

**Court-Ordered Class Action Notice
Not An Advertisement**

You could receive money and your rights could be affected by this Class Action Settlement.

If the name and address listed on the mailing envelope or email, or any information attributable to you in this Notice, is incorrect, please provide the correct information to the Settlement Administrator at:

1-866-602-6001 or LGCYsettlement@simpluris.com

**NOTICE OF CLASS ACTION SETTLEMENT AND FINAL
APPROVAL HEARING**

Robert Green et al. v. LGCY Power, LLC et al.

Superior Court of California, for the County of San Diego, Department C-65

Case No. 37-2019-00026629-CU-OE-CTL

Date of Notice: October 11, 2022

The Honorable Ronald F. Frazier, Judge of the California Superior Court, authorized this Notice. This is not a solicitation from a lawyer. You are not being sued. However, your legal rights may be affected by the information contained in this Notice.

If you currently provide or formerly provided services to LGCY Power, LLC (“LGCY”) in the State of California under a contract to act as a door-to-door salesperson, setter, closer, or lead generator, whether classified as an employee or independent contractor (the “Class”), between May 23, 2015 and August 5, 2022 (the “Class Period”), this class action settlement (“Settlement”) may affect your rights and you could receive money from the Settlement (an “Individual Settlement Payment”).

- A Settlement has been reached in the above referenced class action lawsuit (“Lawsuit”) against LGCY that may affect your rights. In summary, the Lawsuit alleges that members of the Class suffered from unlawful wage and hour practices and were deprived of certain employment rights under the California Labor Code. LGCY denies the allegations.
- The Court has given preliminary approval to the Settlement. However, the Settlement will not be final, and no Individual Settlement Payments will be made, unless and until the Court gives final approval to the Settlement.

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

DO NOTHING	Stay In The Lawsuit. Await The Outcome. Give Up Certain Rights. If you do nothing and the Court gives final approval to the Settlement, you will automatically receive your Individual Settlement Payment and release certain claims against LGCY and the Released Parties.
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ASK TO BE EXCLUDED – i.e., OPT-OUT	Get Out Of This Lawsuit. Get No Benefits from the Settlement. Keep Your Rights. If you submit a request to be excluded from the Settlement no later than January 9, 2023 , you will receive no Individual Settlement Payment or benefits of the Settlement but will retain any rights you may have against LGCY and the Released Parties.
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OBJECT TO THE SETTLEMENT	If you do not want to be excluded from the Settlement but wish to object to the terms of the Settlement, you can submit a written Objection no later than January 9, 2023 . If the Court rejects your objection, you will still be bound by the terms of the Settlement and you will not be able to exclude yourself from the Settlement and will release certain claims against LGCY and the Released Parties.
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Further questions? Read on or visit the Settlement Administration Website
<https://www.LGCYSettlement.com>

SUMMARY INFORMATION

1. What is a class action lawsuit and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” assert claims on behalf of themselves and other similarly situated persons called “the Class” for claims that potentially share common legal and factual questions. The Class Representatives in this case are Robert Green, Anthony Ruiz and John Tanner and they have asserted various claims against LGCY on behalf of themselves and other similarly situated individuals.

2. What is this Lawsuit about?

The Lawsuit alleges LGCY’s employment practices violated California law through: (i) “independent contractor” misclassification; (ii) failure to pay training time and/or non-sales work activity (including meetings); (iii) failure to pay overtime; (iv) failure to provide meal and rest breaks; (v) failure to reimburse business expenses; (vi) failure to pay all commissions due; (vii) failure to pay wages; (viii) failure to provide accurate itemized wage statements; (ix) failure to timely pay final wages; (x) unlawfulness of advances; (xi) failure to provide a written signed contract outlining the current method of calculating and/or paying commissions; (xii) failure to properly maintain accurate employment records; (xiii) failure to maintain a copy of all documents signed by sales representatives and/or to provide a copy of such documents upon request; (xiv) violation of Business and Professions Code § 17200; and (xv) recovery of penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”). The specific allegations of the Lawsuit are contained in the Second Amended Complaint. LGCY denies the allegations.

3. Why did I receive this Notice?

LGCY’s records show that you are a member of the Class and may be eligible to participate under this Settlement. Excluded from the Class and this Settlement are persons involved in pending litigation with LGCY.

4. Has the Court decided who is right?

No. LGCY denies all of the allegations. The Court has not reached any decisions concerning the merits of the Lawsuit and the Court has not ruled for or against any of the parties to the Lawsuit. However, the Court has given preliminary approval to the Settlement and decided that you should get a copy of this Notice. You can review the Settlement and determine whether you want to participate in it, object to it, or exclude yourself (i.e., “Opt-Out”) from the Settlement. If the Settlement is not given final approval by the Court, the case will proceed to an eventual trial where the claims will be decided.

5. Am I a Class Member?

Yes. You have received this Notice because LGCY’s records indicate that you are a member of the Class for some portion of the Class Period.

6. Why is this Lawsuit being settled?

After exchanging relevant information and documents, evaluating witness testimony, and engaging in extensive settlement negotiations with the assistance of neutral third-party mediators, the Class Representatives and LGCY have agreed to settle the claims against LGCY, the Released Parties and each other. The Settlement represents a compromise of disputed claims and is not an admission that LGCY or any Defendant violated the law. The Class Representatives and their attorneys believe the Settlement is in the Class’s best interest.

7. What does this Settlement provide?

LGCY has agreed to 1) pay a total settlement amount of **\$3,820,000** to settle the claims in this Lawsuit, 2) release

claims for unearned advances against certain Class Members, and 3) provide the Settlement benefits summarized in this Notice.

8. Who represents the Class Members in the Lawsuit?

In class actions, Class Members are represented by Court-appointed lawyers (“Class Counsel”). In this case, you are represented by:

Jason E. Baker, Esq. - jbaker@keeganbaker.com
John J. Weber, Esq. - jweber@keeganbaker.com
KEEGAN & BAKER, LLP
5820 Oberlin Drive, Suite 205
San Diego, CA 92121
Telephone: (858) 558-9402 & (858) 558-9407

The Court has determined that Class Counsel are qualified to represent all Class Members. Nonetheless, you may hire your own lawyer at your own expense if you wish.

9. Who is the Settlement Administrator?

The Settlement Administrator is a neutral third party appointed by the Court to send this Notice, process and issue Individual Settlement Payments, and otherwise administer the Settlement. You may contact the Settlement Administrator at:

LGCY POWER, LLC CLASS ACTION SETTLEMENT
c/o Simpluris, Inc.
P.O. Box 26170
Santa Ana, CA 92799
Phone: (866) 602-6001

Dedicated email address for this Settlement: LGCYsettlement@simpluris.com

MONETARY AND NON-MONETARY TERMS OF THE SETTLEMENT

10. What has LGCY agreed to do?

LGCY has agreed to pay **\$3,8200,000** to settle the claims in this Lawsuit (the “Gross Settlement Fund”). LGCY has also agreed to waive and release all claims arising out of or related to the repayment of unearned advances against any Class Members who were formally active with LGCY **as of April 30, 2021** established by either of the following criteria: (i) Class Member was deactivated by LGCY on or before April 30, 2021; or (ii) the last payment for services from LGCY was issued on or before April 30, 2021 (excluding an Individual Settlement Payment under this Settlement).

11. How will the Gross Settlement Fund be allocated?

Subject to final approval of the Court, the Settlement allocates the Gross Settlement Fund as follows: (a) PAGA penalties of no more than \$76,400; (b) Settlement Administration costs of \$17,000; (c) Enhancement Awards to the Class Representatives of no more than \$20,000 each; (d) reimbursement of litigation costs of no more than \$50,000; and (e) Class Counsel attorneys’ fees awarded by the Court, leaving the “Net Settlement Amount” available for the Class. Any lesser amounts awarded by the Court will be added to the Net Settlement Amount.

12. How are Class Members’ Individual Settlement Payments determined?

Subject to final approval of the Court, the maximum amount that each Class Member who is entitled to receive from the Net Settlement Amount is determined by comparing the Class Member’s total points earned during the Class Period in California by the total number of points earned by all Class Members during the Class Period in California. Class Members earn points during the Class Period as follows:

<u>Points Category</u>	<u>Points Earned</u>
California Work Weeks (non-managerial); plus	1 point per

Days with California interactions recorded in LGCY database; plus	1 point per
Completed California Installations under each Class Member's unique ID; plus	2 points per
Manager Workweeks	2 points per

13. How much is my Individual Settlement Payment?

The precise amount is not known at this time and will not be calculable until the Court gives final approval of the Settlement. According to LGCY's records, you earned the following credits during the Class Period towards points under the Settlement:

Points Category	Per LGCY's Records
California Work Weeks (non-managerial)	«MERGED_CA_WW_CALC»
Days with California interactions recorded in LGCY database	«MERGED_Interactions»
Completed California Installations recorded under your unique ID; plus	«MERGED_Installations»
Manager Workweeks	«MERGED_Manager_WW_CALC»

The points applied to the credits will be used to calculate your respective Individual Settlement Payment. If you wish to dispute your points or LGCY's records, you must notify the Settlement Administrator and provide any supporting evidence in writing no later than **January 9, 2023**.

14. When will I be paid?

If the Settlement is given final approval by the Court and all possibilities of appeal are completed, the Lawsuit will end and the Gross Settlement Fund will be paid by LGCY to the Settlement Administrator in installments ending December 7, 2023. Upon Final Approval of the Settlement, the Settlement Administrator will disburse monies from the Gross Settlement Fund, including the Individual Settlement Payments, pro-rata as installments of the Gross Settlement Fund are received, but no less than quarterly.

15. How are Class Members who currently work for LGCY affected by the Settlement?

Class Members who currently work for LGCY are included in the Settlement. California law prohibits LGCY from discharging you or in any other manner retaliating or discriminating against you because you participated in this Settlement.

16. Are any taxes taken out of the Individual Settlement Payment?

No. As direct sellers, Class Members are responsible for the appropriate classification, treatment and payment of any federal, state and/or local income or payroll taxes on the Individual Settlement Payment received. Each Class Member is advised to obtain tax advice from his or her own tax advisor as to any payments under this Settlement. This Notice is not legal or tax advice, and nothing in this Notice is intended, written or should be used by any person for the purpose of avoiding any tax liability or penalties.

17. How will I be paid from the Settlement?

The Settlement Administrator has established numerous ways for you to be paid. Unless you elect to receive your Individual Settlement Payment via ACH, direct deposit, or digital payment, you will receive your Individual Settlement Payment by check(s) delivered via U.S. mail to the address on record with the Settlement Administrator. Checks will be good for one hundred twenty (120) days. Any Individual Settlement Payment check not timely cashed shall be void and the funds distributed to the Controller of the State of California to be held pursuant to California's Unclaimed Property Law.

18. Why does the California LWDA receive a portion of the Settlement?

One of the claims in the Lawsuit is that LGCY violated provisions of the California's Labor Code under PAGA. Under PAGA, private citizens are permitted to recover civil penalties for violations of California's Labor Code, seventy-five percent (75%) paid to the California Labor and Workforce Development Agency ("LWDA"), with the remainder paid pro-rata to the PAGA Represented Sales Representatives (as defined in the Settlement Agreement). Under the Settlement, \$76,400 of the Gross Settlement Fund is allocated to PAGA penalties.

19. What is an "Enhancement Award"?

In class actions, the Court may provide Class Representatives an "Enhancement Award" in recognition of the time, effort, and risks taken in pursuit of the Lawsuit on behalf of the Class. In this Lawsuit, Class Counsel will apply to the Court for up to a \$20,000 Enhancement Award for each Class Representative. The Court will decide the final amount of the Enhancement Awards.

20. How will Class Counsel be paid?

Class Members are not personally liable for any fees and costs. As is routine in class action cases, Class Counsel will request an award of attorneys' fees and incurred expenses. These fees and expenses have been incurred as Class Counsel pursued the Lawsuit on behalf of the Class without receiving any compensation for their services or reimbursement of their out-of-pocket expenses. Accordingly, Class Counsel will apply to the Court for (i) attorneys' fees in the amount of up to thirty-three and one-third percent (33 1/3%) of the Gross Settlement Fund and ten percent (10%) of the amount of wage advances released by LGCY; and (ii) incurred litigation expenses, not exceeding \$50,000.

RELEASE OF CLAIMS

21. What claims are being released as part of the Settlement?

When claims are "released," it means that a person covered by the release cannot sue for these claims. Upon final approval of the Settlement by the Court, Class Members who did not submit an Opt-Out Request will fully release claims, arising during the Class Period, which were alleged or could have been alleged in the Lawsuit based on the facts alleged against LGCY and other Released Parties in the Second Amended Complaint. Upon final approval of the Settlement, all claims under PAGA in the Second Amended Complaint will also be released. The releases are binding upon Class Members who do not submit Opt-Out Requests to the Settlement.

LGCY has also agreed to waive and release all claims arising out of or related to the repayment of unearned advances against any Class Members who were formally active with LGCY **as of April 30, 2021** established by either of the following criteria: (i) Class Member was deactivated by LGCY on or before April 30, 2021; or (ii) the last payment for services from LGCY was issued on or before April 30, 2021 (excluding an Individual Settlement Payment under this Settlement). **FOR THE AVOIDANCE OF DOUBT, EXCLUDED FROM THIS RELEASE ARE VERIFIED SETTLEMENT CLASS MEMBERS WITH ADVANCE REPAYMENT OBLIGATIONS TO LGCY THAT WERE STILL ACTIVE OR RECEIVING PAYMENTS FOR SERVICES FROM LGCY FROM OR AFTER MAY 1, 2021.** Eligible Class members who submit an Opt-Out Request to the Settlement do not get the benefit of this release from LGCY (if applicable).

The full terms of the releases are set forth in Article V of the Settlement Agreement.

YOUR RIGHTS AND OPTIONS

22. How do I participate in the Settlement?

You do not need to do anything to participate in the Settlement. If you are a Class Member and do not request to be excluded from the Settlement, you will automatically receive an Individual Settlement Payment (see Sections 11-13 above) and release claims against the Released Parties (see Section 21 above) without any further action on your part. You are advised to notify the Settlement Administrator if your name, address or other contact information changes during administration of the Settlement.

23. How do I request to be excluded ("Opt Out") from the Settlement?

If you wish to be excluded from the Settlement, you must mail a written, personally signed statement to the Settlement

Administrator at the address or email set forth above (Section 9) that you wish to be excluded from the Settlement (“Opt-Out Request”). The Opt-Out Request must contain your name, mailing address, email address, telephone number and last 4 digits of your Social Security Number. It must also clearly express your intent to be excluded from the Settlement and signed by you. **To be effective, your Opt-Out Request must be postmarked or emailed no later than January 9, 2023.** If you Opt-Out of the Settlement and decide to pursue your own claims, you will have to hire and pay your own lawyer and have to individually prove your claims. If you timely submit your Opt-Out Request, you will not receive any benefit from the Settlement, including the release of claims from LGCY (if applicable). If you do not provide a timely Opt-Out Request, you will be bound by the terms of the Settlement, including, the releases provided for in the Settlement Agreement to LGCY and the Released Parties and any Final Judgment entered by the Court.

24. May I object to the Settlement?

If you wish to object to the Settlement, you may do so by mailing to the Settlement Administrator at the address or email set forth above (Section 9) with the written factual and legal basis of the objection, with a copy served upon Class Counsel (contact information in Section 8 above) and counsel for LGCY (Deborah Yoon Jones, Esq., Alston & Bird LLP, 333 South Hope Street, 16th Floor, Los Angeles, California 90071-1410, Debbie.Jones@alston.com). Your written objection must be postmarked or emailed no later than **January 9, 2023** and must include your name, mailing address, email address, telephone number and last 4 digits of your Social Security number; written factual and legal basis of the objection; and must state whether you intend to appear at the Final Approval Hearing. However, you cannot both object to the Settlement and exclude yourself from (i.e., Opt-Out of) the Settlement. If the Court denies your objection, you will still be bound by the terms of the Settlement, including the release, and you will not be able to thereafter, submit an Opt-Out Request from the Settlement.

THE SETTLEMENT’S FINAL APPROVAL HEARING

25. When will the Court consider whether to grant final approval of the Settlement?

The Court will hold a Final Approval Hearing in Department C-65 of the California Superior Court for the County of San Diego, located at 330 W. Broadway, San Diego, California 92101, on **March 10, 2023 at 8:30 a.m.**, to decide whether to grant final approval of the Settlement. It is not necessary for you to appear at this hearing, unless you want to be heard on any objection to the Settlement. You may participate in hearings remotely through CourtCall.com at 888-882-6878 at your own cost. The hearing may be postponed by the Court without further notice to the Class. If the Settlement is not approved, the Lawsuit will continue to be prepared for a class certification hearing, trial, or other judicial resolution.

FURTHER INFORMATION

26. How do I receive more information?

This Notice provides a summary of the basic terms of the Settlement. For the Settlement’s complete terms and conditions, including definitions, please consult the Settlement Agreement and other documents in the case, which can be accessed: (i) on the Settlement Administrator’s website at <https://www.LGCYSettlement.com>; (ii) by contacting the Settlement Administrator; (iii) by contacting Class Counsel; or (iv) via the Register of Actions for the California Superior Court for the County of San Diego (<https://roa.sdcourt.ca.gov/roa/>). In the event of any conflict between the terms of the Settlement Agreement and this Notice, the Settlement Agreement shall control.

PLEASE DO NOT TELEPHONE OR OTHERWISE WRITE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.