

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Cummings, et al., v. G6 Hospitality, LLC, Case No. 37-2018-00056207-CU-OE-CTL)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: <u>\$«EstSettAmt»</u>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement . Instructions are set forth below.
Object	You may write to the Court about why you do not like the settlement. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of San Diego (the “Court”) has been reached between Plaintiffs Christina Cummings, Mark Gallegos, Cody Kehoe and Willis Baltimore (“Plaintiffs”) and Defendants G6 Hospitality, LLC and Motel 6 Operating LP. (“Defendants”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All current and former employees of Defendants, both hourly, non-exempt and exempt, who worked in California at any time between September 20, 2014 and September 20, 2019.

The “Class Period” is the period of time running from September 20, 2014 to September 20, 2019.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On September 20, 2018, Plaintiffs Cody Kehoe and Wallis Baltimore filed a Complaint against Defendants in the Superior Court of the State of California, County of Orange, which was removed to the United States District Court for the Central District of California, Case No. 8:18-cv-01958 (“Kehoe Action”). On November 5, 2018, Plaintiff Christina Cummings filed a Complaint against Defendants in the Superior Court of the State of

California, County of San Diego, Case No. 37-2018-00056207-CU-OE- CTL (“Cummings Action”). On January 3, 2019, Plaintiff Christina Cummings filed a First Amended Complaint. On August 5, 2019, Plaintiffs Christina Cummings and Mark Gallegos filed a Second Amended Complaint asserting claims that Defendants: (a) Violated California Business and Professions Code § 17200 *et seq.*; (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1; (c) Failed to pay overtime wages in violation of California Labor Code §§ 510, *et seq.*; (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (f) Failed to indemnify necessary expenditures in violation of California Labor Code § 2802; (g) Failed to provide accurate and complete itemized wage statements in violation of California Labor Code § 226; (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202, and 203; and (i) Violated the Private Attorney General Act, Cal. Labor Code §§ 2689 *et seq.* (“PAGA”). The Kehoe Action and the Cummings Action are collectively referred to as the “Action”.

On May 21, 2019, the Parties participated in an all-day mediation with Scott Markus, a respected mediator of wage and hour class actions. While the Parties were unable to agree on a settlement of the Action at mediation, the Parties continued to negotiate with the mediator’s help and ultimately reached a Settlement. The Court granted preliminary approval of the Settlement on January 10, 2020. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firms of Zakay Law Group, APC, Blumenthal Nordrehaug Bhowmik De Blouw LLP, Law Offices of Corbett H. Williams, and Hardin Law Group, APC to serve as Class Counsel.

Defendants deny and disputes all claims asserted in the Action. Specifically, Defendants contended (and continue to contend) that the Action could not properly be maintained as a class action; that Defendants provided members of the class with all legally required meal breaks and rest breaks; that Defendants paid any members of the class all wages due them at the time of their terminations; that Defendants provided accurate, itemized wage statements to members of the class; that Defendants reimbursed all necessary business expenses, did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendants are not liable for any of the penalties claimed or that could be claimed in the Action.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Two Million Seventy-Five Thousand Dollars (\$2,075,000) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Expenses, the LWDA Payment, and the Class Representative Service Payments to the Plaintiffs.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$67,500, for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Attorneys’ Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than \$622,500 (30% of the Gross Settlement Amount) and a Class Counsel Litigation Expenses Payment of not more than \$20,000 for all expenses incurred as documented in Class Counsel’s billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.

- Class Representative Service Payments. Class Representative Service Payments of up to Ten Thousand Dollars (\$10,000.00) to each Plaintiff, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Actions, and for the risks they undertook.
- PAGA Payment. A payment of \$50,000 relating to Plaintiffs' claim under the Private Attorney General's Act ("PAGA"), \$37,500 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$12,500 will be distributed to Participating Class Members as part of the Net Settlement Amount.
- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payments, the LWDA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who **do not** request exclusion ("Participating Class Members"). The Net Settlement Amount will be divided into two portions, as follows: 50% of the Net Settlement Amount shall be allocated to the settlement of the wage statement and reimbursement Class claims for exempt and non-exempt employees (the "226/2802 Class Net Settlement Proceeds") and the remaining 50% of the Net Settlement Amount shall be allocated to the settlement of the Meal/Rest/Wages Class claims for non-exempt employees (the "Meal/Rest/Wages Class Net Settlement Proceeds"). The Settlement Share for each Participating Class Member will be calculated as follows:
 1. **226/2802 Class Member Payments:** "Individual 226/2802 Class Member Payment" means the portion of the 226/2802 Class Net Settlement Proceeds distributable to each 226/2802 Class Member who is also a Participating Class Member. Each Individual 226/2802 Class Member Payment will be calculated as follows:
 - a. "226/2802 Class Total Weeks Worked" will be the total number of 226/2802 Class Individual Weeks Worked during the Class Period, as defined below;
 - b. "226/2802 Class Individual Weeks Worked" means the total number of weeks worked by an individual 226/2802 Class Member during the Class Period;
 - c. The "Individual 226/2802 Class Member Payment" will be based on a ratio of the 226/2802 Class Total Weeks Worked to the 226/2802 Class Individual Weeks Worked, calculated by dividing the 226/2802 Class Individual Weeks Worked by the 226/2802 Class Total Weeks Worked and multiplying this result by the 226/2802 Class Net Settlement Proceeds.
 2. **Meal/Rest/Wages Class Member Payments:** "Individual Meal/Rest/Wages Class Member Payment" means the portion of the Meal/Rest/Wages Class Net Settlement Proceeds distributable to each Meal/Rest/Wages Class Member who is also a Participating Class Member. Each Individual Meal/Rest/Wages Class Member Payment will be calculated as follows:
 - a. "Meal/Rest/Wages Class Total Weeks Worked" will be the total number of Meal/Rest/Wages Class Individual Weeks Worked during the Class Period, as defined below;
 - b. "Meal/Rest/Wages Class Individual Weeks Worked" means the total number of weeks worked by an individual Meal/Rest/Wages Class Member during the Class Period;
 - c. The "Individual Meal/Rest/Wages Class Member Payment" will be based on a ratio of the Meal/Rest/Wages Class Total Weeks Worked to the Meal/Rest/Wages Class Individual Weeks Worked, calculated by dividing the Meal/Rest/Wages Class Individual Weeks Worked by the Meal/Rest/Wages Class Total Weeks Worked and multiplying this result by the Meal/Rest/Wages Class Net Settlement Proceeds.

3. There was a prior class settlement in *Jasmin Turner v. Motel 6 Operating L.P.*, NO. 2:17-cv-02544. All participating Class Members, including members of the 226/2802 Class and the Meal/Rest/Wages Class who participated in the *Turner* Settlement will have their amount reduced by the amount of settlement received in the *Turner* Settlement. If the amount a Participating Class Member received in the *Turner* Settlement exceeds their pro-rata share under this Settlement, these persons shall receive \$100 from the Gross Settlement Amount.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. One-third (1/3) of each Settlement Share constitutes wages in the form of back-pay (and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment) and two thirds (2/3) of each Settlement Share constitutes interest, penalties and other non-wage payments (and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment). Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment, each of the Participating Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Claims are defined as all claims alleged in the operative complaints in the Action, or that could have been alleged arising out of or reasonably related to the facts in the operative complaints in the Action or any amendments thereto. This includes all claims for (1) unpaid wages; (2) unpaid overtime wages; (3) failure to provide meal periods and claims regarding meal period premium pay; (4) failure to provide rest periods and claims regarding rest period premium pay; (5) failure to reimburse expenses; (6) failure to provide accurate wage statements; (7) failure to timely pay wages upon termination and during employment; (8) claims for civil penalties under PAGA arising from the facts alleged in the operative complaints; and (9) claims for unfair competition arising from the facts alleged in the operative complaints. The release will exclude claims for vested benefits, wrongful termination (apart from that of Plaintiffs who will execute a general release of claims under Civil Code § 1542), unemployment insurance, disability, workers' compensation, and claims outside of the Release Period (defined below). For exempt employees in the Class, the release will exclude claims for: (1) unpaid wages; (2) unpaid overtime wages; (3) failure to provide meal periods and claims regarding meal period premium pay; (4) failure to provide rest periods and claims regarding rest period premium pay; (5) failure to timely pay wages upon termination and during employment; (6) claims for civil penalties under PAGA arising from claims (1)-(5); and (7) claims for unfair competition arising from claims (1)-(5).

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendants' records reflect that you have <Weeks> work-weeks worked during the Class Period (September 20, 2014 to September 20, 2019).

Based on this information and the calculations explained above, your estimated Settlement Share is \$<EstSettAmt>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than March 30, 2020.

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator at (888) 250-6810.

The Court will hold a hearing on May 1, 2020 to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time. Please be patient.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms.**

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than March 30, 2020. The address for the Settlement Administrator is Cummings, et al., v. G6 Hospitality, LLC, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781. The request for exclusion must state in substance: "I have read the Class Notice and I wish to opt out of the class action and settlement of the case *Cummings, et al., v. G6 Hospitality, LLC, Case No. 37-2018-00056207-CU-OE-CTL*." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

The address for the Settlement Administrator is Cummings, et al., v. G6 Hospitality, LLC, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781. Written requests for exclusion that are postmarked after March 30, 2020, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I don't like the Settlement?

Any Class Member, who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections must be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All objections or other correspondence must also state the name and number of the case, which is *Cummings, et al., v. G6 Hospitality, LLC, Case No. 37-2018-00056207-CU-OE-CTL*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you must not opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

The objections must be delivered or mailed to the Settlement Administrator no later than March 30, 2020 with copies to the Parties' counsel. The address for the Settlement Administrator is Cummings, et al., v. G6 Hospitality, LLC, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781.

The addresses for the Parties' counsel are as follows:

Class Counsel:

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9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 1:30 p.m. on May 1, 2020, at the San Diego County Superior Court, located at 330 W. Broadway, San Diego, CA 92101 in Department C-69 before Judge Katherine Bacal. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at (888) 250-6810 or write to *Cummings, et al., v. G6 Hospitality, LLC, Case No. 37-2018-00056207-CU-OE-CTL*, Settlement Administrator, c/o ILYM Group, Inc., P.O. Box 2031, Tustin, CA 92781, or contact Class Counsel at 1-(619) 255-9047.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may review a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by visiting the following website: www.ilymgroupclassaction.com/cases/G6Hospitality.com.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Legal Aid at Work in accordance with Code of Civil Procedure Section 384 in the name of the Participating Class Member. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.