

NOTICE OF CLASS ACTION SETTLEMENT

Plaintiffs Michelle Kendig and Jim Kendig, individually and on behalf of all similarly situated current and former employees (collectively “Plaintiffs”), and Defendants ExxonMobil Oil Corp., ExxonMobil Pipeline Company, PBF Energy Limited, and Torrance Refining Company LLC (“Defendants”)

United States District Court
Central District of California
Case No. 2:18-cv-9224 MWF

TO: All current and former non-exempt hourly employees holding an Operator position while employed by ExxonMobil Oil Corporation, ExxonMobil Pipeline Company, PBF Energy Limited, and/or Torrance Refining Company LLC, or any of their affiliates, working at the Torrance refinery, distribution and pipeline facilities in the state of California, County of Los Angeles, since September 18, 2014:

**YOUR RIGHTS MIGHT BE AFFECTED BY PROCEEDINGS IN THE ABOVE CASE.
PLEASE READ THIS NOTICE CAREFULLY.**

WHY SHOULD YOU READ THIS NOTICE?

A proposed settlement (the “Settlement”) has been reached in the class action lawsuit currently pending in the United States District Court for the Central District of California, entitled *Michelle Kendig et al., v. ExxonMobil Oil Corp.; ExxonMobil Pipeline Company; PBF Energy Limited; Torrance Refining Company, LLC*, Case No. 2:18-cv-9224 MWF (the “Class Action”). If the court approves the Settlement, the Settlement will resolve all claims in the Class Action.

The purpose of this Notice is to inform you about the proposed Settlement and to explain your rights and options with respect to the Class Action and the Settlement.

HOW MUCH IS MY SHARE OF THE SETTLEMENT?

Defendants’ records indicate you worked the following number of Qualifying Shifts from September 18, 2014 to May 11, 2020.

A Qualifying Shift is defined as a shift of at least twelve (12) continuous hours worked as an Operator, or a shift scheduled for at least twelve (12) continuous hours and worked as an Operator for a period of at least three and one-half (3½) hours; and for which the employee has not previously been paid an hour of premium pay for a missed or interrupted rest period for the subject workday.

Your share of the Settlement before the deduction for taxes and other withholdings is estimated to be: **[\$insert]**, based on your having worked **[]** Qualifying Shifts during the period covered by the Settlement.

WHAT IS THE CURRENT STATUS OF THE SETTLEMENT?

A hearing concerning the fairness of the Settlement will be held before the Hon. Honorable Michael W. Fitzgerald on August 17, 2020, at 10:00 a.m. at the following address: Courtroom 5A of the United States District Court, Central District of California, First Street Courthouse, located at 350 West First Street, Los Angeles, California 90012, to determine whether the case should be settled under the Settlement’s terms.

BECAUSE YOU HAVE BEEN IDENTIFIED AS A MEMBER OF THE CLASS, YOU DO NOT NEED TO DO ANYTHING TO BE ELIGIBLE TO RECEIVE A PAYMENT UNDER THE SETTLEMENT.

WHO IS AFFECTED BY THIS PROPOSED SETTLEMENT?

The Court has certified, for settlement purposes, the following class (the “Class”):

All current and former non-exempt hourly employees holding an Operator position while employed by ExxonMobil Oil Corporation, ExxonMobil Pipeline Company, PBF Energy Limited, and/or Torrance Refining Company LLC, or any of their affiliates, working at the Torrance refinery, distribution and pipeline facilities in the state of California, County of Los Angeles, at any time during the time period beginning September 18, 2014 and ending on the date of Preliminary Approval.

According to Defendants’ records, you are a member of the Class (“Class Member”).

WHAT IS THIS CASE ABOUT?

Plaintiffs’ lawsuit is based on the California Supreme Court’s December 22, 2016 interpretation of Wage Order No. 4-2001 in *Augustus v. ABM Securities Services, Inc.*, 2 Cal. 5th 257, 260 (2016), that rest periods under that wage order cannot be “on call.” Plaintiffs contend that Defendants require or required refinery, distribution, and/or pipeline facilities operators to maintain radios during rest breaks in violation of the California Supreme Court’s rest break interpretation.

Plaintiffs allege that Defendants violated California’s wage and hour laws by not providing them with rest breaks, by failing to pay them premium wages for missed rest breaks, and by failing to provide accurate wage statements. In addition to alleging violations of the California Labor Code, Plaintiffs also have asserted claims under California Business & Professions Code section 17200 and the Labor Code Private Attorneys General Act of 2004 (“PAGA”), California Labor Code sections 2698 *et seq.*, based on the same alleged Labor Code violations.

Defendants are confident they have strong legal and factual defenses to these claims, but all parties recognize the risks and expenses associated with continued litigation.

This Settlement is the result of good faith, arm’s length negotiations between the Class Representatives and Defendants, through their respective attorneys. All parties agree that in light of the risks and expenses associated with continued litigation, the Settlement is fair and appropriate under the circumstances, and in the best interests of the Class Members.

The Court has not yet ruled on the merits of the Class Representatives’ claims or Defendants’ defenses. The Settlement is a compromise and is not an admission of liability on the part of Defendants.

WHO ARE THE ATTORNEYS REPRESENTING THE PARTIES?

The lead attorneys for the Class Representatives in the Class Action (“Class Counsel”) are:

<p>Jay Smith Joshua F. Young GILBERT & SACKMAN A Law Corporation 3699 Wilshire Boulevard, Suite 1200 Los Angeles, California 90010 Telephone: (323) 938-3000 Fax: (323) 937-9139</p>	<p>Randy Renick Cornelia Dai HADSELL STORMER RENICK & DAI, LLP 128 N. Fair Oaks Avenue Pasadena, California 91103 Tel: (626) 585-9600 Fax: (626) 577-7079</p>
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The attorneys for Defendants are:

Gary T. Lafayette Barbara L. Lyons LAFAYETTE & KUMAGAI LLP 1300 Clay Street, Ste. 810 Oakland, California 94612 Telephone: (415) 357-4600 Fax: (415) 357-4605 Attorneys for Defendants PBF ENERGY LIMITED and TORRANCE REFINING COMPANY LLC	Jeffrey A. Dinkin STRADLING YOCCA CARLSON & RAUTH, P.C. 800 Anacapa Street, Suite A Santa Barbara, CA 93101 Telephone: (805) 730-6800 Facsimile: (805) 730-6801 Attorneys for Defendants EXXONMOBIL OIL CORPORATION and EXXONMOBIL PIPELINE COMPANY
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WHAT ARE THE SETTLEMENT TERMS?

Subject to final Court approval, Defendants will pay a total of \$4,391,585 (the “Settlement Amount”) for: (a) Class Members’ claims, to be allocated based on the number of shifts worked during the Class Period; (b) PAGA penalties of \$50,000, seventy-five percent (75%) of which (\$37,500) will be paid to the California Labor and Workforce Development Agency (“LWDA”), and the remaining twenty-five percent (25%) of which (\$12,500) will be distributed among Class Members who do not opt out of the Class in proportion to their share of the settlement; (c) Court-approved Service Awards to the Class Representatives; (d) Court-approved Class Counsel’s fees and costs; and (e) costs of administering the Settlement.

CLASS MEMBERS’ CLAIMS.

The portion of the Settlement Amount available for distribution to Class Members (the “Net Settlement”) will be calculated by deducting from the Settlement Amount: (a) PAGA penalties; (b) the Class Representatives’ Court-approved Service Awards; (c) Court-approved Class Counsel’s fees and costs; and (d) costs of administering the Settlement. Each Class Member who does not timely request to opt out of the Settlement (a “Participating Class Member”) will receive their share of the Net Settlement (“Settlement Payment”) based on the number of Qualifying Shifts they worked during the Class Period. The Class Period began September 18, 2014 and ended on May 11, 2020.

The amount of each Participating Class Member’s Settlement Payment will be determined based on the following formula:

Each Participating Class Member will receive one Credit for each Qualifying Shift worked during the Class Period. The minimum number of Credits a Participating Class Member who has worked one or more Qualifying Shifts will receive is twenty-five (25). In other words, if the Participating Class Member has worked at least one (1), but fewer than twenty-five (25), Qualifying Shifts, they will have twenty-five (25) Credits for Net Settlement allocation purposes.

The Claims Administrator will total up all Credits for all Participating Class Members, and will divide the Net Settlement Amount by that sum. The result will be a dollar value for each Credit (the “Individual Shift Value”). Each Participating Class Member’s Settlement Payment will be calculated based on the following formula: *(Total Credits x Individual Shift Value)*. The Class share of PAGA penalties will also be divided among Participating Class Members based on the number of Credits allocated to them.

For income and payroll tax purposes, the portion of each Class Member’s Allocation derived from shifts working for Exxonmobil Oil Corporation or Exxonmobil Pipeline Company, seventy percent (70%) will be allocated to unpaid wages, and thirty percent (30%) will be allocated to interest; for the portion derived from shifts working for PBF Energy Limited or Torrance Refining Company LLC, forty percent (40%)

will be allocated to unpaid wages, thirty percent (30%) will be allocated to penalties; and thirty percent (30%) will be allocated to interest. The portions allocated to penalties and to interest will be subject to tax but will not be subject to required withholdings and deductions, and will be reported as non-wage income as required by law.

Settlement Payments will be made from a Qualified Settlement Fund. Each Defendant will pay an amount, calculated by the Claims Administrator, equal to the Qualified Settlement Fund's share of employer payroll taxes on the wage portion of each Settlement Payment. Those payments will be in addition to the Defendants' payment of the Settlement Amount.

Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member. None of the Parties or Parties' attorneys make any representations concerning the tax consequences of the Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Members are solely responsible for determining the tax consequences of payments made pursuant to the Settlement and for paying taxes, if any, which are determined to be owed by each of them on such payments (including penalties and interest related thereto) by any taxing authority, whether state, local, or federal.

Class Counsel's Attorneys' Fees and Costs, Class Representative Service Payment, and Administrative Costs. Plaintiffs will seek an award of attorney's fees up to 25% (\$1,097,896) of the \$4,391,585 Settlement Amount, as well as the reimbursement of costs of approximately \$30,000.

In addition, Class Counsel will ask the Court to authorize Service Payments of up to \$7,500 to each of the two Class Representatives, in addition to the Settlement Payments they will receive as Participating Class Members, for their services in representing the Class in the Class Action.

The Parties estimate the cost of administering the Settlement, including but not limited to giving notice to the Class, calculating the Settlement Payments, and making the payments authorized under the Settlement, will be \$30,000. Class Counsel will ask the Court to authorize those costs to be paid to the Claims Administrator.

Plaintiffs' Motion for Attorney's Fees and Reimbursement of Costs will be available for review at least fourteen days prior to the deadlines for Class Members to Opt Out or Object to the Settlement.

WHAT CLAIMS ARE BEING RELEASED BY THE PROPOSED SETTLEMENT?

Upon Final Approval, Plaintiffs and each Settling Plaintiff shall be deemed to have fully, finally, and forever released and discharged the "Released Parties" (described below) from all Released Claims through the Date of Preliminary Approval.

"Released Parties" shall mean Defendants PBF Energy Limited and Torrance Refining Company LLC, ExxonMobil Oil Corp., and ExxonMobil Pipeline Company, and each of them, including each of their past and present successors, subsidiaries, parents, holding companies, sister and affiliated companies, divisions and other related entities, as well as the successors, predecessors, shareholders, subsidiaries, investors, parent, sister and affiliated companies, officers, directors, partners, assigns, agents, employees, principals, heirs, administrators, attorneys, vendors, accountants, auditors, consultants, fiduciaries, insurers, reinsurers, employee benefit plans, and representatives of each of them, both individually and in their official capacities, past or present, as well as all persons acting by, through, under or in concert with any of these persons or entities.

"Released Claims" shall mean those claims contained in the Complaint, including the original complaint filed in the Class Action (and claims derivative thereof) and Complaint filed on September 18, 2018

including, but not limited to, the failure to provide an off-duty rest period, failure to furnish timely and accurate wage statements arising from the failure to provide rest periods, all claims in connection with rest periods arising under the California Labor Code, California Industrial Welfare Commission Wage Order No. 1-2001, and California's Unfair Competition Law, all claims for civil penalties in connection with rest periods and inaccurate wage statements arising under the Private Attorney's General Act of 2004, all claims for attorneys' fees and costs arising from the prosecution of rest period claims, all claims for restitution, disgorgement, and injunctive relief, and in addition, for the Named Plaintiffs, a further general release of all claims, as described in greater detail in Paragraphs 60 through 69 of the Settlement Agreement.

WHAT ARE MY OPTIONS IN THIS MATTER?

You have three options under this Settlement, each of which is discussed below. You may: (A) do nothing, remain in the Class, and receive your share of the Settlement; (B) challenge the number of Qualifying Shifts indicated on the first page of this Notice while remaining in the Class so that you can receive your share of the Settlement; or (C) exclude yourself from the Class and from the Settlement. If you choose option (A) or (B), you may also object to the Settlement as explained below.

If you remain in the Class, you will be represented at no cost by Class Counsel. Class Counsel, however, will not represent you for purposes of making objections to the Settlement. If you do not timely exclude yourself from the Settlement (Option C), you will be subject to any Judgment that will be entered in the Class Action, including the release of the Released Claims as described above—whether or not you cash your share of the Settlement.

OPTION A. If you agree with the number of Qualifying Shifts indicated at the top of this Notice, and you wish to participate in the Settlement, you need not take any further action. If you wish to remain in the Class and be eligible to receive a payment under the Settlement, you do not need to take any action. If this settlement receives the Court's final approval, a check will be sent to you at the address on this Notice.

OPTION B. If you DO NOT agree with the number of Qualifying Shifts indicated at the top of this Notice, but you DO wish to participate in the Settlement, you must take the following action: Complete and send a letter entitled "Notice of Dispute" to the Claims Administrator at the address listed below explaining that you dispute the totals, together with any supporting written documentation. Such documentation may consist of official records, pay stubs, weekly schedules, or personal logs. To be considered, the Notice of Dispute and supporting written documentation must be received by the Claims Administrator no later than July 24, 2020. Class Counsel and Defense Counsel will make a final and binding determination regarding any disputes. The Claims Administrator will inform you of the final determination by a telephone call, followed by an e-mail or regular U.S. Mail if your email address is not available. If the Settlement receives the Court's final approval, your Settlement Payment check will be sent to you at the address on this Notice.

OPTION C. If You Do Not Want to Be Bound by The Settlement. If you do not want to be part of the Settlement, you must submit a signed written request to be excluded from the Settlement entitled ("Opt Out Request") to the Claims Administrator, at the address listed below. If the Opt Out Request is sent from within the United States, it must be sent through the United States Postal Service by First-Class U.S. Mail, or the equivalent. In order to be valid, your Opt Out Request must be postmarked on or before July 24, 2020.

If you do not timely submit an executed Opt Out Request (as evidenced by the postmark), your Opt Out Request will be rejected, you will be deemed a Participating Class Member, and you will be bound by all Settlement terms, including but not limited to the release of Released Claims as described in the "What

Claims are Being Released by the Proposed Settlement?” section above.

If you timely submit an executed Opt Out Request, you will have no further role in the Class Action, and for all purposes, you will be regarded as if you never were either a party to the Action or a Class Member, and thus you will not be entitled to any benefit as a result of the Class Action and will not be entitled to or permitted to assert an objection to the Settlement.

Who is the Claims Administrator?

The Claims Administrator is:

CAC Services Group, LLC
6420 Flying Cloud Dr Ste 101
Eden Prairie, MN 55344
Telephone: (866) 602-2260

Objecting to the Settlement: If you believe the Settlement is unfair or inadequate in any respect, you can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or disapprove the Settlement. If the Court denies approval, no Settlement Payments will be made, and the Class Action will continue. **You cannot object to the Settlement if you request exclusion from the Settlement** as provided under Option C, above.

You may object to the proposed settlement in writing. You may also 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 paying that attorney.

All written objections and supporting papers must:

- (a) Clearly identify the case name and number *Michelle Kendig et al., v. ExxonMobil Oil Corp.; ExxonMobil Pipeline Company; PBF Energy Limited; Torrance Refining Company, LLC*, Case No. 2:18-cv-9224 MWF;
- (b) Be submitted to the Court either by mailing them to the Clerk, United States District Court for the Central District of California, First Street Courthouse, 350 W 1st Street, Suite 4311 Los Angeles, CA 90012-4565, or by filing them in person at any location of the United States District Court for the Central District of California; and
- (c) Be filed or postmarked on or before July 24, 2020.

Your objection must clearly state: 1) a statement of reasons why you believe the Court should find that the Settlement is not in the best interest of the Class; and 2) the reasons why the Court should not approve the Settlement.

Any Class Member who does not object to the Settlement in the manner described above shall be deemed to have waived any objections and shall be foreclosed from objecting to the fairness or adequacy of the Settlement, the payment of attorneys’ fees and costs, the Service Awards to the Class Representatives, the claims process, and any and all other aspects of the Settlement.

Likewise, even if you file an objection, you will be bound by the terms of the Settlement, including applicable releases as set forth above, unless the Court does not finally approve the Settlement.

WHAT IS THE NEXT STEP IN THE APPROVAL OF THE SETTLEMENT?

The Court will hold a Final Approval Hearing on the fairness and adequacy of the Settlement, the plan of

distribution, Class Counsel's request for attorneys' fees and costs, the settlement administration costs, and the Service Awards to the Class Representatives on August 17, 2020, at 10:00 a.m. in Courtroom 5A of the United States District Court, Central District of California, First Street Courthouse, located at 350 West First Street, Los Angeles, California 90012. The Final Approval Hearing may be continued without further notice to Class Members. You are advised to check the Settlement website at www.ExxonCaliforniaRefineryRestBreakSettlement.com or the Court's Public Access to Court Electronic Records (PACER) website at <https://www.cand.uscourts.gov/cm-ecf> site to confirm that the Final Approval Hearing date and/or time has not been changed. You are not required to attend the Final Approval Hearing to receive your share of the Settlement.

HOW CAN I GET ADDITIONAL INFORMATION?

This Notice only summarizes the Class Action, the basic terms of the Settlement, and other related matters. For the precise terms and conditions of the Settlement, please see the Joint Stipulation of Class Action Settlement and Release, available at www.ExxonCaliforniaRefineryRestBreakSettlement.com, by contacting class counsel, at the address and telephone number listed above, by accessing the Court docket in this case through PACER at <https://ecf.cand.uscourts.gov>, or by visiting the Clerk, United States District Court for the Central District of California, First Street Courthouse, 350 W 1st Street, Suite 4311 Los Angeles, CA 90012-4565, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding court holidays.

The Joint Stipulation of Class Action Settlement and Plaintiff's Motion for Attorney's Fees and Reimbursement of Costs will be available for review after June 25, 2020, at www.ExxonCaliforniaRefineryRestBreakSettlement.com.

Any questions regarding this Notice should be directed to the Claims Administrator or to Class Counsel at the above addresses and telephone numbers.

WHAT HAPPENS IF MY ADDRESS HAS CHANGED OR CHANGES?

Your payment will be sent to the address on this Notice. Therefore, if your address changes or is different from the one this Notice was sent to, you must correct it by notifying the Claims Administrator in writing, by First-Class U.S. Mail.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE, BY ORDER OF THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA.