COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE

FOR FINAL COURT APPROVAL

Matthew Wood v. Empire Marketing Strategies, Inc., et al., Orange County Superior Court

Case No. 30-2023-01324789-CU-OR-CXC

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

You may be eligible to receive money from an employee class action lawsuit ("Action") against Empire Marketing Strategies, Inc. ("EMPIRE") for alleged wage and hour violations. The Action was filed by former EMPIRE employee Matthew Wood ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of non-exempt employees ("Class Members") who worked for EMPIRE during the Class Period (November 14, 2018 to November 7, 2024); and (2) penalties under the California Private Attorneys General Act ("PAGA") for all non-exempt employees who worked for EMPIRE during the PAGA Period (April 24, 2022 to November 7, 2024) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring EMPIRE to fund Individual Class Payments, and (2) a PAGA Settlement requiring EMPIRE to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on EMPIRE's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$<<MERGED_ClassAward>> (less withholding) and your Individual PAGA Payment is estimated to be \$<<MERGED_PAGAAward>>. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to EMPIRE's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on EMPIRE's records showing that **you worked << MERGED_ClassWW>>** workweeks during the Class Period and **you worked << MERGED_PAGAPP>> pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. 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 Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires EMPIRE to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against EMPIRE.

If you worked for EMPIRE during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage and hour claims and PAGA penalty claims against EMPIRE.
- (2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion, using the Request for Exclusion Form provided with this notice or a substantially similar document, or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage and hour claims against EMPIRE. and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

EMPIRE will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class
Anything to Participate in the	Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right
Settlement	to assert the wage and hour claims against EMPIRE that are covered by this Settlement
	(Released Claims).

You Can Opt-out of the Class Settlement; The Opt-out Deadline is September 18, 2025	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion, using the Request for Exclusion Form provided with this notice or a substantially similar document. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. EMPIRE must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement; Written Objections Must be Submitted by September 18, 2025	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement by submitting the Objection Form provided with this notice, a substantially similar document or explaining your objections in person at the Final Approval Hearing. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in November 17, 2025, Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on November 17, 2025. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost) in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods; Written Challenges Must be Submitted by September 18, 2025	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to EMPIRE's records is stated on the first page of this Notice. If you disagree with either of these numbers, you can dispute it by submitting the Workweek/Pay Period Dispute Form provided with this notice or a substantially similar document (which must be done by September 18, 2025). See Section 4 of this Notice.

1.WHAT IS THE ACTION ABOUT?

Plaintiff is a former EMPIRE employee. The Action accuses EMPIRE of violating California labor laws by failing to pay all wages, including overtime wages, to provide compliant meal periods and rest breaks, to reimburse for business expenses, to provide compliant wage statements, and to pay all wages due upon termination. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (California Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Ian M. Silvers from Bisnar Chase LLP and Farid Masoud of Culver Law Firm ("Class Counsel.") EMPIRE strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether EMPIRE or Plaintiff is correct on the merits.

In the meantime, Plaintiff and EMPIRE hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a Final Order ending the Action and enforcing the Agreement, Plaintiff and EMPIRE have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, EMPIRE does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) EMPIRE 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) settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

- 1. EMPIRE will Pay \$1,200,000 as the Gross Settlement Amount (Gross Settlement) (prior to any escalator clause). EMPIRE has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, EMPIRE will fund the Gross Settlement not more than 15 court days after the Effective Date. The Final Order will be final on the date the Court enters its decision, or a later date if Participating Class Members object to the proposed Settlement or the Final Order is appealed. The date the Final Order becomes final will be considered the Effective Date.
- 2. <u>Court Approved Deductions from Gross Settlement.</u> At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$420,000 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$35,000 for their litigation expenses. To date, Class Counsel has worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$8,000 to the Administrator for services administering the Settlement.
 - D. Up to \$75,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
- 4. <u>Taxes Owed on Payments to Class Members.</u> Plaintiff and EMPIRE are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages ("Wage Portion") and 90% to interest, expenses and penalties ("Non-Wage Portion.). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. EMPIRE will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and EMPIRE have agreed to these allocations, neither side is giving you any advice on whether your Payments 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 received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- 5. <u>Need to Promptly Cash Payment Checks.</u> 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 don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.
- 6.Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than September 18, 2025, that you wish to opt-out. The easiest way to notify the Administrator is to send the written and signed Request for Exclusion Form provided with this notice or a substantially similar document by the September 18, 2025, Response Deadline. The Request for Exclusion should be from a Class Member and set forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from

the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against EMPIRE.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against EMPIRE based on the PAGA Period facts alleged in the Action.

- 7. The Proposed 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 Final Order. It is also possible the Court will enter a determination that is reversed on appeal. Plaintiff and EMPIRE have agreed that, in either case, the Settlement will be void: EMPIRE will not pay any money and Class Members will not release any claims against EMPIRE.
- 8. Administrator. The Court has appointed a neutral company ILYM Group (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks/Pay Periods (but the Court has final authority to decide any challenges), mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 9. Participating Class Members' Release. After the Final Order is approved and EMPIRE has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against EMPIRE or related entities for wage and hour violations based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from: (1) all claims alleged in the Action, (2) all claims under state, federal, or local law, that could be asserted in the Action based on the facts alleged in the operative complaint at the time of preliminary approval of the Settlement (i.e., Second Amended Complaint), and (3) all claims under the California Labor Code, Wage Orders, wage and hour regulations, and/or other provisions of law, that could have been asserted, alleged, or brought in the Action based on the facts and/or allegations pled in the Action. The claims alleged in the Action that are being released by the Settlement are: (1) failure to pay overtime wages under Labor Code Sec. 204, 210, 218, 510, 1194; (2) failure to reimburse business expenses under Labor Code Sec. 2802; (3) failure to provide accurate wage statements under Labor Code Sec. 226, 1174, 1174.5; (4) waiting time penalties under Labor Code Sec. 201, et seq.; (5) unfair competition under Bus. & Prof. Code Sec. 17200, et seq.; (6) failure to provide meal periods in accordance with California law and/or pay meal period premiums/wages; and (7) failure to provide rest breaks in accordance with California law and/or pay rest break premiums/wages. All claims set forth above/in this paragraph are referred to herein as the "Class Released Claims." Note, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's decision is final, and EMPIRE has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against EMPIRE, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against EMPIRE or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from: (1) all claims alleged in or that could have been alleged in the LWDA Letter and/or Amended LWDA Letter based on the facts alleged therein, (2) all claims that could have been alleged or brought in civil court for civil penalties or otherwise based on the facts alleged in the LWDA Letter and/or Amended LWDA Letter, (3) all claims for civil penalties and other relief under PAGA based on the facts alleged in the LWDA Letter and/or Amended LWDA Letter, and (4) the PAGA cause of action as set forth in the Second

Amended Complaint. All claims set forth above/in this paragraph are referred to herein as the "PAGA Released Claims."

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- 1. <u>Individual Class Payments</u>. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- 2.<u>Individual PAGA Payments</u>. The Administrator will calculate Individual PAGA Payments by (a) dividing \$18,750.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
- 3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in EMPIRE's records, are stated on the first page of this Notice. You have until September 18, 2025, to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept its calculation of Workweeks and/or Pay Periods based on EMPIRE's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator and the Parties will attempt to resolve any Workweek and/or Pay Period challenges based on your submission. However, the Court will have final authority to decide any such dispute

5. HOW WILL I GET PAID?

- 1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
- 2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

Submit a written and signed document, using the Request for Exclusion Form provided with this notice or a substantially similar document, with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as Matthew Wood v. Empire Marketing Strategies, Inc., and include your identifying information (full name, address, telephone number, approximate dates of employment, and last four digits of your Social Security Number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by September 18, 2025, or it will be invalid absent good cause found by the court). While the Administrator will attempt to resolve any dispute regarding the validity and authenticity of any opt-out requests, the Court will make the final decision regarding any such disputes. Section 9 of the Notice has the Administrator's contact information.

Note, you may opt out of participating in the settlement of the class claims, however, you cannot opt-out of the settlement of the PAGA claims.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and EMPIRE are asking the Court to approve. At least 16 court days before the November 17, 2025 Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Class Representative Service Payment stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this

Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website https://ilymgroup.com/EmpireMarketingS or the Court's website [https://civilwebshopping.occourts.org/Home.do#searchAnchor].

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Class Representative Service Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator, using the Objection Form provided with this notice or a substantially similar document, is September 18, 2025. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action Matthew Wood v. Empire Marketing Strategies, Inc. and include your name, current address, telephone number, and approximate dates of employment for EMPIRE and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, 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 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on November 17, 2025, at 1:30 p.m. in Department CX103 of the Orange Superior Court, located at 751 West Santa Ana Blvd., Santa Ana, CA 92701. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comments from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website https://ilymgroup.com/EmpireMarketingS beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything EMPIRE and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Final Order or any other Settlement documents is to go to ILYM Group's website at https://ilymgroup.com/EmpireMarketingS. You can also telephone or send an email to Class Counsel or the Administrator using the information listed below consult Superior contact or the Court website [https://civilwebshopping.occourts.org/Home.do/searchAncho and entering the Case Number for the Action, Case No. 30-2023-01324789-CU-OR-CXC.

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

Class Counsel:

Ian M. Silvers, Esq.

BISNAR|CHASE LLP

1301 Dove Street, Suite 120 Newport Beach, California 92660

Telephone: (949) 752-2999 Facsimile: (949) 752-2777

Farid Masoud Culver Law Firm 440 N. Barranca Avenue, #7217 Covina, CA 91723

Telephone: (949) 822-8244

Settlement Administrator:

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

Telephone: (888) 250-6810

Fax: (888) 845-6185

Email: claims@ilymgroup.com

10.WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11.WHAT IF I CHANGE MY ADDRESS?

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