

CALIFORNIA SUPERIOR COURT
FOR THE COUNTY OF SACRAMENTO

KALI BATES and MICHAEL JOHNSON, individually and on behalf
of all others similarly situated,

Plaintiffs,

vs.

MVP EVENTS PRODUCTIONS, LLC, and LEGENDS
HOSPITALITY, LLC; DOES 1 through 20, inclusive,

Defendants.

Case No. **34-2022-00317653**

**NOTICE OF PROPOSED CLASS ACTION AND PAGA
SETTLEMENT, AND HEARING DATE FOR FINAL
COURT APPROVAL OF SETTLEMENT**

TO: all individuals who were staffed to Legends Hospitality, LLC by MVP Event Productions, LLC and performed work for Legends Hospitality, LLC, whether as an employee or independent contractor, at any time from April 1, 2018, up to December 22, 2023 (the "Class Members").

**PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED. YOU MAY BE ENTITLED
TO RECEIVE MONEY FROM THIS PROPOSED SETTLEMENT.**

You are receiving this notice pursuant to an order from the Sacramento County Superior Court ("Court") granting Plaintiffs' motion for preliminary approval of a Joint Stipulation of Regarding Class Action PAGA Settlement and Release ("Agreement" or "Settlement") as fair, reasonable, and adequate. The Settlement was entered into between Plaintiffs Michael Johnson and Kali Bates ("Plaintiffs" or "Class Representatives"), and Defendant Legends Hospitality, LLC ("Defendant") on behalf of Class Members as defined above. The terms of the Settlement are outlined herein. You are receiving this notice because Defendant's records indicate you fall within the definition of "Class Member" and/or "Aggrieved Employee."

Defendant's records indicate that you worked _____ weeks during the applicable Class Period and _____ weeks during the applicable PAGA Claim Period, which means your total share of the settlement proceeds is estimated to be _____. Your actual share of the settlement proceeds will vary depending on the total number of Class Members and Aggrieved Employees that file a Claim Form and do not opt out of the Settlement and the resolution of any workweek disputes as described in this notice.

If you believe the information provided above as to the number of your Qualifying Workweeks is incorrect and wish to dispute it, please contact the Claims Administrator at (800) 355 - 0700, no later than November 22, 2024.

TO RECEIVE YOUR SHARE OF THE NET SETTLEMENT AMOUNT, YOU MUST FILL OUT THE ENCLOSED CLAIM FORM AND MAIL IT TO THE CLAIMS ADMINISTRATOR OR UPLOAD IT TO THE CLAIMS ADMINISTRATOR'S WEBSITE ON OR BEFORE NOVEMBER 22, 2024.

I. WHAT IS THIS CASE ABOUT?

Kali Bates and Michael Johnson were formerly staffed to perform work for Legends Hospitality, LLC by MVP Event Productions, LLC and are the "Plaintiffs" in this lawsuit. They are suing on behalf of themselves and Class Members. The term "Action" means this putative class action and Private Attorneys General Act of 2004 ("PAGA") representative action pending in Sacramento County Superior Court, Case No. 34-2022-00317653. The Agreement applies to all Class Members, which are defined as all individuals who were staffed to Legends Hospitality, LLC by MVP Event Productions, LLC and performed work for Legends Hospitality, LLC, whether as an employee or independent contractor, at any time from April 1, 2018, up to December 22, 2023 ("Class Period"). The Agreement also applies to Aggrieved Employees, which are defined as all individuals who were staffed to Legends Hospitality, LLC by MVP Event Productions, LLC and performed work for Legends Hospitality, LLC, whether as an employee or independent contractor, at any time from March 23, 2021, up to December 22, 2023 ("PAGA Claim Period").

Plaintiffs claim that Defendant engaged in unfair competition by misclassifying employees as independent contractors, failing to distribute tips that were pooled, threatening in writing with termination if employees communicated with each other about pay; failed to provide accurate wage statements; failed to pay minimum wages for all time worked; failed to provide meal and rest periods; failed to pay all wages owed upon termination; failed to pay overtime wages; failed to reimburse necessary business expenses; failed to timely pay wages in violation of Labor Code section 201.3; failed to comply with paid sick leave laws; and seeks associated civil penalties under the California Labor Code and PAGA.

Defendant strongly denies it engaged in any unlawful conduct. The Court has made no rulings on the merits of Plaintiffs' claims or that the claim can be pursued on behalf of a class.

The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in a full day mediation facilitated by a neutral third party. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process.

Despite agreeing to and supporting the Agreement, Defendant continues to strongly deny all legal and factual allegations. By agreeing to settle, Defendant is not admitting liability on any of the factual or legal allegations or claims in this case or that this case can or should proceed as a class action. Defendant has entered into this Settlement to avoid disruption to operations and in recognition of the risks and expenses in continued litigation.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Settlement Amount

Plaintiffs and Defendant have agreed to settle this case on behalf of themselves and the Class Members for a total sum of One Hundred Seventy-Five Thousand Dollars (\$175,000) (“Gross Settlement Amount”).

This Gross Settlement Amount includes: (1) subject to Court approval, attorneys’ fees not to exceed 35% of the Gross Settlement Amount and attorneys’ costs not to exceed \$20,000; (2) Claims Administrator Costs estimated not to exceed \$25,000; (3) subject to Court approval, Class Representatives’ Enhancement Payment of \$10,000 each; and (4) \$10,000 for alleged PAGA penalties (the “PAGA Payment”). After deducting these amounts, the remaining funds (referred to as the “Net Settlement Amount”) will be distributed to all Class Members who do not opt out of the Settlement and Aggrieved Employees who have timely submitted a Claim Form, which is enclosed in this mailing. Any employer side taxes attributable to payments allocated as wages will be paid by Defendant in addition to the Gross Settlement Amount.

As explained further below, the amount of each Class Member’s share of the Net Settlement Amount will depend on the number of weeks worked by participating Class Members during the Class Period. Of the \$10,000 allocated to resolving the PAGA claims, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees.

The number of weeks you were staffed to Legends Hospitality, LLC by MVP Event Productions, LLC and performed work for Legends Hospitality, LLC (“Qualifying Workweeks”) during the Class Period and your estimated total share of the Net Settlement Amount and PAGA Payment (“Claim Amount”) is stated on the first page of this notice and the enclosed Claim Form. The actual Claim Amount you receive may be more or less than the amount stated depending on the actual number of Qualifying Workweeks by Participating Class Members (*i.e.*, those who do not opt out of the Settlement and timely submit a Claim Form) and Participating Aggrieved Employees (*i.e.*, those who timely submit a Claim Form), the resolution of any disputes regarding workweeks, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees’ allocations for the PAGA claims.

B. Claim Amounts and Allocation Between Class Members and Aggrieved Employees

Payment to Class Members who do not opt out will require the submission of a Claim Form. Payment to Aggrieved Employees of their share of the PAGA Payment will also require the submission of a Claim Form. Each Class Member’s share of the Net Settlement Amount shall be determined by dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks by all Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member’s individual share of the Net Settlement Amount. Defendant shall pay out at least 100% of the Net Settlement Amount regardless of the claims rate. If less than 100% of the Net Settlement Amount is claimed by Participating Class Members, the Participating Class Members will have their individual shares of the Net Settlement Amount increased, pro rata, until 100% of the Net Settlement Amount is distributed to Participating Class Members.

Each Aggrieved Employee’s share of the 25% portion of the PAGA Payment will be determined by dividing their total Qualifying Workweeks within the PAGA Claim Period by the total Qualifying Workweeks by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee’s individual share. If less than 100% of the 25% portion of the PAGA Payment is claimed by Participating Aggrieved Employees, the Participating Aggrieved Employees will have their individual shares of the 25% portion of the PAGA Payment increased, pro rata, until 100% of the 25% portion of the PAGA Payment is distributed to Participating Aggrieved Employees. You must submit a Claim Form to receive your share of the PAGA Payment. If you submit a Claim Form, you will still receive your share of the PAGA Payment even if you opt out of being a Class Member.

Receipt of the Claim Amounts will not entitle any Class Member or Aggrieved Employee to additional compensation or benefits under any compensation, retirement or benefit plan or agreement in place during the period covered by the Settlement.

C. Calculations to Be Based on Defendant’s Records and Resolution of Workweek Disputes

For each Class Member, the amount payable will be calculated by the Claims Administrator from Defendant's records. Defendant's records will be presumed correct unless evidence to the contrary is provided to the Claims Administrator. Defendant's records and any additional evidence will be reviewed by the Claims Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted to the Claims Administrator by the Class Member. The dispute must (a) state your full name, address, telephone number, and full social security number; (b) identify the nature of the dispute; (c) provide any information or documentation supporting the dispute; (d) be signed; and (e) be post-marked no later than November 22, 2024. The dispute will be resolved by the Claims Administrator based on the records and evidence provided.

D. Class Member Tax Matters

IRS Forms W-2 and 1099-MISC will be distributed to Class Members and the appropriate taxing authorities reflecting the payments Class Members receive under the Settlement. Class Members have the right and are encouraged to consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement, 1/3 of each Settlement Amount will be allocated to alleged unpaid wages for which IRS Forms W-2 will issue, 2/3 will be allocated as alleged interest, statutory penalties, and other non-wage damages for which IRS Forms 1099-MISC and 1099-INT will issue. The PAGA Payment to Aggrieved employees will be paid as 100% for civil penalties. Again, you are encouraged to consult a tax advisor regarding the significance of how each Settlement Award is allocated between wages, penalties, and interest. This notice is not intended to provide legal or tax advice. To the extent this notice or any of its attachments is interpreted to contain or constitute advice regarding any United States or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code.

E. Release of Claims

For those Class Members who do not opt out and Aggrieved Employees, the Agreement contains the following releases upon the Effective Date:

Class members who do not opt out will be deemed to have released all claims, rights, demands, liabilities and causes of action that are alleged, or reasonably could have been alleged, reasonably arise out of, or reasonably relate to the facts or allegations asserted in the operative Complaint in this Action through the Class Period, including the following as set forth in (a)-(c):

- a. (i) failure to pay all regular wages, minimum wages, overtime wages due and liquidated damages; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to provide timely pay wages during employment; and (viii) unfair business practices that could have been premised on the claims or causes of action described above or any of the claims or causes of action pleaded in the operative Complaint;
- b. Any claims for injunctive relief, declaratory relief, restitution, fraudulent business practices or punitive damages alleged or which could have been alleged under the same or similar facts, allegations and/or claims pleaded in the complaints filed as part of the operative Complaint; and
- c. Any and all other claims under California common law, the California Labor Code, and federal law, including, but not limited to, the Fair Labor Standards Act, California Industrial Welfare Commission Wage Orders, and the California Business and Professions Code, alleged in or that could have been alleged, reasonably arise out of, or reasonably relate to the facts or allegations pleaded in the operative Complaint. In addition, to the extent required by law, the cashing of the settlement check by the Participating Class Member shall be deemed to be an opt-in for purposes of releasing Released Parties from any claims predicated under the FLSA that could have been alleged under the same or similar facts or allegations pleaded in the Lawsuit. The Settlement Administrator shall include a legend on the settlement check stating, "By cashing this check, I am opting into the settlement in *Bates, et al. v. Legends Hospitality, LLC*, Sacramento County Superior Court, Case No. 34-2022-00317653-CU-OE-GDS, under FLSA, 29 U.S.C. § 216(b), and releasing the Released Claims described in the Settlement Agreement."

This release shall apply to claims arising during the Class Period. This release will cover all Class Members who do not opt-out regardless of whether they have submitted a Claim Form.

Aggrieved Employees will be deemed to have released any and all PAGA claims that could have been asserted under the California Labor Code Private Attorneys General Act of 2004 that reasonably arise out of or reasonably relate to the factual allegations in the operative Complaint in this Action or any PAGA notices submitted by Plaintiffs to the LWDA, for the PAGA Period. Aggrieved Employees cannot opt out of this waiver of PAGA claims.

The individuals released ("Released Parties") means Defendant Legends Hospitality, LLC, and any of its/their past, present and future direct or indirect parents, subsidiaries, predecessors, successors and affiliates, as well as each of its or their past, present and future officers, directors, employees, partners, members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with Defendant. Released Parties shall not include Defendant MVP Event Productions, LLC or any of its owners, directors, officers, or managing agents.

II. WHAT ARE YOUR OPTIONS AS A CLASS MEMBER?

Option 1 - Submit a Claim to Receive Your Share of the Net Settlement Amount

If you wish to receive your share of the Net Settlement Amount, you must complete and return the enclosed Claim Form post marked to P.O. Box 54668, Irvine, CA 92619 or uploaded to the Claims Administrator's website at (_____) no later than November 22, 2024. If you choose **Option 1** and the Court grants final approval of the Settlement, you will be mailed a check for your share of the Net Settlement Amount no earlier than November 22, 2024. Upon the Effective Date and subject to Defendant's full payment of the Gross Settlement Amount, Plaintiffs and Participating Class Members and Participating Aggrieved Employees will be bound by the release of claims identified above. Failure to timely submit a Claim Form without opting out of the Settlement will cause you to be bound by release of claims identified above, but you will not receive any share of the Net Settlement Amount.

Option 2 - Do Nothing, and Be Bound by the Release, But Do Not Receive Your Share of the Net Settlement Amount

If you do nothing, and you do not opt out of the Settlement, you will be bound by the release of claims identified above, and you will not receive any share of the Net Settlement Amount.

Option 3 - Exclude Yourself from the Settlement as a Class Member

The Court will exclude you from the being a Class Member if you request this by November 22, 2024. If you do not wish to be bound by the Settlement as a Class Member, you may request to be excluded (*i.e.*, "opt out") by submitting a timely written request to the Claims Administrator. The request to opt-out must (a) state your full name, address, telephone number and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or wants to be excluded from this Settlement; (c) identify the case name and number (*i.e.* Bates, et al. v. MVP Event Productions, LLC., et al., 34-2022-00317653); (d) be signed; and (e) be post-marked no later than November 22, 2024. The request to opt out must be mailed by First Class U.S. Mail, or the equivalent, to:

Apex Class Action, LLC
P.O. Box 54668,
Irvine, CA 92619
claims@apexclassaction.com
Telephone: (800) 355 – 0700

If you submit a request to opt out which is not postmarked by November 22, 2024. your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. **Do not submit both a dispute and a request to opt out.** If you do, the request to opt out will be invalid, you will be a Participating Class Member, and you will be bound by the terms of the Settlement.

If you choose this **Option 2**, you will no longer be a Participating Class Member. Therefore, you (1) will not receive any payment from the Class Settlement; (2) will not be deemed to have released any of the class claims due to this Settlement; and (3) will be barred from filing an objection to the Settlement. However, if you are an Aggrieved Employee, your request to opt out will not affect the PAGA settlement, you will remain a Participating Aggrieved Employee and receive a settlement payment with respect to the PAGA claims only, and you will release the PAGA claims regardless of whether you choose to opt out of the Class Settlement.

Option 4 - Object to the Settlement

If you do not opt out of the Class Settlement, you can object to the terms of the Class Settlement. However, if the Court rejects your objection, you will still be bound by the Class Settlement. You can ask the Court to deny approval by filing an objection. You cannot 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. You may object to the Class Settlement either by mailing a written objection or appearing at the Final Approval Hearing. If you wish to object to the Class Settlement in writing, your written objection must (a) state your full name address, telephone number, and date of birth, as well as contact information for any attorney representing you for purposes of the objection; (b) provide evidence that you are, in fact, a Class Member; (c) state the factual and legal reasons for the objection(s), including any supporting papers, briefs, written evidence, declarations, and/or other evidence, if any; (d) identify the case name and number (*i.e.* Bates, et al. v. MVP Event Productions, LLC., et al., 34-2022-00317653) (e) be signed; and (f) be post-marked no later than November 22, 2024. The objection must be sent to the Claims Administrator at the address identified in Section III.B. If you intend to object to the Class Settlement but wish to receive your share of the Net Settlement Amount, you must timely submit your Claim Form as stated above. If the Court approves the Class Settlement despite any objections and you have not submitted a Claim Form, you will not receive your share of the Net Settlement Amount. Your objection will not affect the PAGA claims, and you will release your PAGA claims regardless of whether you choose to object.

You may also appear at the final approval hearing to state your objection. Any Class Member who does not request exclusion may, if the member so desires, enter an appearance through an attorney. If you appear through your own attorney, you are responsible for paying that attorney. You should also file a notice of intent to appear with the Court and the Claims Administrator.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

If the Court grants final approval of the Settlement, the Court will make and enter judgment consistent therewith. The judgment, whether favorable or not, will bind all Class Members who do not request exclusion. After final approval, each and every Class Member who does not opt out of the Settlement and each Aggrieved Employee will release Defendant and the Released Parties from the Released Class Claims and Released PAGA Claims described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement, you will be deemed to have entered into these releases and to have released the above-described claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department 23,720 9th Street, Sacramento, CA 95814, on January 10, 2025, at 9:00 a.m. to determine whether the Agreement should be finally approved as fair, reasonable and adequate. To join by Zoom: <https://saccourt-ca.gov.zoomgov.com/my/sscdept23>. To join by phone: (833) 568-8864 / ID 16108301121. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the Claims Administrator Costs, and the Class Representatives' Enhancement Payments. The hearing may be continued without further notice. It is not necessary for you to appear at this hearing, but you are welcome to do so.

VI. ADDITIONAL INFORMATION

You may access the Complaint, Class Counsel's motion for preliminary approval, the Agreement, and any other documents required by the Court at the Claims Administrator's website: <https://www.apexclassaction.com/mvp>. All questions by Class Members regarding this Notice of Proposed Class Action Settlement and/or the Settlement should be directed to the Claims Administrator:

P.O. Box 54668,
Irvine, CA 92619
Telephone: (800) 355 - 0700
<https://www.apexclassaction.com/mvp>

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL (800) 355 – 0700 OR VISIT <https://www.apexclassaction.com/mvp>

BY ORDER OF THE COURT

CLAIM FORM
Bates, et al. v. MVP Event Productions, LLC, et al.
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO
CASE NO. 34-2022-00317653

Page 5 of 6

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT, AND HEARING DATE FOR FINAL COURT APPROVAL OF SETTLEMENT

Questions? Call: (800) 355 – 0700

You must complete and return this Claim Form by either first-class mail to the Claims Administrator at the address below or [____] on or before November 22, 2024, to be eligible to receive your Claim Amount under the Agreement. To be considered timely, the Claim Form must be postmarked or uploaded to the website by November 22, 2024. Incomplete and/or late Claim Forms will be rejected. Your decision to submit or not submit this Claim Form will not affect your employment in any way.

MAIL TO:
Apex Class Action, LLC
P.O. Box 54668,
Irvine, CA 92619

INSTRUCTIONS

(1) Please provide the following information:

Full Social Security Number:

Full Name:

Job title:

Your Address:

Location(s) you worked at for Legends Hospitality:

(Optional): I can be reached by telephone at:
 (_____) _____

Dates of staffing at Legends Hospitality between April 1, 2018 until December 22, 2023:

Area Code Home Telephone Number

(2) **Weeks Worked During Class Period:** According to Defendant’s records, you were staffed to work _____ weeks for Legends Hospitality, LLC in California as Class Member during the Class Period of April 1, 2018 until December 22, 2023 and _____ weeks in California as an Aggrieved Employee during the PAGA Claim Period of March 23, 2021 until December 22, 2023. Your Claim Amount is estimated to be approximately \$_____.

(3) If you disagree with the number of workweeks stated in Paragraph (2) above, you may send a letter to the Claims Administrator disputing the number of assigned workweeks in addition to the signed Claim Form. The letter must (a) state your full name, address, telephone number, and full social security number; (b) identify the nature of the dispute; (c) provide any information or documentation supporting the dispute; (d) be signed; and (e) be post-marked no later than November 22, 2024. Defendant's records will control unless you are able to provide documentation with this Claim Form that establishes otherwise. If there is a dispute about whether Defendant's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Claims Administrator as described in the Notice of Settlement that accompanies this Claim Form.

Please Note: A portion of all Claim Amounts are subject to taxation and will be reported to the IRS and state tax authorities. You will receive an IRS Form 1099-MISC and W-2 covering your Claim Amount.

I declare under penalty of perjury under the laws of the State of California and the United States that I received a copy of and have had an opportunity to review the accompanying Notice of Settlement, that I am entitled to a Claim Amount for the Released Class Claims, and that the foregoing information is voluntary and true and correct to the best of my knowledge.

 (Sign your name here)

 Date