

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

Anthony Ibrahim v. Climatec, Inc., et al.

Orange County Superior Court Case No.: 30-2012-00552570-CU-OE-CXC

To: CURRENT AND FORMER NON-EXEMPT EMPLOYEES WHO WERE EMPLOYED AS A SYSTEMS SPECIALIST BY CLIMATEC, INC.; KX2 BUILDING TECHNOLOGIES GROUP, LP; OR CLIMATEC LLC WITHIN THE STATE OF CALIFORNIA FROM MARCH 16, 2008 THROUGH SEPTEMBER 28, 2018.

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM THIS PROPOSED SETTLEMENT.

This Notice is Court Approved. This is not a solicitation from an attorney.

PLEASE VERIFY YOUR NAME AND ADDRESS:

Name/Address Corrections (if any):

Class Member ID: _____

First Name

Last Name

Address

City

State

Zip Code

Zip4

Please send any name or address corrections to the Settlement Administrator or call the Settlement Administrator at 844-367-8806 to provided corrected information.

1 **Your Anticipated Gross Settlement Payment is Estimated at:**
2 **\$X,XXX.XX**

3 **PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS**

4 **WHY DID I GET THIS NOTICE?**

5 You have received this Notice because we believe that you are a class member who may be entitled to money from this settlement.

6 This Notice describes a proposed settlement of the lawsuit: *Ibrahim, et al. v. Climatec, Inc., et al.* pending in Orange
7 County Superior Court, Case No. 30-2012-00552570-CU-OE-CXC (the "Lawsuit"). Complaints were filed in the
8 Lawsuit on March 9, 2012 (Class Action Complaint), September 27, 2013 (Cross-Complaint), and April 12, 2016
9 (Amended Cross-Complaint). Plaintiff Jared Lee was added as a plaintiff to this action on November 20, 2017, pursuant
10 to an Amendment to the Amended Class Action Cross-Complaint. This Notice is being sent to you by the order of the
11 Superior Court of the State of California for the County of Orange, which preliminarily approved the settlement on
12 October 16, 2018. This Notice informs you of the terms of the proposed settlement, describes your rights in connection
13 with the settlement, and explains what steps you may take to object to, or exclude yourself from, the settlement. **If you
14 do not exclude yourself from the settlement and the settlement is finally approved by the Court, you will receive
15 a settlement payment and be bound by the terms of the settlement and any final judgment.**

12 **YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT**

13 DO NOTHING AND REMAIN 14 IN THE CLASS	Obtain settlement benefits and give up your rights to ever sue any of the Released Parties (as defined in the settlement agreement in this case) about any of the claims in this case.
15 EXCLUDE YOURSELF FROM 16 THE SETTLEMENT	Opt out of the class by Friday, December 21, 2018 and get no benefits from the settlement, and keep your rights to be part of any other lawsuit against any of the Released Parties (as defined in the settlement agreement in this case) about any of the claims in this case.
17 OBJECT	Write to the Settlement Administrator by December 21, 2018 about why you do not like the settlement or any of its terms. If you want to object, you will remain in the class and may still receive a settlement payment.

18 **WHAT IS THIS LAWSUIT ABOUT?**

19 The Lawsuit was filed by Plaintiffs Anthony Ibrahim and Jared Lee ("Plaintiffs") on behalf of non-exempt employees
20 who worked for Climatec, Inc. and KX2 Holdings Buildings Technologies Group, LP ("Defendants") during the Class
21 Period in California.

22 The Complaints in the Lawsuit pleaded class allegations against Defendants for: (1) failure to pay overtime wages; (2)
23 failure to provide meal periods; (3) failure timely to pay minimum wages; (4) failure to pay all wages due upon
24 separation of employment; (5) failure to issue wage statements in compliance with Labor Code § 226; and (6) violation
25 of California Business & Professions Code § 17200 et seq. based on the alleged failures set forth in (1) through (6). The
26 Complaints also contained allegations of violation of California Labor Code Sections 201, 202, 203, 204, 212, 226,
27 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, Wage Order and California Code, Code of Civil Procedure §
28 1021.5. The Released Parties (as defined in the settlement agreement in this case) deny each and all of the claims and
contentions alleged by the Plaintiffs. The Court has not made any rulings regarding the merits of the cases. The Released
Parties deny and continue to deny all of Plaintiffs' allegations.

1 After engaging in extensive investigation, a full day of mediation before an experienced mediator in which both sides
2 recognized the substantial risks of an adverse result in the Lawsuit for either side, and extensive post mediation
negotiations, Plaintiffs and Defendants agreed on a class settlement that was preliminarily approved by the Court on
October 16, 2018. Plaintiffs and Class Counsel support the settlement.

3 The class settlement represents a compromise and settlement of highly disputed claims. Nothing in the settlement is
4 intended or will be construed as an admission by any of the Released Parties (as defined in the settlement agreement in
this case) that Plaintiffs' claims in the Lawsuit have merit or that is has any liability to Plaintiffs or the Class on those
claims.

5 The parties and their counsel have concluded that the settlement is advantageous, considering the risks and uncertainties
6 to each side of continued litigation.

7 **WHAT IS A CLASS ACTION?**

8 In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Anthony Ibrahim
9 and Jared Lee are the Class Representative or Named Plaintiffs in the Lawsuit, and they assert claims on behalf of
themselves and the class. Climatec, Inc. and KX2 Holdings Building Technologies Group, LP are the Defendants. A
10 class action allows the Court to resolve the claims of all the class members at the same time. A class member is bound
by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own
11 lawsuit on the same claims that were decided in the class action. A class action allows one court to resolve all of the
issues in a lawsuit for all the class members who choose not to exclude themselves from the class.

12 **WHO IS INCLUDED IN THE CLASS?**

13 The Court has certified a class of persons employed by Defendants in California during two time periods. The Class is
14 comprised of persons who were employed by Defendants or Climatec LLC as systems specialists in non-exempt
positions in the State of California at any time from March 16, 2008 to September 28, 2018 as identified in Exhibit A
to the settlement agreement between the parties ("Class Period-Travel Time Claim") and persons who were employed
15 by Defendants or Climatec LLC as systems specialists in non-exempt positions in the State of California at any time
from April 12, 2017 to March 3, 2017 as identified in Exhibit B to the settlement agreement between the parties ("Class
16 Period-Meal Period Claim").

17 The Class or Participating Class Member shall not include any person who submits a timely and valid Opt-Out Form.

18 **WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?**

19 In exchange for the release of claims against Released Parties as defined in the settlement agreement and final
20 disposition of the Lawsuit, Climatec LLC will pay Nine Hundred Thousand Dollars and Zero Cents (\$900,000.00)
("Class Settlement Amount"). After employer-side payroll taxes estimated to be \$20,790, attorneys' fees and costs,
21 enhancement payment to the Named Plaintiffs and settlement administration costs are deducted from the Class
Settlement Amount, the remaining "Net Settlement Amount" will be distributed to Participating Class Members.
22 Subject to Court approval, the Class Settlement Amount will be allocated as follows:

- 23 • **Individual Settlement Payment:** All Participating Class Members are eligible to receive money from the Net
Settlement Amount. Each estimated payment is the pro rata allocation of the Net Settlement Amount based on
24 the Members' total Workweeks¹ worked during the Class Period. Participating Class Member will receive a
share of the Net Settlement Amount with the numerator being the Participating Class Members total number
25 of Workweeks earned during the Class Period as a Class Member and the denominator being all Participating
Class Members' total Workweeks worked during the Class Period. The resulting fraction will be multiplied
26 by the Net Settlement Amount to determine the Participating Class Member's individual settlement payment.

27 _____
28 ¹ "Workweeks" or "Weeks Worked" means the number of days of employment for each Class Member during the
applicable Class Period, subtracting days on leave of absence (if any), dividing by seven (7), and rounding up to the
nearest whole number. All Class Members will be credited with at least one Workweek.

- 1 • Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on an apportionment of the Net Settlement Amount as follows:
 - 2 ○ Seventy Seven and 77/100ths Percent (77.77%) of the Net Settlement Amount shall be distributed to Class
 - 3 Members identified on **Exhibit A with respect to the Class Period Travel Time Claim** and Twenty Two
 - 4 and 23/100ths Percent (22.23%) of the Net Settlement Amount shall be distributed to Class Members identified
 - 5 on **Exhibit B with respect to the Class Period Meal Period Claim;**
- 6 • Your estimated payment is on the first page of this Notice, but the actual amount may vary somewhat based
- 7 on the actual implementation of the settlement.
- 8 • **Class Representatives Enhancement Payment:** Named Plaintiffs will request from the Court an award of
- 9 \$15,000 in recognition of their efforts and risks in assisting with the prosecution of the Lawsuit. Any amount
- 10 ordered by the Court will be paid from the Class Settlement Amount.
- 11 • **Class Counsel Award:** Class Counsel will request from the Court no more than \$360,000 as attorneys' fees
- 12 for litigation and resolution of the Lawsuit, as supported by declaration(s). Class Counsel will also request
- 13 from the Court reimbursement for the advanced litigation costs of no more than \$90,000. Any amount ordered
- 14 by the Court will be paid from the Class Settlement Amount.
- 15 • **Settlement Administration:** The cost of settlement administration will be no more than \$10,000, which pays
- 16 for tasks such as mailing and tracking this Notice, mailing checks and tax forms, and reporting to the parties
- 17 and the Court. Any amount ordered by the Court will be paid from the Class Settlement Amount.
- 18 • Any checks issued to Participating Class Members shall remain valid and negotiable for one hundred and
- 19 eighty (180) days from the date of their issuance. After that time, the amount of any such unclaimed checks
- 20 will be remitted to the State's Unclaimed Wage Fund in the name of the individual to whom the money is
- 21 owed.

15 **If you do not exclude yourself, you will give up your Released Claims.**

16 The Released Claims means any and all causes of action, claims, rights, damages, punitive or statutory damages,
17 penalties, liabilities, expenses, and losses alleged in the Complaints in this Action including, but not limited to: (a) any
18 alleged failure by any of the Released Parties as defined in the settlement agreement: (1) to pay regular or overtime
19 wages (2) to provide meal periods; (3) to provide accurate wage statements to employees; (4) to timely pay wages during
20 employment; (5) to pay all wages due upon separation of employment; or (6) to maintain payroll records; (b) any right
21 or claim for unfair business practices in violation of California Business & Professions Code § 17200 et seq. based on
22 the allegations in the Complaints or alleged failures set forth in (a)(1) through (a)(6) above; and (d) any violation of the
23 California Labor Code arising from or related to the conduct alleged in (a)(1) through (a)(6) above, including, without
24 limitation, violation of Sections 201, 202, 203, 204, 212, 226, 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, ,
25 or any other state statute, rule and/or regulation (Wage Order), California Code, Code of Civil Procedure - CCP § 1021.5
26 or similar causes of action that any Class Member has or might have, known or unknown, of any kind whatsoever, that
27 was alleged or could reasonably have alleged out of the factual allegations contained in the Complaints.

22 The release will extend to and cover Released Parties, including Climatec, Inc., Climatec, LLC, KX2 Holdings Building
23 Technologies Group, LP, Robert Bosch LLC, Robert Bosch North America Corporation, as well as any of the Released
24 Parties' past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, and assigns, and
25 each of their officers, directors, board members, trustees, shareholders, members, employees, agents, attorneys, auditors,
26 accountants, benefits administrators or third-party administrators, experts, contractors, stockholders, representatives,
27 partners, insurers, reinsurers, and other persons acting on their behalf.

WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT?

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

You do not need to do anything to receive a payment from the Net Settlement Amount.

Defendants’ records show that you were employed from «period1» and worked a total of XX Workweeks as a Class Member during the Class Period-Travel Time Claim and XX Workweeks during the Class Period-Meal Period Claim. Your anticipated settlement share as stated on page 1 of this document is calculated using that Workweek information.

If you dispute the information about the number of Workweeks that Defendants’ records show you worked during the Class Period-Travel Time Claim and/or Class Period-Meal Period Claim, you must advise the Settlement Administrator to substantiate your dispute.

To dispute the number of Workweeks you must send in the mail any records (e.g. paystubs, pay checks or other records) supporting your dates of employment with a letter explaining the dispute and be sure to include the last four digits of your social security number by December 21, 2018. The date of the postmark will determine if it was timely mailed.

Your settlement payment will be mailed within twenty-one (21) days of the date the Settlement becomes final. *If your address changes before you receive your final payment, please contact the Settlement Administrator to update your address.*

The Settlement Administrator is:

Ibrahim, et al. v. Climatec, Inc., et al.
c/o Heffler Claims Group
P.O. Box 58046
Philadelphia, PA 19102-8046

WHAT IF I DON’T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. To do so, you must submit a timely Opt-Out Form no later than December 21, 2018 to the Settlement Administrator at the following address:

Ibrahim, et al. v. Climatec, Inc., et al.
c/o Heffler Claims Group
P.O. Box 58046
Philadelphia, PA 19102-8046

An Opt-Out Form is included with this notice. The date of the postmark will determine if it was timely mailed. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement and payment of the Class Settlement Amount, including the Release described in this Notice.

If you timely request to be excluded from the settlement, you will not be entitled to receive any payment under the settlement. Class Counsel will not represent your interests if you request to be excluded.

WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Class Member who has **not** asked to be excluded from the settlement may object to the settlement and may appear at the hearing where the Court will make a final decision whether or not to approve the settlement (the “Final Approval Hearing”). The Final Approval Hearing is scheduled to take place on January 18, 2019, at 9:00 A.M. in Department CX 104 of the Superior Court of the State of California for the County of Orange, located at 751 West Santa Ana Blvd., Santa Ana, CA 92701.

To be valid, the written objection must be served on the Settlement Administrator, by December 21, 2018. The written objection must state: (1) your full name, address and telephone number; (2) a written statement of all grounds for the objection accompanied by any legal support for the objection; (3) a statement as to whether you intend to appear at the final approval hearing; (4) last four digits of your social security number; and (5) the signature of you or your counsel.

1 You have the right to hire your own attorney, at your own expense, to submit an objection or to appear on your behalf at the Final Approval Hearing. You may, but are not required to, appear at the hearing to have your objection considered.

2 Filing an objection will *not* exclude you from the Settlement Class. You will still have the right to receive an individual settlement payment, unless you have requested to be excluded.

3
4 **WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?**

5 The settlement, if finally approved by the Court and conditioned upon full payment of the Class Settlement Amount will bind all Class Members who do not request to be excluded from the settlement whether or not they receive or timely cash their Individual Settlement Payment. Final approval of the settlement will bar any Class Member who does not request to be excluded from the settlement from hereafter initiating a lawsuit or proceeding regarding the Released Claims against any of the Released Parties. The Settlement Agreement contains additional details about the scope of the release, including the Released Parties and the Released Claims.

8
9 **DO I HAVE A LAWYER IN THIS CASE?**

10 The Court has ordered that, for purposes of this Settlement, the interests of Plaintiffs and the Class Members are represented by:

11 **QUALLS LAW OFFICES**
12 Daniel H. Qualls, Esq.
13 32 Homestead Blvd.
14 Mill Valley, CA 94941
15 ddylan398@gmail.com
16 (415)-728-2770

17 (collectively, "Class Counsel"). If you want to be represented by your own lawyer, you may hire one at your own expense.

18
19 **WHAT IF MY INFORMATION IS INCORRECT OR CHANGES?**

20 If your name or address are incorrect, or if they change after you receive this Notice, it is your responsibility to inform the Settlement Administrator of your updated information.

21
22 **FURTHER INFORMATION**

23 The foregoing is only a summary of the settlement. To see a copy of the Settlement Agreement (which defines the capitalized terms used in this Notice and provides a brief summary of what has happened in the Lawsuit), the Court's Preliminary Approval Order, Class Counsel's application for attorneys' fees and costs, and the operative Complaint filed in the Lawsuit, you may view all such files in the following ways: 1) Online at the Settlement Administrator's Website [www.ClimatecSettlement.com]. 2) Online on the Orange County Superior Court's website, known as 'DomainWeb' at <https://www.occourts.org>. After arriving at the website, click the 'Online Case Access' link, then click the 'Civil Case & Document Access' link, then after accepting the terms of the Information Disclaimer enter 30-2012-00552570-CU-OE-CXC in the 'Case Number' box, enter the security code, and click 'SEARCH.' Images of most documents filed in the case may be viewed through the 'register of Actions' link.

25 **IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS**, you may contact the Settlement Administrator at 844-367-8806 or the Class Counsel listed above. Please refer to the Climatec Inc. Class Action Settlement.

27
28 ***PLEASE DO NOT TELEPHONE OR CONTACT THE COURT OR DEFENDANTS' COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT.***



310280000000

Ibrahim, et al. v. Climatec, Inc., et al.
c/o Heffler Claims Group
P.O. Box 58046
Philadelphia, PA 19102-8046

Request for Exclusion From the Settlement

Anthony Ibrahim v. Climatec, Inc., et al.
Superior Court of California
County of Orange
Case No. 30-2012-00552570-CU-OE-CXC

**DO NOT COMPLETE THIS FORM IF YOU WANT TO RECEIVE YOUR SHARE OF
MONETARY BENEFITS UNDER THE SETTLEMENT**

**A. TO BE EXCLUDED FROM THE SETTLEMENT, THIS OPT OUT FORM MUST BE SIGNED
AND MAILED TO THE SETTLEMENT ADMINISTRATOR VIA U.S. MAIL POSTMARKED ON
OR BEFORE DECEMBER 21, 2018.**

Name/Address Changes, if any:

Class Member ID

Name

Address

City State Zipcode Zip4

(_____) _____ - _____
Home Telephone Number

INSTRUCTIONS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

If you do not want to participate in this lawsuit and settlement, you may “opt out” of the settlement. If you opt out of this lawsuit and the settlement, (a) you will have no right to receive any monetary benefit under the settlement in this case; (b) you will not be bound by the terms of the settlement; and (c) you will have no right to object to the settlement and be heard at the Fairness Hearing.

To opt out, you must sign and return this Opt Out Form to the Settlement Administrator at the address listed above. To be timely, your Opt Out Form must be postmarked **on or before December 21, 2018**.

OPT OUT SIGNATURE

By signing this Opt Out Form, I hereby opt out of this lawsuit and settlement. By signing this Opt Out Form, I understand that I will have no right to receive any money under the settlement in this case, and I will have no right to object to the settlement and be heard at the Fairness Hearing.

Dated: ___ ___ / ___ ___ / ___ ___ ___ ___

Signature