referred to as the "Settlement Class." You are a Settlement Class member if you fit within the definition of the Class stated above regardless of whether you are currently employed by Defendants.

If the settlement is not approved by the Court or does not become final for any other reason, the Lawsuit will continue.

ATTORNEYS OF RECORD

Counsel for the Settlement Class ("Settlement Class Counsel") is:

James Hawkins
Christina Lucio
James Hawkins APLC
9880 Research Drive, Suite 200
Irvine, California 92618
(949) 987-7200

Counsel for Defendants:

Joseph D. Tuchmayer
The Law Office of Joseph D. Tuchmayer
888 South Figueroa, Suite 620
Los Angeles, California 90017
(323) 806-2209

Copies of any documents filed with the Court in this Litigation should be sent to the above-listed counsel.

SUMMARY OF THE PROPOSED SETTLEMENT

The settlement as preliminarily approved by the Court provides for the following:

A. Settlement Fund

The total and all-inclusive Settlement Fund is eighty thousand and 00/100 dollars (\$80,000.00).

B. Litigation Costs

Settlement Class Counsel shall be reimbursed from the Settlement Fund for their reasonable out-of-pocket litigation costs, as determined by the Court ("Litigation Costs") up to a maximum of fifteen thousand and 00/100dollars (\$15,000.00).

C. Attorneys' Fees

Subject to Court approval, Class Counsel will be paid thirty-three and one-third percent (33 1/3%) of the Settlement Fund, which equals twenty-six thousand six hundred forty and 00/100 dollars (\$26,640.00). All of Plaintiffs' attorneys' fees and litigation costs shall be paid from this Settlement Fund.

D. Incentive Payments for Plaintiffs

Named plaintiffs Efrain Sanchez, Alejandro Ruiz and Luis Franco shall receive incentive payments of two thousand five hundred and 00/100 dollars (\$2,500.00) *each* for their service as plaintiffs in this action as well as for their willingness to accept the risks associated with bringing this lawsuit.

E. Settlement Administration Costs

ILYM Group, Inc. will be paid up to twelve thousand dollars (\$12,000) for the costs of administering the Settlement pursuant to the terms of the Settlement Agreement and the Court's Order.

F. PAGA Payment

The Parties have also agreed to allocate \$1,000 as a PAGA penalty payment to settle any and all claims for which penalties under the Private Attorneys General Act of 2004, Labor Code section 2698, et seq. ("PAGA") may be sought or are otherwise available as set forth in the operative complaint. Seventy-five percent (75%) of this amount or \$750 will be paid to the LWDA and twenty-five percent (25%) of this amount or \$250 will be distributed to the Class as part of the Net Settlement Fund.

G. Settlement Amounts Payable to Settlement Class Members

Settlement Class members will be paid their individual Settlement Amount from the Settlement Fund after deduction of (1) Litigation Costs; (2) Class Counsel's Attorney's Fees in the amount ordered by the Court; (3) the Incentive Awards to the named plaintiffs; (4) the Settlement Administration Costs; and, (5) the amount paid to the LWDA. The amount left after these deductions from which to pay Settlement Class members is the "Net Settlement Fund."

For purposes of determining distributions of the Net Settlement Fund, each Settlement Class member will be paid according to the number of points the Class Member received in accordance with the terms set forth below. The total sum of all points for all Settlement Class members will be divided into the total of the Net Settlement Fund which the Parties estimate to be approximately \$18,000.00. That quotient multiplied by the number of points assigned to each individual member of the Settlement Class shall provide the approximate amount of the Net Settlement Fund to be distributed to each member of the Settlement Class. Points shall be allocated to each member of the Settlement Class -- as follows:

- a. One (1) point for each month an individual was on the payroll of Defendants at any time from November 6, 2009 to July 12, 2019 and employed as a non-exempt employee, and,
- b. Two (2) points for each commissioned pre-need sale made by a non-exempt from November 6, 2009 to July 12, 2019. “Commissioned pre-need sales” are limited to sales in which the purchaser did not revoke or otherwise cause the sale to be cancelled (including without limitation by a failure to make required payments) within twelve months of the date the sales contract was executed by the purchaser. In the event the twelve-month period has not elapsed by July 12, 2019 with respect to a sales contract, that contract shall be treated as a completed sale.
- c. The value of each point will be determined by dividing the Net Settlement Fund by the total number of points derived from the sum of a. and b. above. The estimated amount due to a Settlement Class Member shall be the value of a single point multiplied by the total points available to that Settlement Class Member.
- d. If an individual was not on the payroll for at least fifteen (15) days during a month, that individual shall not receive a point for that month.

The “Effective Date” of the Settlement Agreement shall be sixty-one (61) calendar days plus two court days after the entry of the Final Approval Order and Judgment. However, in the event that an appeal or other effort to obtain reconsideration or review has been initiated, the “Effective Date” shall instead mean two court days after the date that such appeal or other reconsideration or review has been finally concluded in favor of the Final Approval Order and Judgment and the Final Approval Order and Judgment is no longer subject to review, whether by appeal, petitions for rehearing, petitions for rehearing *en banc*, petitions for *certiorari*, or otherwise. The disposition entered by the Court will not adjudicate the merits of the action or the liability of the Parties resulting from the allegations of the action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this action and over all Parties and Settlement Class Members to enforce and effectuate the terms and intent of this Agreement.

Each Individual Settlement Payment will represent wages, interest, penalties, and expense reimbursement allocated using the following formula: 15% allocated to wages; 80% to expense reimbursement; and 5% allocated to penalties and interest. Individual Settlement Payments paid from the Net Settlement Amount allocated to wages will be reduced by applicable payroll withholdings and deductions, and the Settlement Administrator will issue a Form W-2 for the wage portion of the Individual Settlement Payments. The Settlement Administrator will issue a Form 1099 to the extent required by law for the expense reimbursement, interest and penalty portions of the Individual Settlement Payments.

Defendants’ records indicate the following regarding the beginning date and termination (if any) of employment with Defendants and the Commissioned Pre-Need Sales by you during the applicable time frames set forth in (a) and (b) above:

Point Category	Points	Total
1	<<Points>>	6,153
2	<<Points>>	7,190
Total Points		13,343
Estimated value per Point		\$1.36
Estimated distribution to you	<<Est.SettlementAmt>>	

Please be patient. If the Settlement Agreement is approved by the Court, Defendants will fund the Settlement Fund by making payments into the Fund for up to forty-two (42) months. Payments from the Settlement Fund will be made to Settlement Class Members who do not opt out of the Settlement in two installments. The first payment will be made within 600 days of the Effective Date stated above, and the second payment will be made within twenty days after the last payment is made by Defendants into the Settlement Fund. Amounts due to Settlement Class Counsel for attorney's fees and costs, and payments to the Class Representatives shall be treated in the same fashion as distributions to the Settlement Class.

Please keep the Settlement Administrator updated on your current address to ensure that you receive any payments made.

YOUR RIGHTS AS A CLASS MEMBER

A. No Need To Do Anything If You Want to Be Part of a Class

To participate in the settlement as described in the preceding paragraph, you do not need to do anything (if a final settlement is approved by the court).

Your participation in the settlement will be based on the formula described in the summary above and in detail in the Settlement Agreement although this amount could change based on the factors outlined in the Settlement Agreement.

By not doing anything – such as excluding yourself from the class or objecting to the settlement in Court (as described in Paragraphs B and C, below) – you will be bound by the terms of the Settlement Agreement and/or by any other final disposition of this Lawsuit. Specifically, you receive the payments specified in the Settlement Agreement and will be bound by the terms of the release as described below and therefore be forever barred from pursuing any claims against Defendants that were asserted in this Lawsuit for any period through the date of the final settlement. If the proposed settlement is approved, you will receive a Settlement Sum.

B. Excluding Yourself from the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself (“opt out”) by completing the Request for Exclusion Form that is enclosed. The Request for Exclusion Form must be completed, signed, dated, and returned to:

ILYM Group, Inc.
Attention: Sanchez v. Grupo Deco, et al.
P.O. Box 2031
Tustin, CA 92781

The Request for Exclusion Form must be postmarked no later than February 12, 2022.

If the Request for Exclusion Form is sent from within the United States, it must be sent through the United States Postal Service via First-Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope. Any person who submits a complete and timely Request for Exclusion Form shall, upon receipt, no longer be a member of the Settlement Class, shall be barred from participating in any portion of the settlement, and shall receive no benefits from the settlement. Any such person, at his/her own expense, may pursue any claims he/she may have against Defendants. However, there are deadlines to pursuing such claims known as statutes of limitation. Please consult an attorney of your choice to ensure you are not forever barred from pursuing your individual claim if you decide to opt out of the settlement.

C. Objecting to the Settlement

You may choose to object to the terms of the settlement. However, if the Court rejects your objection, you will still be bound by the terms of the settlement as you must be a Class Member to object to the settlement. You may not submit both a Request for Exclusion Form and an Objection. If you submit both an Objection and a Request for Exclusion, the Request for Exclusion will be accepted, and the Objection will be rejected. If you choose to object to the settlement, you may file a written objection, but you are not required to do so. In lieu of filing a written objection (or in conjunction with such filing) you may enter an appearance in *propria persona* (meaning you choose to represent yourself) or through your own attorney at your own cost at the hearing. If you choose to submit a written Objection, the Objection should be sent to the Settlement Administrator at:

ILYM Group, Inc.
Attention: Sanchez v. Grupo Deco, et al.
P.O. Box 2031
Tustin, CA 92781

For any written Objection you must submit your name, address, dates of employment with Defendants, the last four digits of your social security number, and a detailed statement of the specific reason for your objection and any legal support for each objection, as well as any supporting documents, briefs, exhibits or other materials. The Objection must be signed by you or your attorney, and it must also state whether you or your attorney intend to appear at the Final Fairness and Approval Hearing. Within two business days of receipt, the Settlement Administrator will provide the Objection and any related documents to Settlement Class Counsel who will then file the Objection with the Court. ***Any written Objection which you choose to file must be postmarked no later than February 12, 2022.***

D. Disputes Regarding Calculation of the Amount to Be Paid to You Under the Settlement Agreement

If you believe that the calculations of the amount that may be due to you under the Settlement Agreement are incorrect because, for example, you have not been credited with enough commissioned sales, you should promptly send a letter explaining the reason(s) you believe the calculation is incorrect together with any supporting documents to Defendants' Counsel with a copy to Settlement Class Counsel at the addresses set forth below. They will review and respond to your letter within five business days of receipt; however, their decision on matters is final and your only recourse if you continue to disagree will be to opt out of the class or formally object to the Settlement Agreement as outlined in Paragraphs B and C above.

Settlement Class Counsel:

James Hawkins
james@jameshawkinsaplc.com
Christina Lucio
christina@jameshawkinsaplc.co
mJames Hawkins APLC
9880 Research Drive, Suite 200
Irvine, California 92618

Counsel for Defendants:

Joseph D. Tuchmayer
joetuchmayer@hotmail.com
The Law Office of Joseph D. Tuchmayer
888 South Figueroa, Suite 620
Los Angeles, California 90017

RELEASE OF CLAIMS

Upon the final approval by the Court of this Settlement Agreement and completion of administration, and except as to such rights or claims as may be created by this Settlement Agreement, the Settlement Class, including Named Plaintiffs Sanchez, Ruiz and Franco and each member of the Settlement Class fully releases and discharges Defendants Grupo Deco California Corporation, Grupo Deco America Corporation, and Deco California Insurance Agency, and all of its and their present and former parent companies, subsidiaries, related entities, partners, limited partners, affiliates, successors, assigns and general partners (the “Released Parties”), as well as their shareholders, officers, partners, directors, employees, agents, spouses, descendants, servants, registered representatives, attorneys, insurers, affiliates and successors and assigns of the foregoing from the “Released Claims” which include any and all claims, debts, liabilities, demands, obligations, wages, salaries, commissions, penalties, costs, expenses, reimbursement for expenses, attorneys' fees, damages, actions or causes of action of whatever kind or nature that were alleged or could have been alleged in the First Amended Complaint based on the facts and circumstances alleged therein including without limitation any claims for unpaid wages (including wages in the form of commissions), minimum wage, overtime pay, expenses, penalties, liquidated damages, interest, costs or attorney’s fees under Labor Code Sections 201, 202, 203, 226, 226.3, 226.7, 510, 558, 1174, 1194, 1198, 2698 *et seq*, 2802 and any Industrial Wage Commission Wage Order, Business and Professions Code Section 17200, and/or damages relating to the payment of wages under local and/or state as set forth in the operative Complaint for the time period from November 6, 2009 to July 12, 2019.

FINAL SETTLEMENT APPROVAL HEARING

The Los Angeles Superior Court will hold a hearing in the Courtroom of the Honorable Kenneth R. Freeman located at the Los Angeles Superior Court, Department 14, 312 North Spring Street, Los Angeles, California 90012 on June 21, 2022, at 10:00 a.m., to determine whether the settlement should be finally approved as fair, reasonable, and adequate.

The Court also will be asked to approve Settlement Class Counsel’s request for attorneys’ fees and reimbursement of costs and expenses and the Incentive Awards to be paid to the named plaintiffs. Settlement Class Counsel’s application for attorneys’ fees and reimbursement of expenses will be on file with the Court no later than May 3, 2022 and will be available for review after that date. The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing unless you object to the proposed settlement and you have timely submitted an objection to the Settlement.

ADDITIONAL INFORMATION

The above is a summary of the basic terms of the settlement. You may contact the Administrator or Settlement Class Counsel for additional information.

Settlement Class Counsel:

James Hawkins
Christina Lucio
James Hawkins APLC
9880 Research Drive, Suite 200
Irvine, California 92618
(949) 387-7200

Settlement Administrator:

ILYM Group, Inc.
Attention: Sanchez v. Grupo Deco, et al.
P.O. Box 2031
Tustin, CA 92781
Phone Number: 888-250-6810

For the precise terms and conditions of the settlement, you should consult the complete Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this Lawsuit, including the Settlement Agreement, may be examined at any time during regular business hours at the Office of the Clerk, 312 North Spring Street, Los Angeles, California 90012.

Please put the last four digits of your social security number on all correspondence to Settlement Class Counsel and to the Defense Counsel and/or the Settlement Administrator in this matter. If you move after receiving this notice, or if it was incorrectly addressed, please provide your correct address to the Settlement Administrator listed above.

**PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION REGARDING
THIS SETTLEMENT OR THE CLAIM PROCESS.**

REQUEST FOR EXCLUSION FROM CLASS

Read the enclosed legal notice carefully before filling out this form.

I have read the Notice of Pendency of Class Action And Of Settlement of Class Action, Settlement Hearing and Right to Appear.

I do **NOT** wish to remain a member of the plaintiff settlement class preliminarily certified in the case of *Efrain J. Sanchez, et al. v. Grupo Deco California Corporation, et al.*, Case No. BC526934 pending in the Los Angeles County Superior Court.

Signature

Printed name

Last 4 of Social Security No. or Taxpayer ID

Street Address

City, State, Zip Code

If you want to exclude yourself from the class, you must legibly type or print the information needed to complete this form and return the original by mail first class, postage prepaid, before February 12, 2022.

ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781