

**NOTICE TO CLASS OF PROPOSED SETTLEMENT**

In the matter of *JUSTINE K. DHARNI, an individual, on behalf of herself and all others similarly situated and Aggrieved Employees v. DENTSU MCGARRY BOWEN L.L.C., a New York Limited Liability Company, RYAN LINDHOLM, an individual, and DOES 1 through 25, Inclusive, Defendants, San Francisco Superior Court Case No: CGC-21-590170.*

To: Any person who was employed by Dentsu McGarry Bowen, LLC, from March 12, 2016, to December 31, 2021, who had a background check performed on them as a result of their employment with Dentsu McGarry Bowen, LLC.

Any person who was employed by Dentsu McGarry Bowen, LLC, from March 12, 2020, to December 31, 2021, who received a wage statement from Dentsu McGarry Bowen, LLC; and

Any person who was employed by Dentsu McGarry Bowen, LLC, from March 12, 2017, to December 31, 2021.

**IMPORTANT - THIS NOTICE MAY AFFECT YOUR RIGHTS - PLEASE READ IT CAREFULLY**

**1. WHY ARE YOU RECEIVING THIS NOTICE?**

The purpose of this Notice is to inform you that a Proposed Settlement has been reached between the parties in a class action lawsuit against Dentsu McGarry Bowen, LLC, (“Defendant”), which is described in section III below. The Action alleges violation of the Fair Credit Reporting Act, failure to provide accurate itemized wage statements and failure to reimburse business expenses, violation of California’s Unfair Competition Law (“UCL”), and violation of the Private Attorneys General Act (“PAGA”) (Cal. Lab. Code § 2699 *et seq.*) between March 12, 2016, and December 31, 2021 (the “Class Period”).

**You are not being sued.** However, your rights may be affected by the legal proceedings in this action. This Notice is to inform you about:

1. The proposed settlement.
2. Your right to receive a share of the settlement funds.
3. Your right to object to the settlement; and
4. Your right to exclude yourself from the settlement by “opting out.”

You are receiving this Notice because records indicate that you were employed by Defendant at some point during the Class Period, did not sign an arbitration agreement with a class action waiver, and therefore are a member of the Class. The Court must approve the terms of the Settlement, described below, as fair and reasonable to the Class. If approved, the Settlement will affect all members of the Class.

**2. WHAT ARE YOUR OPTIONS?**

<b>Participate in the Settlement</b>	<p>Do nothing. If the proposed Settlement is approved by the Court, you will be deemed to have released all claims that were, or could have been, alleged based on the facts set forth in the lawsuit.</p> <p>You will receive a share of the Settlement funds.</p>
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<p><b>Exclude Yourself from the Settlement</b></p>	<p>If you wish to exclude yourself from the Settlement, you must submit the enclosed “Request for Exclusion” Form to the Settlement Administrator by February 20, 2023. If you submit a Request for Exclusion and the Court approves the Settlement, you will not be bound by the terms of the Settlement except for the release of Plaintiff’s PAGA claims and will preserve your claims, if any, against Defendant.</p> <p>If you submit a Request for Exclusion, you will not receive a share of the Settlement funds except your portion of the PAGA Payment (if eligible) and you may not object to the Settlement.</p>
<p><b>Object to the Settlement</b></p>	<p>If you wish to object to the Settlement, you must submit an objection in writing to the Settlement Administrator including your full name, address, telephone number, the last four digits of your social security number and/or Employee ID number, and the specific reason, including any legal grounds, for your objection. Your objection must be postmarked by February 20, 2023. You may also email your objection to the Settlement Administrator at <a href="mailto:dentsumcgarrybowensettlement@cptgroup.com">dentsumcgarrybowensettlement@cptgroup.com</a>.</p>

**3. CASE DESCRIPTION**

Justine K. Dharni filed her Class Action Complaint on March 12, 2021, in San Francisco Superior Court, Case No. CGC-21-590170 (“the Lawsuit”). On May 19, 2021, Ms. Dharni filed her First Amended Complaint (“FAC”) against Defendant. On May 5, 2022, Ms. Dharni filed her Second Amended Complaint (“SAC”) against Defendant, which is the currently operative version of the Complaint. In her SAC, Ms. Dharni alleged the following causes of action: (1) failure to provide accurate itemized wage statements, (2) failure to reimburse business expenses, (3) civil penalties under the PAGA, (4) unfair business practices, and (5) violation of the Fair Credit Reporting Act (“FCRA”). The Lawsuit was brought on behalf of all current and former non-exempt employees of Defendant who were employed in California during the period of March 12, 2016, to December 31, 2021 (the “Class”).

Dharni specifically alleges that Defendant failed to provide all the information required by the California Labor Code on the wage statements which were provided to employees (the “wage statement claims.”). In addition, Dharni alleges that Defendant failed to reimburse business expenses incurred by employees due to Defendant’s alleged policy of requiring employees to use their personal telephone and internet service as a part of their job duties (the “reimbursement claims.”). Dharni also alleges that Defendant failed to provide all the disclosures required by the Fair Credit Reporting Act when performing background checks on its newly hired employees (the “FCRA claims.”).

Defendant expressly denies any wrongdoing or legal liability arising out of the claims alleged in the Lawsuit and contends that it has complied with California and federal employment laws. Defendant wishes to resolve the Lawsuit to avoid costly, disruptive, and time-consuming litigation.

On October 31, 2022, the Court preliminarily approved the Settlement; determining that there is sufficient evidence to suggest that the settlement is fair and reasonable. No final determination has yet been made; a final determination of those issues will be made at the hearing seeking final approval of the settlement.

**4. WHY IS THIS A CLASS ACTION?**

In a class action, one or more people called the Class Representative(s) sue on behalf of themselves and other people who have similar claims. The group of people with similar claims is called a “Class.” Each person covered by the class definition is a “Class Member.” One Court resolves the issues for all Class Members, except for those individuals who ask to be excluded from the Settlement. In this case, the Class Representative appointed by the Court is Plaintiff Justine K. Dharni.

There are three distinct “subclasses” because each allegation covers differing substantive claims and periods of time. The first class includes persons who were employed sometime during the period from March 12, 2017, to December 31, 2021, which covers the claim for unreimbursed expenses (the “Unfair Competition Law Class”). The second class includes persons who were employed sometime during the period from March 12, 2016, to December 31, 2021, which covers the claim for failure to provide mandatory disclosures under the Fair Credit Reporting Act (the “FCRA Class”). The third class includes persons who were employed during the period from March 12, 2020, to December 31, 2021, and who received a wage statement (the “Wage Statement Class”). You may be a member of some, or all of these subclasses.

In addition to being a class action, this action also asserts a claim under California’s Private Attorneys General Act (“PAGA”). A PAGA claim is similar to a class action but is brought on behalf of the Labor Commissioner of the State of California. The PAGA claim in this action includes persons who were employed during the period from March 12, 2020, to December 31, 2021, and who received a wage statement from Defendant. Penalties assessed under PAGA are split between the aggrieved employees and the State of California: 25% of the assessed penalties are allocated to aggrieved employees and 75% of the penalties are allocated to the State. Unlike a class action, aggrieved employees are not permitted to request exclusion from a PAGA action and/or settlement.

**5. WHO REPRESENTS THE PARTIES?**

If you have any questions about the settlement, you may contact the Settlement Administrator toll-free at: 1-888-318-0106. You may also contact any of the attorneys at the addresses or phone numbers listed below:

<p><u>Attorneys for Named Plaintiff &amp; the Class</u>        (“Class Counsel”):  <b>FINKLESTEIN &amp; KRINSK LLP</b>        Jeffrey R. Krinsk        Jeffrey P. Jackson        501 W. Broadway, Ste. 1260        San Diego, California 92101        Tel.: (619) 238-1333        jrk@classactionlaw.com        jeffrey@jacksonlaw.biz</p>	<p><u>Attorneys for Defendant:</u>  <b>HOLLAND &amp; KNIGHT LLP</b>        Christina T. Tellado        Samuel J. Stone        400 S. Hope Street, 8th Floor        Los Angeles, CA 90071        Tel: (213) 896-2400        christina.tellado@hklaw.com        sam.stone@hklaw.com</p>
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## 6. HOW DOES THIS AFFECT YOU?

You do not need to do anything to participate in the settlement and receive a settlement payment. Your Individual Settlement Payment will be based on whether you belong to one (or multiple) of the three classes identified above, and the total number of weeks for which you were paid as an employee during the Class Period. Defendant's records show that:

1. You had a background check run on you in connection with your employment with Defendant and are a member of the FCRA sub-class. Your estimated settlement payment for this claim is <<FCRA\_Amt>>;
2. You worked <<Workweeks\_InUCLPeriod>> workweek(s) between March 12, 2017, and December 31, 2021, and are a member of the Reimbursement sub-class. Your estimated settlement payment for this claim is <<UCL\_Amt>>;
3. You worked <<PayPeriods\_inPAGA>> workweek(s) between March 12, 2020, and December 31, 2021. If you worked during this period, you are a member of the Wage Statement Subclass, and are a PAGA member. Your estimated settlement payment for this claim is <<PAGA\_Amt>>.

Based on the above information, your total individual settlement payment is estimated at <<estAmount>>.

If you disagree with the numbers above, you should submit any disagreement along with any documentation relating to your disagreement, to the Settlement Administrator by February 20, 2023. For example, you may submit copies of your timesheets or pay stubs. The Settlement Administrator's mailing address is:

Dharni v. Dentsu McGarry Bowen & Ryan Lindholm  
c/o CPT Group, Inc.  
50 Corporate Park,  
Irvine, California 92606  
1-888-318-0106  
dentsumcgarrybowensettlement@cptgroup.com

You may also submit your dispute to the Settlement Administrator by email at [dentsumcgarrybowensettlement@cptgroup.com](mailto:dentsumcgarrybowensettlement@cptgroup.com) In the event of a dispute about the number of workweeks or pay periods for which you were paid during the Class Period, the Settlement Administrator will resolve the dispute after reviewing the relevant documentation and consulting with the parties and counsel. **The Settlement Administrator's decision will be final.**

**If you do not wish to be bound by this Settlement**, you may exclude yourself from the Settlement by signing and sending the enclosed Request for Exclusion form to the Settlement Administrator, postmarked no later than February 20, 2023. You may exclude yourself from any of the sub-classes of which you are a member. A fillable version of the Request for Exclusion form will be available on the Settlement Website at [www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement](http://www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement) and may be submitted by email to the Settlement Administrator at [dentsumcgarrybowensettlement@cptgroup.com](mailto:dentsumcgarrybowensettlement@cptgroup.com). If you submit a Request for Exclusion, you will not receive an Individual Settlement Payment for the class you have requested exclusion from, except for the portion of the Individual Settlement Payment attributable to your portion of the PAGA Payment, and will not be able to object to the Settlement. The judgment following approval of the Settlement by the Court will bind all Class members who do not opt out of the Settlement. If you submit a timely Request for Exclusion for any or all of the sub-classes of which you are a member, you will still receive your individual share of the PAGA Payment. You are advised to consult an attorney in determining whether you want to be excluded from the Settlement.

It is your choice to cash the check for your individual share of the PAGA Payment or for your Individual Settlement Payment. If you do not cash the check for either your individual share of the PAGA settlement or for your Individual Settlement Payment within 180 days of the date they are issued, the proceeds will be payable to a Court approved charity. The proposed charity is the Legal Aid Foundation of Los Angeles, which is subject to Court approval. If you do not cash the check for your individual share of the PAGA settlement, you still will have released the Defendant from any PAGA claims following Court approval of the Settlement. Similarly, if you do not submit a timely Request for Exclusion, but do not cash the check for your Individual Settlement Payment, you will have released Defendant from the claims covered by the Settlement as described in Section 11 of this Notice and paragraphs 78-80 of the Joint Stipulation and Settlement of Class Action (“Settlement Agreement”).

If the proposed Settlement is approved by the Court and you have submitted a valid Request for Exclusion, you will preserve your right to pursue all claims that were, or could have been, alleged based on the allegations in the Lawsuit. If the proposed Settlement is approved by the Court and you have not submitted a valid Request for Exclusion, you will be bound by the judgment entered in the Lawsuit and will be deemed to have released all claims that were, or could have been, alleged based on the allegations in the Lawsuit.

**If you wish to object to the Settlement**, you must file an objection with the Settlement Administrator, stating why you object to the Settlement, by no later than February 20, 2023. Your written objection must state your full name, address, telephone number, the last four digits of your Social Security Number, and the specific reason for your objection including any legal grounds for the objection. To be valid, any objections must be mailed to the Settlement Administrator at the address below and postmarked no later than February 20, 2023.

If you wish to exclude yourself from the Settlement, file an objection to the Settlement or dispute the number of workweeks listed above in Section 6 by U.S. Mail, the objection or request for exclusion should be mailed to the Settlement Administrator at:

Dharni v. Dentsu McGarry Bowen & Ryan Lindholm  
c/o CPT Group, Inc.  
50 Corporate Park,  
Irvine, California 92606  
1-888-318-0106  
dentsumcgarrybowensettlement@cptgroup.com

If you wish to exclude yourself from the Settlement, file an objection to the settlement or dispute the number of workweeks listed above in Section 6 by email, the objection or request for exclusion should be sent to the Settlement Administrator at: dentsumcgarrybowensettlement@cptgroup.com

You may also, if you wish, appear at the Final Approval Hearing set for April 14, 2023, at 11:00 a.m. at 400 McAllister Street San Francisco, California 94102 and discuss your objections with the Court and the parties.

## **7. NO RETALIATION**

You have the right not to be retaliated against for participating in this Settlement. If you are currently employed by Defendant, California law prohibits Defendant from terminating your employment or in any other manner, discriminating against you because you have exercised your right to participate in this Settlement.

**8. HOW WILL THE SETTLEMENT BE ALLOCATED?**

Defendant has agreed to pay the Gross Settlement Amount of Three Hundred Thousand Dollars (\$300,000.00) to settle the Lawsuit. Defendant shall fund the settlement by depositing the requisite amounts in an account established at a bank to be selected by the Settlement Administrator.

The Court has preliminarily approved the following distributions from the Gross Settlement Amount: (1) an amount for reasonable attorneys' fees and costs incurred by Class Counsel (Plaintiff's counsel has requested a distribution of \$100,000; *see* section 9 below); (2) an incentive award to Plaintiff Dharni for serving as the Class Representative, not to exceed \$5,000.00; (3) settlement administration costs, which are currently estimated at approximately \$8,000; (4) out-of-pocket litigation costs incurred by Class Counsel not to exceed \$12,000; and (5) a \$10,000 payment to settle and release all claims under the California's Private Attorneys General Act ("PAGA"), 75% of which will be paid to the Labor and Workforce Development Agency ("LWDA") and the remaining 25% of which will be distributed to PAGA Members. The payment to the LWDA shall be made from the final deposited payment by Defendant. All distributions are subject to final Court approval and will not be finalized until a Final Approval Hearing, which will take place on April 14, 2023, at 11:00 a.m. The remainder of the Gross Settlement Amount (the "Net Settlement Fund") shall be paid to participating Class Members based on the sub-classes which they are a member of.

\$50,000 has been allocated to the Fair Credit Reporting Act claims and for distribution to that sub-class; this allocation will be divided equally among participating Sub-Class Members.

\$65,000 has been allocated to the Reimbursement Claims and for distribution to that sub-class; this allocation will be divided among participating Sub-Class members based on the number of workweeks they are shown to have worked based on Defendant's records.

\$50,000 has been allocated to the Wage Statement claims and for distribution to that sub-class; this allocation will be divided among participating Sub-Class members based on the number of workweeks they are shown to have worked based on Defendant's records.

\$10,000 has been allocated to the PAGA claims. Pursuant to the California Labor Code, 75% of this amount (\$7,500) will be distributed to California's Labor Workforce Development Agency and 25% (\$2,500) will be distributed to PAGA Members based on the number of workweeks they are shown to have worked based on Defendant's records.

Any amounts in the Net Settlement Fund after all allocations have been made shall be distributed to the sub-classes (but not the PAGA claims) equally and will be distributed among participating members of those sub-classes in the same manner described above.

Individual Settlement Payments to Class members will be subject to applicable tax withholdings in accordance with the terms of the Settlement Agreement filed with the Court. The amount of each Settlement Payment to each Participating Class Member that is allocated to alleged unpaid wage claims shall be paid net of all applicable employee portions of employment taxes, including any federal, state, and/or local tax withholding requirements and the employee share of FICA taxes. The Settlement Administrator will determine the amount of any tax withholding to be deducted from each Participating Class Member's Settlement Payments. All such tax withholdings shall be remitted by the Settlement Administrator to the proper governmental taxing authorities.

**NOTE:** It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Individual Settlement Payment. If you fail to keep your address current, you may not receive your Individual Settlement Payment.

**9. HOW WILL CLASS COUNSEL BE PAID?**

Class Counsel will seek approval from the Court for reimbursement of their out-of-pocket litigation costs (such as mediation expenses and filing fees) of no more than \$12,000.00. Class Counsel will also seek approval from the Court for attorneys' fees of no more than one third of the Gross Settlement Amount (\$100,000). The Court will determine the actual amount awarded. You are not personally responsible for any of Class Counsel's fees or costs.

**10. WHAT HAPPENS IF THE SETTLEMENT IS NOT APPROVED?**

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the conditional settlement will be voided, no money will be paid, and the Lawsuit will revert to litigation. If that happens, there is no assurance that: (1) any decision at trial would be in favor of Class members; (2) a trial decision, if any, would be as favorable to the Class members as this settlement; or (3) any favorable trial decision would be upheld if an appeal were filed.

**11. RELEASE OF CLAIMS AGAINST DEFENDANT**

FCRA Class members who do not timely submit a Request for Exclusion will be deemed to have released and discharged all claims that were or could have been alleged based on the facts alleged in this action relating to Defendant's efforts to obtain a background check and/or consumer reports from prospective employees. A more detailed description of the Released FCRA claims may be found at paragraph 78 of the Settlement Agreement, which is available at [www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement](http://www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement).

UCL Class members (which includes the reimbursement claims) who do not timely submit a Request for Exclusion will be deemed to have released and discharged all claims that were or could have been alleged based on the facts alleged in this action relating to Defendant's alleged failure to reimburse necessary business expenses during the applicable Class Period. A more detailed description of the Released Reimbursement claims may be found at paragraph 79 of the Settlement Agreement, which is available at [www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement](http://www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement).

Wage Statement Class members who do not submit a timely Request for Exclusion will be deemed to have released and discharged all claims that were or could have been alleged based on the facts alleged in this action relating to Defendant's provision of wage statements to its employees during the Wage Statement Class Period. A more detailed description of the Released Wage Statement claims may be found at paragraph 80 of the Settlement Agreement, which is available at [www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement](http://www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement).

PAGA Members will be deemed to have released and discharged all claims for civil penalties under PAGA that were or could have been alleged based on the facts alleged in this action relating to Defendant's efforts to obtain a background check and/or consumer reports from prospective employees, Defendant's alleged failure to reimburse necessary business expenses, and Defendant's provision of wage statements to its employees, during the PAGA period. A more detailed description of the Released PAGA claims may be found at paragraphs 78-80 of the Settlement Agreement, which is available at [www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement](http://www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement).

**12. ADDITIONAL INFORMATION**

This Notice only summarizes the Lawsuit, the Settlement, and related matters. The complete terms of the proposed Settlement are stated in the Motion for Preliminary Approval of Settlement of Class Action and associated papers, which has been preliminarily approved by the Court. That document and all other records relating to the Lawsuit are available for inspection and/or copying on the Court's online docket accessible through the Court's website at <https://www.sfsuperiorcourt.org/online-services> under "Online Services/Case

<<EmployeeName>>

CPT ID: <<ID>>

Query” using the case number CGC-21-590170. These documents may also be obtained at the dedicated Settlement Website at [www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement](http://www.cptgroupcaseinfo.com/dentsumcgarrybowensettlement).

If you need more information or have any questions, you may call the Settlement Administrator at the address or telephone number listed below. You may also contact any of the attorneys listed above. When calling, please refer to the “Dharni Class Action Settlement” or the “Dentsu Class Action Settlement.” Please do not contact the Court for information about this Settlement or the settlement process.

Dharni v. Dentsu McGarry Bowen & Ryan Lindholm  
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