

**NOTICE OF CLASS ACTION SETTLEMENT
("NOTICE")**

Mark Thompson v. Professional Courier & Newspaper Distribution, Inc., et al.
Case No. BC568018
600 South Commonwealth Ave.
Los Angeles, CA 90005

If you are a current or former non-exempt employee of Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc., a class action settlement described in this letter may affect your rights. Please read this Notice carefully.

A court authorized this notice. This is not a solicitation from a lawyer.

WHY ARE YOU RECEIVING THIS NOTICE?

- Former Professional Courier & Newspaper Distribution, Inc. employee Mark Thompson filed a lawsuit against Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. alleging that he and other non-exempt employees were not provided meal and rest periods and were not properly paid all wages earned or reimbursed for expenses as required by California law and that Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. did not accurately report the earnings on employee wage statements.
- Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. deny any liability due to their employment practices.
- The Parties to the lawsuit have reached a proposed settlement, and the Court has given its preliminary approval to the terms of the settlement. The Court has not decided that Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. did anything wrong.
- **Based on Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc.'s records, you are one of the current or former Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. employees who is eligible to participate in the settlement. This proposed settlement could affect your legal rights, and you have a choice to make now:**

Your Legal Rights and Options in this Lawsuit	
Do Nothing	If you wish to receive your share of the settlement proceeds, you do not need to take any action. A settlement check will be sent to you. You will release your right to sue Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. separately about the same legal claims in this lawsuit.
Ask to be Excluded	If you ask to be excluded, you will not receive a settlement check. You will keep any rights to sue Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. separately about the same legal claims in this lawsuit. You must ask to be excluded by May 18, 2017 .

PROFESSIONAL COURIER & NEWSPAPER DISTRIBUTION, INC. AND BRANDT BROTHERS ENTERPRISES, INC. WILL NOT RETALIATE AGAINST ANY CLASS MEMBER FOR EXERCISING ANY OF THEIR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT

Your options and your deadlines to act are explained in this notice.

BASIC INFORMATION

1. WHY DID I GET THIS NOTICE?

You received this notice because Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc.'s records show that you currently work, or previously worked for Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. as a non-exempt employee at some time since December 30, 2010. In other words, you are part of a "class" of employees on whose behalf Mark Thompson filed a class action lawsuit. The Parties to the lawsuit have reached a proposed settlement of the case, but the settlement must be approved by the Court. Judge Maren E. Nelson of the Los Angeles County Superior Court is overseeing the proposed settlement of this class action, and has given *preliminary* approval of the settlement so that you could receive this notice and learn about how it might affect your rights. The lawsuit is known as *Thompson v. Professional Courier & Newspaper Distribution, Inc., et al.*, Case No. BC568018.

2. WHAT IS THIS LAWSUIT ABOUT?

This lawsuit is about whether Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. provided non-exempt employees all meal and rest periods legally required, whether Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. paid employees all of the wages to which they were entitled under the law, whether Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. reimbursed employees for all business expenses reasonably incurred, whether Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. correctly reported the earnings of such employees and other required information on wage statements or "paystubs" that it provided, and whether such employees might be entitled to additional penalties under the law because of these potential violations by Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. If you want to learn more about the claims in this case, you may view a copy of the Complaint at www.phoenixclassaction.com/thompsonvbrandtbrothers.

3. WHAT IS A CLASS ACTION AND WHO IS INVOLVED?

In a class action lawsuit, one or more people called "Class Representatives" (in this case Mark Thompson) sue on behalf of other people who have similar claims. The people together are a "Class" or "Class Members." The Class Representative and all Class Members like them are called the Plaintiffs. The companies they sued (in this case Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc.) are called the Defendants. In a class action, one court resolves the issues for everyone in the Class, except for those people who choose to exclude themselves from the Class.

4. WHAT IS THE TIME PERIOD TO WHICH THIS CLASS ACTION APPLIES?

This Class Action applies to all non-exempt employees of Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. employed at some time since December 30, 2010 through March 2, 2017, which is the date that the Court gave its preliminary approval to the Settlement. This time period is known as the "Class Period." As described below, the Class Period is used to determine the amount of each Class Member's share of the Settlement.

5. WHY IS THIS LAWSUIT A CLASS ACTION?

The Court has preliminarily decided that this lawsuit can be settled as a class action because it meets certain requirements of California law that all class actions must satisfy. Specifically, the Court found that:

- There are approximately 320 current or former Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. employees who worked as non-exempt employees;
- There are legal questions and facts that are common to each of them that would justify a settlement on behalf of the entire Class;
- Mark Thompson's claims are typical of the claims of the rest of the Class;
- Mr. Thompson and his lawyers who will represent the Class will fairly and adequately represent the Class' interests;

- Settling this lawsuit as a class action would be more efficient than having many individual lawsuits by each of the Class Members; and
- The terms of the settlement (described below in Part 7) and the amounts to be paid to the Class Members appear to be fair and adequate based on the strengths and weaknesses of Plaintiff's claims.

More information about why the Court has preliminarily allowed the parties to proceed with settling this lawsuit as a class action is available in the Court's Preliminary Approval Order, which is available at www.phoenixclassaction.com/thompsonvbrandtbrothers.

6. HAS THE COURT DECIDED WHO IS RIGHT?

As part of the settlement, Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. deny that they violated any part of California law in the way that they provided the Class Members meal and rest periods, in the way that they paid the Class Members, in the way that they reimbursed employees for expenses, and in the way that they reported the earnings and other required information on wage statements or "paystubs" that they provided to Class Members. The Court will not decide whether Plaintiff or Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. are correct. By giving preliminary approval to the settlement, the Court is not suggesting that the Plaintiff will win or lose this case. The Court's role in evaluating the settlement is to decide whether the terms of the settlement appear to be fair to the Class based on strengths and weaknesses of Plaintiff's claims, whether a settlement on behalf of all of the Class Members is appropriate based on the types of claims in Plaintiff's Complaint and whether Plaintiff and his lawyers will fairly represent the Class Members.

7. IS THERE ANY MONEY AVAILABLE NOW?

No money is available now because the Court has only given *preliminary* approval to the settlement. The Court has not yet decided to give *final* approval to the settlement. The Court will not decide whether to give final approval to the settlement until the Class Members have received notice of the lawsuit and had the opportunity to decide whether to participate in the settlement. If the Court gives final approval to the settlement, settlement funds will be paid to the Class Members.

THE TERMS OF THE SETTLEMENT

8. HOW MUCH IS THE TOTAL SETTLEMENT?

Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. have agreed to pay at total of Three Hundred Thousand Dollars (\$300,000.00) in settlement of Plaintiff's claims. This is referred to as the "Gross Settlement Value." Under the terms of the settlement, Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. have agreed to pay this total sum, and no part of the Gross Settlement Value will be returned to Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc.

9. HOW MUCH OF THE SETTLEMENT WILL GO TO THE CLASS MEMBERS?

Certain deductions will be made from the Gross Settlement Value. The amount remaining after these deductions is referred to the "Net Settlement Value." The Net Settlement Value is the amount that will be divided amongst the Class Members, known as the Net Settlement Value.

Each of the deductions from the Gross Settlement Value listed below will be requested and the Court will decide how much to aware at the time of final approval. The Court has preliminarily approved each of the following deductions from the Gross Settlement Value:

- Attorneys' fees not to exceed \$100,000 (1/3rd of the Gross Settlement Value) and costs of up to Five Thousand Dollars (\$5,000.00). However, the Court will not approve the attorneys' fees amount until the final approval hearing;
- Payment to the Settlement Administrator not expected to exceed Eight Thousand Five Hundred Dollars (\$8,500.00) for the costs of sending notice out to the Class Members, responding to Class Member inquiries and distributing settlement funds to the Class Members if the Court gives its final approval to the settlement;

- Payment to the Class Representative not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00) as an incentive for the filing of this lawsuit, for the risks incurred by Plaintiff in bringing the lawsuit, and for Plaintiff's participation in this lawsuit in assisting Class Counsel. The Court will not approve the amount of the incentive award until the final approval hearing; and
- Payment to the California Labor and Workforce Development Agency ("LWDA") of Five Thousand Dollars (\$5,000.00), 75 percent of which is to be paid to the LWDA pursuant to California Labor Code Section 2699(i), which represents the LWDA's share of the civil penalties obtained by Plaintiff under the terms of the Settlement for violations of the California Labor Code.

Each of the above amounts is deducted from the Gross Settlement Value, and the remaining amount (Net Settlement Value) is to be distributed to all of the Class Members. Based on the above deductions to which the Parties agree under the Settlement, the Net Settlement Value is One Hundred Seventy-Four Thousand Dollars (\$174,000.00). **In no event will the Net Settlement Value be lower than One Hundred Seventy-Four Thousand Dollars (\$174,000.00)** The following table summarizes the Gross Settlement Value and Net Settlement Value:

GROSS SETTLEMENT VALUE	\$300,000.00
Attorneys' Fees and Costs	\$105,000.00
Settlement Administration Costs	\$8,500.00
Incentive Award to Class Representative	\$7,500.00
Payment to California Labor and Workforce Development Agency	\$5,000.00
NET SETTLEMENT VALUE	\$174,000.00

10. WHAT IS MY SHARE OF THE SETTLEMENT AND HOW IS IT CALCULATED?

The Settlement reflects Plaintiff's claims that he and the other Class Members are entitled to unpaid wages and premiums, interest on unpaid wages, expense reimbursement, and various penalties related to the failure to pay wages that are established under the California Labor Code. Generally, each Class Member's share of the Settlement depends on the length of time the Class Member was employed by Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. during the applicable time period. The Settlement Administrator will calculate the amount that each Class Member will receive as follows:

- Fifteen percent (15%) of the Net Settlement Value represents unpaid wages to which Class Members may be entitled and interest thereon. The Settlement Administrator will divide this amount by the total number of pay periods that all participating Class Members worked during the Class Period. This amount is called the "Wage Rate." The Settlement Administrator will multiply the Wage Rate by the number of pay periods that you worked during the Class Period, and this amount is called the "Wage Payment." Your Wage Payment will be subject to taxes and withholdings in the same way that it would have been if you had received it as part of your paycheck from Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc.
- Ten percent (10%) of the Net Settlement Value represents expense reimbursement to the Class Members. The Settlement Administrator will divide this amount by the total number of pay periods that all Class Members worked during the Class Period. This amount is called the "Reimbursement Rate." The Settlement Administrator will multiply the Reimbursement Rate by the number of pay periods that you worked during the Class Period, and this amount is called the "Reimbursement Payment." Your Reimbursement Payment will not be subject to tax withholdings by Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc.

- Seventy-Five percent (75%) of the Net Settlement Value represents penalties to which Class Members may be entitled. The Settlement Administrator will divide this amount by the total number of pay periods that all Class Members worked during the Class Period. This amount is called the “Penalty Rate.” The Settlement Administrator will multiply the Penalty Rate by the number of pay periods that you worked during the Class Period, and this amount is called the “Penalty Payment.” Your Penalty Payment will not be subject to tax withholdings by Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc.

Based on the foregoing, your estimated share of the Settlement is <<EstAmt>>.

The estimate of your Settlement share assumes that all other eligible Class Members will decide to receive their individual share of the Settlement and that the Court approves the amounts described in Part 9 that may be deducted from the Gross Settlement Value. The amount of the actual amount of your individual Settlement share will depend on how many Class Members decide that they want to be excluded from the Settlement, and the actual amounts deducted from the Gross Settlement Value that the Court approves.

11. WHAT ARE THE TAX CONSEQUENCES IF I CHOOSE TO RECEIVE MY SHARE OF THE SETTLEMENT?

Neither the lawyers for the Class Members nor Professional Courier & Newspaper Distribution, Inc. and Brandt Brothers Enterprises, Inc. make any representations to you concerning the tax consequences of this Settlement or your participation in it, and you are encouraged to speak with your own personal tax advice prior to acting in response to this Notice.

Please be advised that the tax withholdings will be reported to the appropriate taxing authority whether you cash the check or not.

12. WHAT RIGHTS AM I RELEASING UNDER THE SETTLEMENT?

If you choose to do nothing in response to this Notice, you will receive your share of the Settlement as described above. In exchange for your share of the Settlement, you will be releasing your right to bring your own lawsuit against Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. for the same claims that Plaintiff asserted in his Complaint, or to bring claims that Plaintiff could have asserted based on the allegations in his Complaint. Specifically, if you choose to receive your share of the Settlement, you will be releasing your right to file a lawsuit or other claim against Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. for California wage and hour violations that occurred during the Class Period, such as claims for unpaid minimum wages, off-the-clock work, unpaid or underpaid overtime wages, meal or rest period violations, business expense reimbursement, paystub inaccuracies, failure to pay all wages due upon termination or resignation, and your right to seek civil or statutory penalties that may be related to such claims.

You may view the full text of the Release to which you will be subject if you receive your share of the Settlement at www.phoenixclassaction.com/thomasvbrandtbrothers.

13. WHAT RIGHTS WILL I RETAIN EVEN IF I RECEIVE MY SHARE OF THE SETTLEMENT?

Even if you choose to receive your share of the Settlement, you are **not** releasing **any** rights to bring a claim against Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. for wage and hour violations that occurred or may occur **after** the Class Period (December 30, 2010 to March 2, 2017).

Furthermore, you are **not** releasing Professional Courier & Newspaper Distribution, Inc. and/or Brandt Brothers Enterprises, Inc. or any other person or entity from claims for workers’ compensation, unemployment, disability benefits, or any non-wage and hour related claims, such as claims for discrimination, harassment or retaliation under the California Fair Employment and Housing Act or the Civil Rights Act of 1964, the Americans with Disabilities Act, or any claims under their regulations or guidelines.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class or ask to be excluded from the Settlement.

14. WHAT HAPPENS IF I DO NOTHING AT ALL?

You don't have to do anything if you want to receive your share of the Settlement. You will automatically receive a check with your share of the Settlement so long as the Court gives its *final* approval to the Settlement and the Settlement Administrator has your current address. Keep in mind that if you receive your share of the Settlement, you may only be able to sue for wage and hour violations that occurred after **March 2, 2017**. You will be legally bound by all of the Order the Court issues and judgments the Court makes with respect to this Settlement.

If for any reason the Court decides not to give final approval to the Settlement, the Settlement will be void and you will not receive your share of the Settlement. You will also retain any rights you may have had if Plaintiff's lawsuit had never been filed. Under the terms of the Settlement, if the Court does not give final approval to the Settlement for any reason, the parties to the lawsuit will continue with the lawsuit.

15. HOW DO I ASK THE COURT TO EXCLUDE ME FROM THE SETTLEMENT IF I DO NOT WANT TO PARTICIPATE?

If you want to be excluded from the Settlement, you must mail an "Exclusion Form" expressing your intent to opt-out of the Settlement in *Thompson v. Professional Courier & Newspaper Distribution, Inc., et al.* (BC568018) and not receive your share of the Settlement. An Exclusion Form and return envelop are included in this mailing. **Only submit the Exclusion Form if you want to be excluded from the Settlement.**

Note that if you want to exclude yourself from the settlement you must submit your Exclusion Form no later than **May 18, 2017.** Forms received after this date will not be honored.

If you send an Exclusion Form to the Claims Administrator at the address listed below within the deadline identified above, indicating that you want to opt-out of the settlement in this case, **you will not be eligible** to receive any of the benefits under the Settlement. You will, however, retain whatever legal rights you may have against Defendants.

PHOENIX SETTLEMENT ADMINISTRATORS
1411 N. Batavia St., Suite 105
Orange, CA 92867
Telephone: (800) 784-2174

16. CAN I OBJECT TO THE SETTLEMENT?

Yes. If you do not opt out of the Settlement, you may object to the Settlement, and/or Class Counsel's request for attorneys' fees and costs, either personally or through an attorney at your own expense, by mailing a written objection to the Claims Administrator at the address set forth above in Part 15.

All objections must be signed and must include your name and address, and the name and case number of the Action: *Mark Thompson v. Professional Courier & Newspaper Distribution, Inc., et al.*, Case No. BC568018. All objections must be mailed to the Claims Administrator, no later than **May 18, 2017**. You may appear, either personally or through an attorney, at your own expense, at the Final Approval Hearing that is discussed in Part below. Your objection should clearly explain why you object to the proposed Settlement. Even if you do not personally appear or through an attorney, the Court will still consider your objection.

Even if you mail an objection, if the Court gives its final approval to the Settlement you will receive your share of the Settlement and you will be subject to the release described in Part 12 unless you also timely mail a letter to the Settlement Administrator indicating that you want to be excluded from the Settlement, as described in Part 15.

THE LAWYERS IN THIS CASE

17. DO I HAVE A LAWYER IN THIS CASE?

The Court has decided that the attorneys of Mahoney Law Group, APC, at 249 E. Ocean Boulevard, Suite 814 Long Beach, CA 90802 may represent you and all Class Members. Attorney Kevin Mahoney and the attorneys of the Mahoney Law Group, APC are called "Class Counsel." The court has made a preliminary finding. More information about this law firm, its practice and its attorneys' experience is available at <http://www.mahoney-law.net/>.

18. SHOULD I GET MY OWN LAWYER?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. You may retain your own lawyer at your own expense. For example, you can ask him or her to appear in Court for you if you want someone other than Class Counsel to speak for you.

19. HOW WILL THE LAWYERS BE PAID?

If Class Counsel get money or benefits for the Class, they may ask the Court for fees and expenses. You won't have to pay these fees and expenses. The fees and expenses that the Parties have agreed that Class Counsel may request are identified above at Part 9. If the Court grants Class Counsel's request, the fees and expenses will be deducted from the Gross Settlement Value.

IMPORTANT FUTURE DATES

20. WHAT HAPPENS NEXT?

The Court has scheduled a Final Fairness Hearing for October 5, 2017 at **9:00 a.m.** at the Los Angeles County Superior Court, Department 307, located at 600 South Commonwealth Ave., Los Angeles, CA 90005. At the Final Fairness Hearing, the Court will decide whether or not to grant final approval of the Settlement. At the same place and immediately following the Final Fairness Hearing, the Court will also rule on the Settlement Class Representative's request for attorney's fees, litigation costs, and incentive award. You have the right, but are not required, to appear personally or through an attorney of your choosing, at your own expense, to object to or express your views regarding the Settlement and the requested attorney's fees, costs and service award. If the Court grants final approval of the Settlement, Notice of the Entry of Judgment will be posted on the Settlement Administrator's website at www.phoenixclassaction.com/thompsonvbrandtbrothers.

GETTING MORE INFORMATION

21. ARE MORE DETAILS AVAILABLE?

This Notice only summarizes the Action, the Settlement, and other related matters. There are a variety of ways that you can request more information.

- You may refer any questions about the lawsuit and the Settlement to the Settlement Administrator by calling [insert phone number], or by calling Class Counsel at (562) 590-5550. You may also email Class Counsel at kmahoney@mahoney-law.net.
- You may visit www.phoenixclassaction.com/thomasvbrandtbrothers to view documents filed in this matter, including the Complaint, Settlement Agreement, Motion for Preliminary Approval and accompanying papers, Motion for Final Approval and accompanying papers and Notice of Entry of Judgment in this case.
- You may visit www.phoenixclassaction.com/thomasvbrandtbrothers, where you can review the Complaint, all papers filed by Class Counsel in support of their Motion for Preliminary Approval of Class Action Settlement, the Court's Order Granting Preliminary Approval of Class Action Settlement, and the Joint Stipulation of Class Settlement that contains all terms of the Settlement. If the Court grants final approval to the Settlement, the website will also have copies of all papers filed by Class Counsel in support of their Motion for Final Approval of Class Action Settlement and the Court's Order Granting Final Approval of Class Action Settlement. If your address changes, or is different from the one on the envelope enclosing this Notice, please promptly notify the Claims Administrator at (800) 784-2174.

PLEASE DO NOT CONTACT OR WRITE THE COURT, THE DEFENDANT, OR DEFENDANT'S ATTORNEYS FOR INFORMATION REGARDING THIS NOTICE, THE EXCLUSION FORM, OR THE SETTLEMENT.