

If you worked at Capital Building Maintenance & Cleaning Services, Inc. at any point between October 28, 2015 and now, you could get a payment from a class action settlement.

The U.S District Court for the Northern District of California Authorized this notice. This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY

A proposed class and collective action settlement has been reached between Efren Moreno (“Plaintiff”) and Capital Building Maintenance & Cleaning Services, Inc. (“Defendant”) in the action pending in the U.S District Court for the Northern District of California and on behalf of the following Rule 23 Class and Fair Labor Standard Act (“FLSA”) Collective:

All hourly employees of CAPITAL BUILDING MAINTENANCE & CLEANING SERVICES, INC. who worked for Defendant in California within the Class Period who were members of an affiliate of the Northern California District Council of Laborers and who received two wage statements one of which did not list the union designated rate of pay. (The “Rule 23 Class”)

All hourly employees of CAPITAL BUILDING MAINTENANCE & CLEANING SERVICES, INC. who worked more than 40 hours in a given workweek for Defendant and were employed between October 28, 2016 and the date of preliminary approval (the “FLSA Period”) and who were members of an affiliate of the Northern California District Council of Laborers and who received two wage statements one of which did not list the union designated rate of pay. (The “FLSA Collective”)

The Court has preliminarily approved the proposed settlement on behalf of the Class and Collective and conditionally certified the Class for purposes of settlement. You have received this notice because Defendant’s records indicate that you are a member of the Rule 23 Class and/or the FLSA Collective as defined above. This notice will inform you of how you can participate in the settlement, object to the settlement, request exclusion from the settlement, or provide corrected information to the settlement administrator.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

OPT-IN TO THE FLSA COLLECTIVE AND DO NOT OPT-OUT OF THE RULE 23 CLASS	TO RECEIVE THE MOST AMOUNT OF MONEY AVAILABLE TO YOU FROM THE SETTLEMENT: Fill out and return the “Consent to Join Collective Action” attached to this Notice (Exhibit C) BUT DO NOT fill out and return the “Class Member Opt-Out Form” (Exhibit D). By doing this you will release any FLSA claims you may have AND any claims that could have been alleged in the action or arise out of the action.
DO NOTHING	Receive a <i>pro rata</i> share of the Rule 23 Class Settlement money. Give up rights to sue Defendant for claims alleged in this action. However, if you do not fill out and return the “Consent to Join Collective Action” contained in this Notice as “Exhibit C” you will not receive your share of the FLSA Collective Settlement and will not release any Fair Labor Standard Act claims you may have.
EXCLUDE YOURSELF FROM THE RULE 23 CLASS SETTLEMENT	Receive no money from the portion of the settlement that is designated as the Rule 23 Class Settlement. This option allows you to be a part of another lawsuit against Defendant about the legal claims in this case.
OBJECT	Write to the Court about why you don’t like the settlement.
CHALLENGE YOUR DATES OF EMPLOYMENT	If your dates of employment are incorrect on the enclosed “Share Form,” you may correct those dates on the attached “Challenge Form” and supply any supporting evidence.

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BASIC INFORMATION

1. WHY DID I GET THIS NOTICE PACKAGE?

You have received this notice because Capital Building Maintenance & Cleaning Services' records indicate that you worked for them at some point between October 28, 2015 and the present and are therefore a member of the proposed settlement Rule 23 settlement Class and eligible to opt-in the FLSA Collective Action.

The Court sent you this notice because you have a right to know about a proposed settlement of this class and collective action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it, and after any objections are resolved, a settlement administrator appointed by the Court will make the payments provided for by the settlement to Class and Collective Members.

This notice package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of this case is the U.S District Court for the Northern District of California, and the case is known as *Efren Moreno v. Capital Building Maintenance & Cleaning Services, Inc.*, Case No. 19-CV-07087-DMR. The person who sued, Efren Moreno, is called the Plaintiff, and the company he sued, Capital Building Maintenance & Cleaning Services, Inc., is called the Defendant.

2. WHAT IS THIS LAWSUIT ABOUT?

The lawsuit claims that Defendant failed to pay workers for all hours worked at the lawful agreed upon rates by dividing workers' wages into two paychecks for the same week—one check and wage statement listing regular hours worked at the then Union rate of pay for final cleanup labor and a second check and wage statement listing overtime hours and a different and lower rate of pay than in the first check; failed to pay workers overtime hours based on the weighted average of the two rates of pay; failed to provide workers with accurate itemized wage statements; and failed to time pay all wages owed to workers who resigned or were terminated. Defendant denies Plaintiff's claims and denies it did anything wrong.

3. WHY IS THIS A CLASS/COLLECTIVE ACTION?

In a class action, one or more people called Class Representative (in this case Efren Moreno) sues on behalf of people who have similar claims. All of these people are a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. Magistrate Judge Donna M. Ryu of the Oakland Division of the U.S District Court for the Northern District of California is the judge for this class action.

A Collective Action under the Fair Labor Standards Act is similar to a Class Action in that it is often filed by one or more people on behalf of additional people who have similar claims. However, in a Collective Action, the absent workers must consent in writing to becoming a party to the action and that consent must be filed with the court.

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of the Plaintiff or Defendant with respect to the claims alleged in the lawsuit. Plaintiff believes he would win at trial. Defendant thinks that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both parties face should the case proceed to trial, the Plaintiff and the Defendant have agreed to a settlement. This way, both parties avoid the cost of a trial, the risk of losing, and the workers affected by the alleged violations receive

compensation. The settlement represents a compromise and settlement of disputed claims. The Class Representative and his lawyers (called “Class Counsel”) believe the settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this notice, you are a Rule 23 Class Member in this lawsuit and eligible to become a Collective Action Member as for settlement purposes as long as you complete and return the “Collective Opt-In Consent” form (Exhibit C). The FLSA Collective and the Rule 23 Class are defined as follows:

The FLSA Collective: All hourly employees of CAPITAL BUILDING MAINTENANCE & CLEANING SERVICES, INC. who worked more than 40 hours in a given workweek for Defendant and were employed between October 28, 2016 and the date of preliminary approval (the “FLSA Period”) and who were members of an affiliate of the Northern California District Council of Laborers and who received two wage statements one of which did not list the union designated rate of pay.

The Rule 23 Class: All hourly employees of CAPITAL BUILDING MAINTENANCE & CLEANING SERVICES, INC. who worked for Defendant in California within the Class Period who were members of an affiliate of the Northern California District Council of Laborers and who received two wage statements one of which did not list the union designated rate of pay.

How are the two Settlement Classes Different?

Although the FLSA Collective and Rule 23 Class are made up of the same workers, there are two different groups because of the different legal claims made on behalf of the two groups. The FLSA Collective is made up of twenty-five (25) workers who allege they have overtime claims under federal law. Under federal law, to be part of the FLSA Collective, and any settlement as a member of the Collective, workers must affirmatively consent to be a part of the FLSA Collective Action. This is why there is “Consent to Join Collective Action” with this Notice (Exhibit C). By completing and returning the “Consent to Join Collective Action” you become part of the Collective Action and are entitled to a share of the \$45,657.63 allocated to the Collective Action Members in the settlement of the FLSA claim. By completing and returning “Consent to Join Collective Action” you also release any right you have to bring a FLSA claim during the period covered by the Settlement.

The Rule 23 Class is also made of the same twenty-five (25) workers as the FLSA Collective. However, the claims asserted on behalf of the Rule 23 Class revolve around the alleged California State law claims for unpaid minimum and contractual wages and statutory and civil penalties. Unlike the FLSA Collective, which requires you to “opt-in” to be part of that settlement class, you do not have to opt-in to be a member of the Rule 23 Class and receive your *pro rata* share of the \$136,019 settlement allocated to the Class. In other words, you do not have to do anything to get your *pro rata* share of the \$136,019 settlement allocated to the Rule 23 Class. However, if you want to pursue your own action against Defendant, you may opt-out of the Rule 23 Class with the “Class Member Opt-Out Form” (Exhibit D) in this Notice. Remember, if you opt-out you will not receive a *pro rata* share of the \$136,019 settlement allocated to the Rule 23 Class.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or adjudication.

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant will pay a total of \$325,000.00 to settle this lawsuit.

8. HOW MUCH WILL MY PAYMENT BE?

Subject to Court approval, the Net Settlement available for distribution to workers will be calculated AFTER the following proposed amounts are deducted from the total settlement: 1) Class Counsel's expenses and attorneys' fees (\$108,322.50); (2) Class Counsel's reasonable litigation costs (up to \$10,000); (3) the Class Representative service award (\$5,000); (4) a payment of civil penalties to California's Labor & Workforce Development Agency (\$10,000); and (5) the settlement administrator's reasonable fees and expenses incurred in administering the settlement (\$10,000). Should any of the amounts detailed above not be approved by the Court, these monies shall revert to the Net Settlement for distribution to the Collective and Class Members. Assuming the Court approves the amounts detailed above, the Net Settlement Fund shall be allocated as follows: (1) \$45,657.63 to FLSA Collective Claims; and (2) the remainder (an estimated \$136,019) shall be allocated to the Rule 23 Class Claims.

FLSA Collective Members, who timely submit the attached "Consent to Join Collective Action" (Exhibit C), and who worked at any time from October 28, 2016 and present, will receive the overtime wages they are owed based on Class Counsel's calculations derived from your individual payroll records from the \$45,657.63 allocated to the FLSA Collective.

The remaining portion of the Net Settlement (an estimated at \$136,019) will be distributed to Rule 23 Class Members, who do not request to be excluded from the settlement and who worked at any time from October 28, 2015 and present. Each Rule 23 Class Member's share of the settlement shall be calculated as follows: First, \$18,000 will be distributed in equal shares to Class Members who are Former Workers. Second, the remainder shall be distributed using a formula by which each Rule 23 class member receives a *pro-rata* portion based upon the number of weeks employed by Defendant during the Class period.

An approximation of your respective share of the FLSA Collective Action should you opt-in appears on the "Consent to Join Collective Action" form (Exhibit C). Your estimate share of the Rule 23 Class settlement appears on the enclosed Share Form (Exhibit B). Twenty percent (20%) of each Class/Collective Members' settlement share will be characterized as 'wages' and subject to applicable payroll tax withholdings and deductions. Sixty percent (60%) will be treated as penalties and twenty percent (20%) will be treated as interest and therefore will not be reduced by payroll tax withholdings and deductions. The settlement administrator will issue a FORM 1099 for the non-wage portion of the settlement shares. The employer payroll contributions on the wage portion of Class and Collective Member's settlement shares will be in addition to the Gross Settlement.

The proposed allocation of the settlement is:

Total Settlement Amount	\$325,000.00
Less	
Proposed Class Representative Services Payment	-\$5,000.00
Proposed Class Counsel Attorneys' Fees	-\$108,322.50
Proposed Class Counsel Litigation Costs	-\$10,000.00
Proposed Settlement Administration Fees	-\$10,000.00
Proposed PAGA Payment	-\$10,000.00
Proposed Amount to be Distributed to Rule 23 Class Members	\$136,019.00
Proposed Amount to be Distributed to FLSA Collective Members	\$45,657.63

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

To receive your portion of the Settlement allocated to the Rule 23 Class you do not need to do anything. However, if you believe that the number of workweeks listed on the enclosed “Share Form” is incorrect, please correct it and provide any support evidence you may have of this to the settlement administrator, whose contact information is listed in section 12 of this notice.

To receive your portion of the Settlement allocated to the FLSA Collective, you must fill out and return the enclosed “Consent to Join Collective Action” (Exhibit C).

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a hearing on **September 9, 2021 at 1:00 p.m.**, to decide whether to approve the settlement. If the Judge approves the settlement, there could be appeals. It’s also uncertain whether these appeals can be resolved, and resolving them could take time, perhaps more than a year. For an update on the status of payments, please contact the settlement administrator (see contact information listed in section 12 of this notice).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

The Rule 23 Class: Unless you exclude yourself from the settlement by completing and returning the enclosed “Class Member Opt-Out Form” (Exhibit D), you will remain a Rule 23 Class Member. That means that, with the exception of the FLSA claim, you can’t sue, continue to sue, or be a part of any other lawsuit against Defendant about the legal issues in this case. It also means that all of the Court’s orders will apply to you and legally bind you. Specifically, this means that you will be giving up your right to sue Defendant for claims including the failure to pay all wages due, including minimum wages; failure to pay all final wages upon termination; and failure to render accurate wage statements.

The FLSA Collective: You will not get a share of the settlement funds allocated to the FLSA Collective if you do not complete and return the “Consent to Join Collective Action” form (Exhibit C). Should you opt-in to the FLSA Collective, you will be releasing any right you may have to bring a lawsuit against Defendant for its alleged failure to pay all overtime wages owed to you under the Fair Labor Standards Act.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I GET OUT OF THE SETTLEMENT?

To exclude yourself from the Rule 23 Class, you must complete and mail the enclosed “Class Member Opt-Out Form” (Exhibit D) by no later than **July 26, 2021** to the settlement administrator at:

Phoenix Class Action Administration Solutions
PO Box 7208
Orange, CA 92863

If you ask to be excluded from the Rule 23 settlement, you will not get your portion of the settlement allocated to the Rule 23 Class, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future.

If wish to exclude yourself from the FLSA Collective and not receive a share of the settlement allocated to the FLSA Collective, DO NOT complete and return the “Consent to Join Collective Action” form (Exhibit C). If you do not complete and return the “Consent to Join Collective Action” form you will still have any right you may have to bring a lawsuit against Defendant for its alleged failure to pay all overtime wages owed under the Fair Labor Standards Act.

13. IF I DON’T EXCLUDE MYSELF, CAN I SUE DEFENDANTS FOR THE SAME THING LATER?

No. Unless you exclude yourself from the Rule 23 Class and FLSA Collective, you give up your rights to sue Defendant for the claims that this settlement resolves. If you have a pending lawsuit speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is **July 26, 2021**.

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?

No. If you exclude yourself from the Rule 23 Class and the FLSA Collective by not opting-in you will not receive any money from this settlement. But, you may sue, or continue to sue, or be a part of a different lawsuit with your own lawyer.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Advocates for Worker Rights LLP and Justice at Work LLP are qualified to represent you and the Class Members in this lawsuit. These lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to \$108,322.50 (33 & 1/3% of the total settlement) for attorneys’ fees incurred in investigating the facts, litigating the case, and negotiating the settlement. Class Counsel will also seek Court-approval of up to \$10,000 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve a payment to Plaintiff Efrén Moreno in the amount of \$5,000 in addition to his settlement shares for the initiative, risk, and time and energy he has spent in service of the Class as Class Representative. The Court may award the Class Representative less than what he has requested.

OBJECTING TO THE SETTLEMENT

You can tell the Court you don’t agree with the settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I DON’T LIKE THE SETTLEMENT?

If you’re a Class Member, you can object to the settlement if you don’t like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your view, but the Court can only approve or deny the settlement and cannot change the terms of the settlement.

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, 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 hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Moreno*

v. *Capital Building Maintenance & Cleaning Services, Inc.*, Case No. 19-CV-07087-DMR), (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, 1301 Clay Street, Suite 400 S, Oakland, CA 94612, or by filing them in person at any location of the United States District Court for the Northern District of California, and (c) be filed or postmarked on or before **July 26, 2021**.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class or elect to be a FLSA Collective Action Member. Excluding yourself is telling the Court that you don't want to be part of the proposed Class or Collective. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Fairness Hearing at September 9, 2021 at 1:00 p.m. in Courtroom 4 of the U.S District Court for the Northern District of California located on the 3rd Floor at 1301 Clay Street, Oakland, CA 94612, to determine whether the settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative payments and the Class Counsel Fees and Expenses Payment.

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions Magistrate Judge Ryu may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive your portion of the settlement allocated to the Rule 23 Class, and you will be bound by the terms of settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendants in this action (*Capital Building Maintenance & Cleaning Services*) about the legal issues in this case. However, if you do not complete and return the "Consent to Join Collective Action" form (Exhibit C), you will not receive a share of the settlement funds allocated to the FLSA Collective Action.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

To get more information about this class action and settlement, you may contact Class Counsel:

QUESTIONS? CALL 1-800-523-5773 TOLL FREE, OR VISIT WWW.ADVOCATESFORWORKERS.COM/CBM

Advocates for Worker Rights LLP
212 9th Street, Suite 314
Oakland, CA 94607
Tel: 510-269-4200
www.advocatesforworkers.com

Justice at Work Law Group LLP
1550 The Alameda, Suite 302, SAN JOSE, CA 95126
Tel: 408-317-1100

Class Counsel's website will have a link for this notice, the settlement agreement, and other pertinent documents in the case in both English and Spanish.

You may access the pleadings and other records in this litigation, including the Settlement Agreement, through the Court's online electronic filing system ("PACER"—Public Access to Court Electronic Records) at: <http://www.pacer.gov>

After arriving at the website, click the 'Search for a case' line, select U.S District Court for the Northern District of California, then enter 19-CV-07087 as the case number and click 'SEARCH.' Images of every document filed in the case can be viewed through the 'Docket' for a minimal fee.

These documents may also be examined free of charge clerk's office location at available at 450 Golden Gate Ave, San Francisco, CA 94102 during normal business hours.

PLEASE DO NOT TELEPHONE THE COURT OR CAPITAL BUILDING MAINTENANCE & CLEANING SERVICE'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL LISTED ABOVE OR THE SETTLEMENT ADMINISTRATOR.

Dated: June 10, 2021.
By Order of the Court