

**Superior Court of the State of California,**

FOR THE COUNTY OF SAN JOAQUIN

**Notice of Class Action Settlement**

***You are not being sued. This notice affects your rights. Please read it carefully***

To: All current and former hourly-paid or non-exempt employees employed by Defendant AgTac Services, LLC (“Defendant”) within the State of California at any time during the period from July 19, 2018 through June 22, 2023 (“Class Members”).

All current and former hourly-paid or non-exempt employees employed by Defendant within the State of California at any time during the period from July 19, 2021 through June 22, 2023 (“PAGA Employees”).

On October 8, 2024, the Honorable Jayne Lee of the San Joaquin County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant’s records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

**Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund.** The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 9:00 a.m. on March 4, 2025 in Department 10-C of the San Joaquin County Superior Court located at 180 E Weber Avenue, Stockton, California 95202.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time.

Please visit <https://ilymgroup.com/AgTagServices> for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

**SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<b>You Don’t Have to Do Anything to Participate in the Settlement</b>	If you do nothing, you will be deemed a “Participating Class Member,” and will be eligible for a payment from the Net Settlement Fund and, if you are also a PAGA Employee, the PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendant based on the facts alleged in the Action during the Class Period.
<b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b>  <b>The Opt-out Deadline is January 6, 2025.</b>	<p>If you don’t want to fully participate in the proposed Settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Employees remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.</p>
<b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b>  <b>Written Objections Must be Submitted by January 6, 2025.</b>	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed class settlement, but not the PAGA settlement.
<b>You Can Participate in the March 4, 2025, Final Approval Hearing</b>	<p>The Court’s Final Approval Hearing is scheduled to take place on March 4, 2025, at 9:00 a.m. in Department 10-C of the San Joaquin County Superior Court located at 180 E Weber Avenue, Stockton, California 95202. 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.</p> <p>If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement.</p>

### **Summary of the Litigation**

Plaintiffs Jason Gutierrez and Louie Yliz, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) pay reporting time pay; (5) pay split-shift pay; and (6) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On July 11, 2023, the parties participated in a mediation with Lisa Klerman, Esq., an experienced and well-respected class action mediator. With Ms. Klerman's guidance, the parties were able to negotiate a complete settlement of Plaintiffs' claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, David Yeremian & Associates, Inc., D.Law, Inc., and Capstone Law APC (collectively "Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

1. Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiffs' claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiffs.

### **Summary of The Proposed Settlement Terms**

Plaintiffs and Defendant have agreed to settle the underlying class claims in exchange for a Gross Settlement of \$880,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Awards of \$10,000, each, to Jason Gutierrez and Louie Yliz for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendant; (3) \$293,333.33 in attorneys' fees and up to \$30,000 in litigation costs and expenses; (4) a \$50,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$37,500 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$12,500 payment ("PAGA Fund") to all PAGA Employees; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$12,550. After deducting the above payments, a total of approximately \$474,116.67 will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Employees will receive a proportional share of the \$12,500 PAGA Fund, regardless whether they opt out of the Settlement Class.

**Payments from Net Settlement Fund.** Defendant will calculate the total number of Workweeks worked by each Class Member from July 19, 2018 through June 22, 2023 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Member as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of <<MERGED\_ClassWW>> Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$<<MERGED\_ClassAward>>.

**Payments from PAGA Fund.** Defendant will calculate the total number of Pay Periods worked by each PAGA Employee from July 19, 2021 through June 22, 2023 ("PAGA Period") and the aggregate total number of Pay Periods worked by all PAGA Employees during the PAGA Period. To determine each PAGA Employee's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Pay Periods, resulting in the "PAGA Workweek Value." Each PAGA Employee's share of the PAGA Fund will be calculated by multiplying each individual PAGA Employee's total number of Pay Periods by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Employee from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Employee will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Defendant's records, you worked during the PAGA Period in a non-exempt position for a total of <<MERGED\_PAGAPP>> pay periods. Accordingly, your estimated payment from the PAGA Fund is approximately \$<<MERGED\_PAGAAward>>.

**Your Estimated Payment:** Based on the above, your estimated payment from the settlement is approximately \$<<MERGED\_EstimatedAward>>. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before January 6, 2025, and must be sent to:

ILYM Group, Inc.  
P.O. Box 2031  
Tustin, CA 92781  
Telephone: (888) 250-6810  
Fax: (888) 845-6185  
Email: [info@ilymgroup.com](mailto:info@ilymgroup.com)

If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise.

**Taxes on Settlement Payments.** IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 25% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments from the PAGA Fund will be treated as penalties for which IRS Forms 1099-MISC will be issued.

### **Your Options Under the Settlement**

#### **Option 1 – Automatically Receive a Payment from the Settlement**

If want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims, and if you are also a PAGA Member, the Released PAGA Claims:

**Released Class Claims:** All claims for: (1) failure to pay minimum and regular rate wages; (2) failure to pay overtime compensation; (3) recovery of reporting time pay; (4) failure to pay split-shift; (5) failure to provide meal periods or provide premiums in lieu thereof; (6) failure to provide rest periods or provide premiums in lieu thereof; (7) failure to pay timely wages at termination; (8) failure to provide accurate itemized wage statements; (9) failure to keep required payroll records; and (10) violation of Business and Professions Code §§ 17200, *et seq.* based on the preceding claims; (11) other relief from contractual releases, and those claims predicated on the same or similar facts and/or claims alleged in the Action; as well as any claims that reasonably could have been pled which reasonably arise from the same or similar facts alleged in the Action concerning the Plaintiffs or the putative class, and claims for interest, penalties (including but not limited to waiting time penalties); as well as any claims under the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.4, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*; or which could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Action; (12) any claims for injunctive relief, declaratory relief, restitution, alleged or which could reasonably have been alleged under the facts, allegations and/or claims pleaded in the complaints filed as part of the Action; (13) any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could reasonably have been alleged under the same or similar facts, allegations and/or claims pleaded in the Action and based on the alleged Labor Code violations (collectively, the "Released Class Claims"). This release shall apply to claims arising during the Class Period. 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.

**Released PAGA Claims:** All claims for civil penalties under the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *et seq.*) that are set forth in the Action or which could reasonably have been asserted, predicated on the same or similar facts alleged in the Action and/or any PAGA letter sent to the L WDA by Plaintiffs in or prior to the Action for violations of California Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.4, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, 2699, *et seq.*, and 2802, and applicable IWC Wage Orders.

#### **Option 2 – Opt Out of the Settlement**

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

ILYM Group, Inc.  
P.O. Box 2031  
Tustin, CA 92781  
Telephone: (888) 250-6810  
Fax: (888) 845-6185  
Email: [info@ilymgroup.com](mailto:info@ilymgroup.com)

The Request for Exclusion must be postmarked or faxed not later than January 6, 2025. If you submit a Request for Exclusion which is not postmarked or faxed by January 6, 2025, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Employee, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

**Option 3 – Object to the Settlement**

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number; (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at ILYM Group, Inc. P.O. Box 2031, Tustin, CA 92781.

All written objections must be received by the administrator by not later than January 6, 2025. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for March 4, 2025 at 9:00 a.m. in the Superior Court of the State of California, for the County of San Joaquin and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

**Additional Information**

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

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PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT’S ATTORNEYS WITH INQUIRIES.