

NOTICE OF CLASS ACTION SETTLEMENT

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

ANED LOPEZ AND CRISTIAN ALAS, on Behalf of)
Themselves and Others Similarly Situated,)

Plaintiffs,)

v.)

P.W. STEPHENS ENVIRONMENTAL, INC.,)
a Delaware Corporation, and DOES)
1-10 inclusive,)
Defendants.)

Case No. 3:15-cv-03579-JD

Honorable James Donato

**IMPORTANT LEGAL NOTICE –
THIS LAWSUIT SETTLEMENT
MAY AFFECT YOUR RIGHTS**

TO: ALL INDIVIDUALS WHO HAVE PERFORMED ASBESTOS ABATEMENT, LEAD REMOVAL, MOLD REMEDIATION AND RELATED WORK FOR AND WERE PAID DIRECTLY BY P.W. STEPHENS ENVIRONMENTAL, INC. (“P.W. STEPHENS”) AT ANY TIME BETWEEN APRIL 29, 2011 THROUGH AUGUST 21, 2015.

PLEASE READ THIS NOTICE CAREFULLY. A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you do nothing, you will receive a settlement payment and release all claims covered by this Settlement.
CHALLENGE	If you challenge, you must submit the attached “Estimated Settlement Share Form, marking the appropriate box of the information you disagree with. The Settlement Administrator will rule on your challenge, and its ruling is final. You will receive a settlement payment and release all claims covered by this Settlement after the Settlement Administrator has ruled on your challenge.
EXCLUDE YOURSELF OR “OPT OUT”	If you “opt out” of the lawsuit, you <u>will not</u> receive any payment under this settlement. In addition, you will also not release any of your claims and will be free to pursue any claims you may have against P.W. Stephens.
OBJECT	You may write an objection to the Court stating why you do not like the settlement. You may also appear in Court or use an attorney to appear for you and explain why you do not like the settlement. If you object, this

	does not mean you opt out of the class (in fact, as explained below, if you opt out of the class, you will not be permitted to object to the settlement terms).
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BASIC INFORMATION

1. Why did I get this notice package?

You received this notice because P.W. Stephens's records show that you were employed by P.W. Stephens in California at some time between April 29, 2011 and August 21, 2015 (the "Class Period"). This means you have a right to know about a proposed settlement of a class action lawsuit that affects you. This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The people who sued P.W. Stephens are two former Laborers who worked for P.W. Stephens; they are called "Plaintiffs" in this notice. Class Members who wish to receive payment from this Settlement will be releasing claims against P.W. Stephens.

2. What is this lawsuit about?

Plaintiffs brought claims for the underpayment of wages and overtime under the laws of the State of California and the federal Fair Labor Standards Act ("FLSA"), plus interest, penalties, liquidated damages, and other related remedies, as well as attorneys' fees and costs.

They also brought claims for failure to provide reporting time compensation when they reported to work as regularly scheduled, but were sent home without work or legally mandated pay; failure to receive 30-minute off-duty meal periods when they worked two or more jobs in a day or did not receive a second 30-minute meal period when they worked over 10 hours in a day; violations of the Unfair Competition Laws; and penalties for waiting time, failure to furnish accurate wage statements and maintain accurate records, and civil penalties under the California Labor Code Private Attorney General Act (PAGA).

For Laborers who were assigned to drive a company vehicle to and from job sites ("Drivers"), Plaintiffs have brought an additional claim for failure to reimburse for out-of-pocket expenses related to the vehicles.

The Court has made no decision on whether the claims in this lawsuit have merit.

3. Why is there a settlement?

The Court did not issue a final decision about the case. Instead of further litigation, which could have taken years with no certainty of outcome, both sides agreed to a class-wide settlement. That way, they avoid the cost of a trial and appeals, and the Class Members will get compensation sooner. Plaintiffs and their lawyers believe the settlement is best for the Class Members.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

Everyone who fits the following description is a Class Member: *all individuals who have performed asbestos abatement, lead removal, mold remediation and related services (“Laborers”) for and were paid directly by P.W. Stephens in California at any time during the period April 29, 2011 through August 21, 2015.*

THE SETTLEMENT BENEFITS – WHAT YOU GET

5. What does the settlement provide?

P.W. Stephens has agreed to pay \$1.5 Million (\$1,500,000.00) to settle this case, to be divided among all Class Members. This money is also used to pay for Plaintiffs’ lawyers’ fees and expenses, payments to the Plaintiffs for their service to the Class, and payments to the Settlement Administrator to finalize the settlement.

6. How much will my payment be?

Your payment depends on the total number of “compensable workweeks” (that is, weeks in which P.W. Stephens paid you for at least 24 hours of work), and your last known hourly rate of pay during the Class Period. Class members who were Drivers will have their settlement shares paid out a rate that is 10% higher than those who were not assigned company vehicles, because the Drivers have the expense reimbursement claim and may have worked more hours for which Plaintiffs allege they were not paid. The calculation of settlement share payments will also account for the \$500 paid to those Class Members who previously signed a release—Agreement and Release of Claims Alleged by an Employee against P.W. Stephens Environmental, Inc., resulting in an increase settlement payout to those who did not sign a release and guarantee that such individuals receive a minimum amount of \$500. Based upon P.W. Stephens’s records, you worked «Workweeks» compensable workweeks during the Class Period, your last rate of pay during the Class Period was \$«HourlyRate» per hour, you «CompanyVehicleEng» assigned a company vehicle, you «ReleaseEng» sign a release, and thus will receive *approximately* \$«EstimatedAward» from this settlement if it is approved by the Court.

For tax reporting purposes, your settlement amount will be allocated as; 20% wages, subject to required state and federal withholdings and deductions, reported on a form W-2; 40% penalties and liquidated damages, reported on a form 1099-MISC, with no withholding taken; and 40% interest, reported on a form 1099-INT, with no withholding taken.

If you believe that any of the above information used to calculate the estimated payment—total number of compensable workweeks, hourly rate, waiver, and driver status—is incorrect please read the attached “Estimated Settlement Share Form” and fill in the information you believe is correct and provide any applicable documentation to the Settlement Administrator by October 24, 2016.

HOW YOU GET A PAYMENT

7. How can I get a payment?

You do *not* need to do anything to receive your settlement payment. Just watch your mail for a check and cash it when you get it. You will have 90 days from issuance of the check to cash it. The check will be void after 90 days. The settlement agreement provides that under certain conditions the money represented by void uncashed checks will be redistributed to Class Members.

If you have moved since working at P.W. Stephens or have any other reason to believe that P.W. Stephens does *not* have your current mailing address, contact the Settlement Administrator immediately to update your mailing address.

8. When will I get my payment?

The Court will hold a hearing on December 8, 2016 at 10:00 AM to decide whether to give “final approval” to the settlement. If the Court approves the settlement and if there are no possible appeals, you should receive your settlement payment about three (3) weeks after this hearing.

But if the Court does not approve the settlement or if there are appeals, payments will be delayed or the settlement may not occur.

9. What am I giving up to get a payment?

If you do not “opt out” of this settlement, you will be part of the Class. This will mean you cannot assert claims like the ones asserted in this case against P.W. Stephens covered by this settlement in another lawsuit in state or federal court, in front of the California Labor Commissioner, or in private arbitration. It also means that all of the Court’s orders will apply to you and legally bind you.

If you do not “opt out” of this settlement, you will be releasing all claims that were alleged in this lawsuit, including claims for (1) failure to pay minimum wage under the federal FLSA; (2) underpayment of overtime compensation under the federal FLSA; (3) failure to pay minimum wage under California state law; (4) underpayment of wages in violation of California law; (5) underpayment of overtime compensation under California law; (6) reporting time pay; (7) failure to provide off-duty meal periods under California law; (8) failure to reimburse business expenses; (9) waiting time penalties; (10) failure to furnish accurate wage statements and maintain accurate payroll records; (11) violation of the California Unfair Competition Law, Bus. & Prof. Code §17200 et seq.; and (12) civil penalties under the Private Attorney General Act (“PAGA”), predicated on the foregoing wage and hour violations covered in this case, between April 29, 2011 and June 9, 2016. You are not giving up any future claims you may have, including medical claims.

If you filed an FLSA opt-in form, or if you endorse or deposit a check you receive from the settlement of this case, you will also be releasing P.W. Stephens from all such claims under

federal wage law as well.

You can review the exact language of the release by reviewing the Settlement Agreement online, at the web address listed in the “Getting More Information” section of this Notice. The most relevant portion is at Section X of the Settlement Agreement.

“OPTING OUT”: EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this settlement and you want to keep the right to pursue claims like the ones in this case against P.W. Stephens on your own, then you must exclude yourself from the settlement. This is called “opting out.” If you “opt out” of the settlement, you will not receive any money at all from this Settlement and you retain any and all rights you would otherwise have.

You should not worry that your participation in the Settlement will be held against you in any way with regard to your current or future employment with P.W. Stephens. P.W. Stephens has agreed that it will not take any adverse employment action, or otherwise target, retaliate or discriminate against any Class Member who indicates an intention to participate or not participate in this Settlement. Additionally, California and federal law prohibits P.W. Stephens from retaliating against employees who exercise their rights under the California and federal wage and hour laws.

10. How do I “Opt Out”?

To exclude yourself from the settlement, you must send a letter by mail stating that you want to be excluded from *Lopez v. P.W. Stephens Environmental, Inc.* Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than October 24, 2016 and send it to:

Lopez v. PW Stephens
Settlement Administrator
P.O. Box 10584
Tallahassee, FL 32302-2584

If you ask to be excluded you will not get any settlement payments of any kind and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. If you have a pending lawsuit, speak to your lawyer in that case immediately. You may need to exclude yourself from this Class to continue your own lawsuit.

11. What happens if I do nothing?

If you do nothing in response to this notice, you will still receive a check for your share of this settlement. You will give up your right to pursue claims against P.W. Stephens that this settlement resolves.

12. What are claims under the Fair Labor Standards Act?

The Fair Labor Standards Act is a federal law covering the payment of minimum wage and overtime for 40-plus hours in a week. If you do not “opt out” of this lawsuit, you will give up your right to sue based on any California wage and hour laws. You may still have claims under the FLSA if you did not previously opt-in to this case, *unless* you deposit or endorse a settlement check that you receive in this settlement. In that event, you would also waive any and all claims you might have under the FLSA.

THE LAWYERS REPRESENTING THE CLASS

13. Do I have a lawyer in this case?

The Court has appointed the law firm of Leonard Carder LLP (Oakland, CA) and non-profit legal organization, Legal Aid Society – Employment Law Center (San Francisco, CA), as Class Counsel to represent the Class Members in this case. These lawyers will be paid from the settlement amount, so you will not be charged personally for their fees and costs on this case and in negotiating this settlement. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How will the lawyers and named Plaintiffs be paid?

Class Counsel have filed a request with the Court to approve the payment of up to \$375,000 from the settlement to pay for their lawyers’ fees and up to \$13,800 in out-of-pocket expenses they paid investigating the facts, litigating the case, and negotiating the settlement. The request that Class Counsel has filed describes the work performed by the lawyers during the investigation and litigation of this case and also details the funds they have paid to bring this case. **You have the right to review this request and comment on/or object to Class Counsel’s fee and expense reimbursement request.** You can obtain a copy through the public court file, by contacting Leonard Carder, by visiting the Leonard Carder website (website addresses and contact information listed below), or by contacting the Legal Aid Society – Employment Law Center.

The lawyers are also asking the Court to approve Class Representative Service Award for each of the Plaintiffs for up to a total of \$5,000 for their risk and work in bringing and participating in this lawsuit.

The Court has the discretion to award less than these amounts after reviewing the work done and service provided by the Plaintiffs and the lawyers.

OBJECTING TO THE SETTLEMENT

15. How do I tell the Court that I don’t like the settlement?

If you are a Class Member, you can ask the Court to deny approval by filing an objection. You can’t ask the Court to order a larger settlement; the Court can only approve or deny the

settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

To object, you must send a letter to the Court saying that you object to the settlement in *Lopez v. P.W. Stephens Environmental, Inc.* Case No. 3:15-cv-03579-JD. All written objections and supporting papers must clearly identify the case name and number (*Lopez v. P.W. Stephens Environmental, Inc.* Case No. 3:15-cv-03579-JD). Be sure to also include your name, address, telephone number, your signature, and the reasons you object to the settlement. To be considered, you must submit your written objection and supporting papers no later than **October 24, 2016** by mail to the following address:

U.S. District Court, Northern District of California
Class Action Clerk
450 Golden Gate Ave.
San Francisco, CA 94102

or by filing them in person at any location of the United States District Court for the Northern District of California.

16. What's the difference between objecting and "opting out"?

Objecting is simply telling the Court that you do not like something about the settlement. You can object only if you stay in the Class.

"Opting out" – or excluding yourself from the settlement - is telling the Court that you do not want to be part of the Class and do not want any payment from the settlement. The only way to opt out is to send a signed letter to the Settlement Administrator requesting exclusion from the Class and the settlement (see section 10 for details on how to opt out).

THE FINAL APPROVAL FAIRNESS HEARING

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Fairness Hearing on December 8, 2016 at 10:00 AM, at the United States District Court for the Northern District of California, at 450 Golden Gate Avenue, San Francisco, CA 94102-3483 before the Honorable James Donato, Courtroom 11. The date may change without further notice to you. You are advised to check the settlement website, <https://las-elc.org/>, www.leonardcarder.com, or the Court's PACER site, at <https://ecf.cand.uscourts.gov>, to confirm that the date has not been changed.

At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement.

18. Do I have to come to the hearing?

No. But, you are welcome to attend the hearing. If you send an objection, you may also appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney.

GETTING MORE INFORMATION

19. Are there more details about the settlement?

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at <https://las-elc.org/> or www.leonardcarder.com, by contacting class counsel at (see contact information below), by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, California, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

You may also call the Settlement Administrator at 1-855-615-4338 toll free, or write to: *Lopez v. PW Stephens* Settlement Administrator, P.O. Box 10584, Tallahassee, FL 32302-2584.

Class Counsel may be contacted as follows:

Aaron Kaufmann
David Pogrel
Giselle Olmedo*
LEONARD CARDER, LLP
1330 Broadway, Suite 1450
Oakland, CA 94612
Phone: (510) 272-0169
Fax: (510) 272-0174

Diane Webb
Carole Vigne*
LEGAL AID SOCIETY –
EMPLOYMENT LAW CENTER
180 Montgomery St., Ste. 600
San Francisco, CA 94104
Phone: (415) 864-8848
Fax: (415) 593-0096

*Class Counsel can assist you if you speak or prefer to communicate in Spanish.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE OR P.W. STEPHENS TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

«fname» «lname» «mailid»
«address» «address_2»
«City», «State» «Zip»

ESTIMATED SETTLEMENT SHARE FORM

LOPEZ, ET AL. v. P.W. STEPHENS ENVIRONMENTAL, INC.

Your estimated share of the settlement in this case is \$«EstimatedAward». This estimate is based on the information in Paragraph 6 of the Notice of Class Action Settlement that accompanied this form, which is also detailed below.

If you accept the information used to calculate your estimated share, as set forth below, you do not need to do anything to receive your money. Only if you believe that any of the information below is inaccurate should you complete this form and return it to the Settlement Administrator.

MAIL OR FAX ANY CHALLENGES OR ADDRESS UPDATES TO:

Lopez v. PW Stephens
Settlement Administrator
P.O. Box 10584
Tallahassee, FL 32302-2584
(855) 615-4338

Important:

1. It is strongly recommended that you keep proof of timely mailing and/or faxing for your records until receipt of your settlement payment.
2. If you change your mailing address, please send your new mailing address to the Settlement Administrator. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment.

Your Contact Information.

The Settlement Administrator is using the following contact information for you. If any of your contact information is inaccurate, please correct that information and return a copy of this form to the Settlement Administrator at the address above.

«fname» «lname»

«address» «address_2»

«City», «State» «Zip»

(____) _____ -- _____
Home Telephone Number

(____) _____ -- _____
Cellular Phone Number

Your Hourly Rate, Total Number of Compensable Workweeks, Driver Status, Waiver, And Estimated Settlement Share.

P.W. Stephens's records show that during the class period of April 29, 2011 through August 21, 2015, you were employed by P.W. Stephens performing asbestos abatement, removal and mold remediation work in California in the following time periods:

«HireDate» to «TermDate»

Your total number of compensable workweeks during the class period above is: «Workweeks» weeks. A compensable workweek is defined as any week in which P.W. Stephens paid you for at least 24 hours of work.

Your last hourly rate during the class period above was: \$«HourlyRate».

You «ReleaseEng» sign a waiver in exchange for a \$500 payment from P.W. Stephens.

You «CompanyVehicleEng» classified as a driver.

Based on the total number of compensable workweeks, last hourly rate, whether you signed the wavier or not, and the driver classification (if applicable), your settlement share is currently estimated at \$«EstimatedAward», assuming that all Class Members identified to date participate in the Settlement (i.e., can be located and do not opt out). This amount is subject to change, either up or down, depending upon the number of Class Members who submit challenges to estimated amounts, the outcome of those challenges, the number of Class Members who opt out, and other possible factors.

Challenge Procedure.

Check the boxes below ONLY if you wish to challenge the total number of compensable workweeks, last hourly rate, or driver status as listed above. You do NOT have to submit this form if the total number of compensable workweeks, last hourly rate, or driver status are accurate. All fields must be complete for your challenge to be accepted. **Any challenges must be post-marked by no later than October 24, 2016.** Challenges post-marked after this date will not be honored.

- I wish to challenge the **total number of compensable workweeks** listed above. I have included a written statement below of what I believe to be my total number of compensable workweeks while at P.W. Stephens in California during the period from April 29, 2011 through August 21, 2015, I have also included information and/or documentary evidence that supports my challenge. I understand that, by submitting this challenge, I authorize the Settlement Administrator to review P.W. Stephens's records and determine the validity of my challenge.

- I wish to challenge my last **hourly rate** listed above. I have included with a written statement of what I believe to be my last hourly rate while at P.W. Stephens in California

during the period from April 29, 2011 through August 21, 2015, I have also included information and/or documentary evidence that supports my challenge (i.e., paystubs that reflect the last pay rate). I understand that, by submitting this challenge, I authorize the Settlement Administrator to review P.W. Stephens's records and determine the validity of my challenge.

- I wish to challenge my status as a Class Member **who signed a waiver** in exchange for a \$500 payment from P.W. Stephens. I request that the Settlement Administrator provide me with the applicable form to make my challenge and understand that I must sign that form under penalty of perjury. I understand that, by submitting this challenge, I authorize the Settlement Administrator to review records and other information provided by P.W. Stephens and determine the validity of my challenge.

If you have checked any of the boxes above, please sign below, print your name, and provide your ID number.

Signature

Name of Class Member _____ **<fname> <lname>** _____

Class Member ID Number: _____ **<CM ID>** _____

- I wish to challenge my status as a **driver** as listed above. I request that the Settlement Administrator provide me with the applicable form to make my challenge and understand that I must sign that form under penalty of perjury. I understand that, by submitting this challenge, I authorize the Settlement Administrator to review records and other information provided by P.W. Stephens and determine the validity of my challenge.

Total Number of Compensable Workweeks

I believe that my total number of compensable workweeks during my employment at P.W. Stephens during the class period is _____ weeks.

Statement of reasons and documentation of total number of compensable workweeks according to Class Member:

Last Hourly Rate

I believe that my last hourly rate at P.W. Stephens during the class period was \$ _____.

Statement of reasons and documentation of last hourly rate according to Class Member:

[Please attach documentation and use separate page(s) as necessary]

«fname» «lname» «mailid»
«address» «address_2»
«City», «State» «Zip»