

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA

NOTICE OF CLASS ACTION AND REPRESENTATIVE ACTION SETTLEMENT

PLEASE READ CAREFULLY AS
THIS NOTICE MAY AFFECT YOUR RIGHTS

<p>GREGORY FERNANDEZ, individually, and on behalf of other members of the general public similarly situated;</p> <p style="text-align:right">Plaintiffs,</p> <p>vs.</p> <p>PERFORMANCE SYSTEMS INTEGRATION, INC., a California corporation; and DOES 1 through 10, inclusive,</p> <p style="text-align:right">Defendants.</p>	<p>CASE No. 24CV444501</p> <p>Judge: Beth McGowen Dept. 22</p> <p>NOTICE OF CLASS ACTION AND REPRESENTATIVE ACTION SETTLEMENT</p>
---	---

I. WHY DID I GET THIS NOTICE?

This Notice explains that a settlement has been reached in the case entitled *Gregory Fernandez v. Performance Systems Integration, Inc.et al*, Santa Clara Superior Court, Case No. 24CV444501 (the “Action”).

This Notice is to inform you of the proposed Settlement of the Action. The Notice is also intended to (i) describe the Settlement, including how the Settlement monies will be allocated and how the Settlement may affect you; and (ii) advise you of your rights and options with respect to the Settlement.

You are receiving this Notice by order of the Court because the records of Performance Systems Integration, Inc. (hereinafter referred to as “PSI”), indicate that you are a current or former non-exempt employee of PSI, who worked for PSI in California as a nonexempt employee during the time period of August 2, 2020 through July 12, 2025. As a result, **you are eligible to receive a portion of the settlement amount.**

This is **not** a notice of a lawsuit against you. **You are not being sued.**

II. WHAT IS THE LAWSUIT ABOUT?

On August 2, 2024, former PSI employee in California, Gregory Fernandez, filed a lawsuit in which he alleged Labor Code violations and penalties for alleged violations of California wage-and-hour laws as to himself and other alleged “Aggrieved Employees” in the Superior Court of California, County of Santa Clara, entitled *Gregory Fernandez v. Performance Systems Integration, Inc.et al*, Santa Clara Superior Court, Case No. 24CV444501.

Specifically, this Action alleges that the Class Members were not paid regular, minimum, or overtime wages or final wages upon separation from employment, as required by California law; were not provided meal and rest periods under the California Labor Code and Wage Orders and were not properly paid premiums; were not reimbursed for all business-related expenses; and, were not provided wage statements with information specified in the California Labor Code. This Action also alleges a claim for unfair and/or unlawful business practices in California in violation of California Business and Professions Code § 17200 *et seq.*, and specifically alleges that PSI did not provide Class Members with written notice of material terms of their employment as required by the California Wage Theft Protection Act, and did not provide safety gear as required under the California Labor Code. The lawsuit also seeks penalties under California’s Private Attorneys General Act (“PAGA”) set forth in California Labor Code §§ 2699 *et seq.*

The individual suing PSI is referred to in this document as “Plaintiff.” Plaintiff’s attorneys, Sullivan & Yaeckel Law Group, APC, and attorneys for PSI, attorneys Davis Wright Tremaine LLP, have been litigating the Action in State Court prior to this Settlement.

PSI maintains that Class Members have been paid all monies that were due to them and maintains that it has complied with California’s wage-and-hour laws. PSI denies all of the allegations in the Action, that it owes Class Members any monies, or

that it violated any law or engaged in wrongdoing of any kind associated with the claims alleged in the Action. PSI contends, among other things, that it has complied at all times with applicable law in connection with its compensation of and legal obligations to Class Members.

The Court has not ruled on whether Plaintiff's allegations have any merit. However, in order to avoid the time and expense of further litigation, the ultimate outcome of which is uncertain, and to provide a fair and reasonable resolution of this legal dispute, Plaintiff and PSI have negotiated a settlement whereby PSI has agreed to pay up to **\$375,000.00** to resolve the matter. As a Class Member or Aggrieved Employee you are eligible to receive a portion of this amount.

This Settlement is **not** an admission by PSI of any liability.

III. WHO IS INCLUDED IN THIS CLASS ACTION?

All current and former non-exempt employees who worked for PSI in the State of California as a non-exempt employee at any time during the Class Period (defined as August 2, 2020 through July 12, 2025) (the "Class Members").

All current and former non-exempt employees who worked for PSI in the State of California as a non-exempt employee at any time from August 1, 2023, through July 12, 2025 (the "Aggrieved Employee").

IV. WHAT DOES THE PROPOSED SETTLEMENT OFFER?

Under the terms of the Parties' proposed settlement, the following will occur if the Settlement is given final approval by the Court:

- A. PSI will pay up to **Three Hundred Seventy-Five Thousand Dollars and Zero Cents** (\$375,000.00) to settle the claims of all Class Members and Aggrieved Employees.
- B. A claims administrator ("Administrator") has been appointed by the Court to administer the Settlement. The Administrator will pay from the \$375,000.00 settlement the following amounts: (1) Plaintiff's counsel's attorneys' fees, up to 33 & 1/3% of the settlement value (or \$125,000.00); (2) Plaintiff's counsel's costs of litigation, up to the amount of \$25,000.00; (3) the expenses of administering the Settlement, up to the amount of \$7,850.00; (4) an enhancement award to the Plaintiff as a Class Representative of up to \$10,000.00 for the role in pursuing the litigation; (5) a payment of \$24,375.00 to the California Labor & Workforce Development Agency, representing 65% of the \$37,500.00 allocated to the Settlement of the claim for civil penalties under PAGA; and (6) a payment of \$13,125.00 to Aggrieved Employees, representing 35% of the \$37,500.00 allocated to the Settlement of the claim for civil penalties under PAGA. The remainder will be paid to the Class Members in settlement of their individual claims (the "Class Payment" or "Net Settlement Amount").
- C. The Class Payment will be divided among all Participating Class Members based on the estimated number of weeks worked for PSI in California by each Class Member. That is, the Class Payment will be divided by the total number of Workweeks by all Participating Class Members during the Class Period to produce a "weekly settlement value." A "Workweek" is any week in which a Class Member worked for PSI for at least one day in California during the Class Period (August 2, 2020, through July 12, 2025) as a non-exempt employee. If you do not opt out of the settlement, you will be eligible to receive a settlement payment in the amount of the total number of Workweeks you worked for PSI during the Class Period multiplied by the weekly settlement value, subject to applicable withholdings as more fully described in section VI(B).
- D. The PAGA Penalties will be allocated among Aggrieved Employees who performed work for PSI in California between August 1, 2023, through July 12, 2025, (the "PAGA Period") as a non-exempt employee.

Each Aggrieved Employee's share of the PAGA Penalties will be determined based on the number of Workweeks worked by Aggrieved Employees during the PAGA Period (which excludes any weeks during which the Aggrieved Employee was on a leave of absence or otherwise absent from work) ("PAGA Workweeks"). Aggrieved Employees cannot opt out of the PAGA Penalties or release of PAGA claims.

- E. Corresponding to PSI's records, you worked for PSI in the State of California as a non-exempt employee for approximately «ClassWeeks» during the Class Period and «PagaPP» PAGA Workweeks during the PAGA Period. Your portion of the Settlement Payment will be based on the above information. If you believe the information above is incorrect, you may dispute this information by sending your corrections and any supporting documentation to the Administrator via U.S. Mail, at c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781.

Please be advised that the information listed above is presumed to be correct unless you prove otherwise.

The estimated value of each Workweek for purposes of calculating Net Settlement Amount to all Class Members is approximately: **\$10.31**. The estimated value of each PAGA Workweek for purposes of calculating PAGA Penalties to all Aggrieved Employees is approximately: **\$2.04**.

Your estimated total settlement amount is **\$«TotalESA»**. This is only an estimate. Your actual share may change depending on the Court's final ruling and the final number of participating Class Members.

- F. Released Class Claims:** If the Court grants Final Approval of the Agreement and you do not opt out of the Settlement, then you will be deemed to have fully, finally, and forever released PSI and the "Released Parties" from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action [including, e.g., "(a) any and all claims involving any alleged failure timely, fully, properly, or completely pay minimum wages, regular wages, overtime premium wages, meal or rest period premium wages, or other wages owed; (b) any and all claims involving alleged meal and/or rest break violations; (c) any and all claims involving the alleged failure to pay for all hours worked, including overtime at the proper rate; (d) any and all claims involving the alleged failure to fully or properly reimburse reasonable business expenses; (e) any and all claims involving the alleged failure to pay all wages, or compensation owed to a fired, quitting, or otherwise departing employee; (f) any and all claims involving the alleged failure to provide proper, accurate, timely, adequately descriptive, or complete itemized wage statements in compliance with California law; (g) any and all alleged unfair business practices; and (h) any and all alleged failure to pay employees in compliance with Labor Code section 204, etc.]. Participating Class Members will release Defendant and the Released Parties from all remedies that could be claimed in connection with the Released Claims including, but not limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief Except as set forth in Section 5.3 of this Agreement, 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.
- G. Released PAGA Claims by Aggrieved Employees:** If the Court grants Final Approval of the Agreement, Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged PSI and the Released Parties from any and all claims for recovery of civil penalties under the Private Attorneys General Act ("PAGA"), whether known or unknown, to recover wages, damages, penalties, attorneys' fees, interest, litigation costs, restitution, or equitable relief, and other available relief for violations of PAGA that are reasonably related to or arising out of the factual allegations in the Operative Complaint and/or the PAGA Notice, or could have reasonably been alleged or asserted based on, reasonably related to, or arising out of the facts alleged in the Operative Complaint and/or the PAGA Notice, from August 1, 2023 through July 12, 2025.
- H. Please Note:** Individuals who fall within the definition of the Class may choose to request exclusion or "opt-out" of these groups under such procedures specified herein. Any such persons who opt-out of the Class ("Opt-Outs") will not receive an Individual Class Payment. However, you may not opt-out of the portion of the Settlement relating to the settlement of claims under the PAGA. Even if a Class Member opts-out, they will still receive an Individual PAGA Payment. You will be bound by the Released PAGA Claims whether or not you cash the check for your portion of the PAGA allocation before it becomes void.

V. WHAT ARE MY OPTIONS?

- A. *You may accept your share of the Settlement and be bound by the release of all claims described above.*** Settlement awards will be paid by check after the Settlement is given Final Approval by the Court. The checks will be mailed to you by the Administrator. Your check will remain valid and negotiable for one hundred eighty (180) days from the date on which it is issued. After those one hundred eighty (180) days expire, the check will become void, and the funds will be placed in your name with the California State Unclaimed Property Fund;

OR

- B. *You may exclude yourself from the Settlement, in which case you will not receive a share of the Net Settlement Amount, and you will not be bound by the Agreement as to the Released Class Claims.*** If you choose to be excluded, by no later than **July 13, 2026** (45 calendar days after mailing of this Notice) (plus an additional 14 days if this Notice was re-mailed to you), you must send a signed written Request for Exclusion, by mail, fax, or email, to the administrator, ILYM Group, Inc., located at P.O. Box 2031, Tustin, CA 92781, fax to (888) 845-6185, or email at claims@ILYMgroup.com.

In order to be considered valid, your Request for Exclusion must be signed and include the case name and number, your full name (and any and all names used during your employment), address, telephone number, last four digits of your social security number, and a request that you want to be excluded from the Settlement.

OR

- C. **You may object to the Settlement.** The procedures for objecting to the Settlement are described below in Section VIII of this form.

VI. WHAT ARE THE PROCEDURES FOR PAYMENT?

- A. The Administrator will calculate your share of the Settlement and will issue you a check.
- B. Ten percent (10%) of your share of the Individual Class Payment will be considered wages from which ordinary tax withholdings will be deducted. No tax deductions shall be made from the remaining ninety percent (90%) of these payments. You will be given IRS tax forms for each of these amounts. You are responsible for paying the correct amount of taxes on each portion of your share of the settlement.
- C. One hundred percent (100%) of your share of the Individual PAGA Payment will be considered non-wages. You will be given an IRS tax form for this amount.
- D. It is important for the parties to have your current address in order to be able to send you other mailings regarding the Action. You should contact the Administrator to report any change of your address after you receive this Notice. Failure to report a change of address may result in you not receiving your share of the settlement money.

VII. HEARING ON PROPOSED SETTLEMENT

A Final Approval Hearing will be held before the Court on October 15, 2026, at 1:30 p.m., Department 22 of the Santa Clara Superior Court, located at 191 N. First St., San Jose, CA 95113, to decide whether or not the proposed settlement is fair, reasonable, and adequate. The Court may adjourn or continue the hearing without further notice to you. You are not required to attend the hearing. Sullivan & Yaeckel Law Group, APC, (contact information below), counsel for Plaintiff and the Class, will answer any questions the Court may have. However, you are welcome to attend the hearing at your own expense. Although Class Members may appear in person, the judge overseeing this case encourages remote appearances. (As of August 15, 2022, the Court's remote platform is Microsoft Teams.) Class Members who wish to appear remotely should contact Class Counsel at least three days before the hearing if possible. Instructions for appearing remotely are provided at https://www.sccourt.org/general_info/ra_teams/video_hearings_teams.shtml and should be reviewed in advance. Class Members may appear remotely using the Microsoft Teams link for Department 7 (Afternoon Session) or by calling the toll-free conference call number for Department 7. You should check the Court website for up to date information before attempting to make a remote appearance.

VIII. PROCEDURES FOR OBJECTING TO SETTLEMENT

You have the option of objecting to the Settlement and telling the Court that you do not agree with the Settlement or some part of it. The Court will consider your views. To object, you may send a letter, which you must sign, saying that you object to the settlement of *Gregory Fernandez v. Performance Systems Integration, Inc. et al*, Santa Clara Superior Court, Case No. 24CV444501. Be sure to include the case name and case number (as shown in the preceding sentence), your full name, address, telephone number, last four digits of your social security number, and a written statement of why you object. Mail the objection to the Administrator address at *c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781*, or fax to (888) 845-6185 on or before **July 13, 2026** (45 calendar days after mailing of this Notice, plus an additional 14 days if your Class Notice was re-mailed to you). A written objection is optional. You may also appear at the Final Approval Hearing at your expense, either in person, telephonically, or through an attorney, provided you notify the Court of your intention to do so.

IX. EXAMINATION OF COURT PAPERS AND QUESTIONS

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.scefiling.org, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.

If you have any questions, you can call the Administrator at (888) 250-6810 or any of Class Counsel (see below for phone numbers.) Additionally, you can visit the Administrator's website, www.ILYMGroup.com/PSI which shows a copy of this Notice and other important documents pertaining to this case.

ATTORNEYS REPRESENTING PLAINTIFF AND THE CLASS

SULLIVAN & YAECKEL LAW GROUP, APC

Eric K. Yaeckel
Cody D. Archer
2330 Third Avenue
San Diego, California 92101
(619) 702-6760

ATTORNEYS REPRESENTING DEFENDANT PSI

DAVIS WRIGHT TREMAINE LLP

Evelyn Wang
Tiffanie de la Riva
350 S. Grand Ave., 27th Floor
Los Angeles, California 90017
(213) 633-6800

Attorneys for Defendant PERFORMANCE SYSTEMS INTEGRATION, INC.

PLEASE DO NOT TELEPHONE THE COURT, PSI, OR PSI CORPORATE OFFICE OR MANAGERS REGARDING THIS SETTLEMENT.

«Case_Name»
c/o ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

«ILYM_ID
QR
Code»

ILYM ID: «ilym_id» «PC»
«first_name» «last_name»
«Address_1»
«City», «state» «Zip_Code»