

NOTICE OF CLASS ACTION SETTLEMENT

(Michael Southard v. Newcomb Oil Co., LLC d/b/a Newcomb Oil Co., Case No. 3:21-cv-607-DJH (W.D. Ky.))

ATTN: «EmployeeName»

You may be eligible to receive money from a class action lawsuit (“Action”) against Newcomb Oil Co., LLC d/b/a Newcomb Oil Co. (“Newcomb Oil” or “Defendant”). The Action was filed by Michael Southard (“Plaintiff”) and seeks payment of back wages, business expenses, liquidated damages, and attorneys’ fees and costs for a class of Kentucky hourly employees (“Class Members”) who worked for Defendant during the Class Period (November 9, 2013 through December 16, 2023).

Please read this notice carefully. It provides important information about your legal rights and obligations under an agreement to settle a class action lawsuit.

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be «estAmount» (less withholding)**. The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on Defendant’s records showing that **you worked «Hours» hours** during the Class Period in one or more hourly positions (regardless of whether you may have worked other hours or more hours in one or more non-hourly positions and regardless of whether you are still working for Defendant or not).

The Court has preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. **Read this Notice carefully.** You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members to give up their rights to assert claims against Defendant.

If you worked for Defendant as an hourly employee during the Class Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment. As a Participating Class Member, though, you will give up your right to assert Class Period claims.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion in the manner required and by the deadline required. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period claims against Defendant.

Defendant will not retaliate against you for any actions you take or do not take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>You Don't Have to Do Anything to Participate in the Settlement</p>	<p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment. In exchange, you will give up your right to assert claims against Defendant that are covered by this Settlement (Released Claims).</p>
<p>You Can Opt-Out of the Class Settlement</p> <p>The Opt-Out Deadline is July 3, 2024</p>	<p>If you don't want to participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p>
<p>Participating Class Members Can Object</p> <p>Written Objections Must be Submitted by July 3, 2024</p>	<p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued this Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p>
<p>You Can Participate in the Final Approval Hearing</p>	<p>The Court's Final Approval Hearing is scheduled to take place on August 9, 2024 at 10:00 a.m. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost).</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Newcomb Oil employee. The Action accuses Defendant of violating Kentucky wage and hour statutes, meal and rest break statutes, and other Kentucky law by failing to pay overtime wages, meal and rest period premiums, wages due upon termination, and reimbursable expenses; and failing to provide meal periods, rest breaks, and accurate itemized wage statements. Plaintiff and the Class are represented by attorneys in the Action: the law firm of Schneider Wallace Cottrell Konecky LLP ("Class Counsel.")

Newcomb Oil believes Plaintiff's claims are without merit and denies all of the allegations of wrongdoing or liability. Newcomb Oil contends it has complied fully and accurately with the Kentucky Wages and Hours Act and all other applicable laws and that all of its employees have been paid in full and provided appropriate breaks, expenses, and records.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. The Court did not decide in favor of Plaintiff or against Defendant. There was no trial, no verdict, and no judgment. Instead, both sides agreed to a no-fault resolution of the Action.

Newcomb Oil agreed to the Settlement because it believes that further litigation would be protracted, burdensome, expensive, and contrary to the best interests of the company and its current and former employees. Newcomb Oil has already devoted substantial time, energy, and resources to defending this litigation, and unless there is a settlement, that situation would have continued. Newcomb Oil believes that settlement is the best way to resolve the litigation while minimizing further burden and expenditures.

By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable, and adequate amount considering the potential strength of the claims and the risks and uncertainties of continued litigation; and (2) the Settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant will pay a total of One Million Five Hundred Thousand Dollars (\$1,500,000.00) as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement approved by the Court. The Administrator will use most of the Gross Settlement to pay the Individual Class Payments, and will use a lesser portion of the Gross Settlement to pay the Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, and the Administrator’s expenses. Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or if the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$525,000.00 (Five Hundred Twenty-Five Thousand Dollars and Zero Cents) (35%) from the Gross Settlement to Class Counsel for attorneys’ fees, and up to \$30,000.00 (Thirty Thousand Dollars and Zero Cents) from the Gross Settlement to Class Counsel for litigation expenses.
 - B. Up to \$10,000.00 (Ten Thousand Dollars and Zero Cents) as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive, inclusive of Plaintiff’s Individual Class Payment.
 - C. Up to \$70,000.00 (Seventy Thousand Dollars and Zero Cents) to the Administrator for services administering the Settlement.

Participating Class Members have the right to object to any of these deductions, whether all of them or any one or more of them, as either too high or too low. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, following the consideration of any objections, the Administrator will distribute the rest of

the Gross Settlement (the “Net Settlement Fund”) by making Individual Class Payments to Participating Class Members based on their hours worked as hourly employees during the Class Period.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of One-Third (1/3) of each Individual Class Payment to taxable wages (“Wage Portion”) and Two-Thirds (2/3) to interest, liquidated damages, and/or unreimbursed business expenses (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Form during calendar and tax year 2024. Defendant will separately pay employer payroll taxes owed on the Wage Portion through other funds. The Administrator will report Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms during calendar and tax year 2024.
5. Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.
6. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments will show the date when the check expires (the void date). If you do not cash or deposit it by the void date, your check will be automatically cancelled, and the monies will be paid to charity, but you will still be considered part of the Class who has released claims against Defendant. The designated charitable organization that will receive the monies is Central Kentucky United Way. Newcomb Oil, and not you, will be considered to have made this donation.
7. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than **July 3, 2024**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a Class Member setting forth a Class Member’s name, present address, telephone number, and email address, if any; and a statement electing to be excluded from the Settlement. So-called “mass,” “class,” or “group” opt-outs shall not be valid. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue otherwise released claims against Defendant.
8. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money, Class Members will not receive any money, and Class Members will not release any claims against Defendant.
9. Administrator. The Court has appointed a neutral company, CPT Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in **Section 8** of this Notice (below).
10. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement (and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you

opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for claims arising during the Class Period.

The Participating Class Members will be bound by the following release:

Release by Participating Class Members. Plaintiff and Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Newcomb Oil and all of its present and former affiliates, agents, employees, officers, directors, parents, subsidiaries, attorneys, representatives, administrators, predecessors, successors, insurers, accountants, advisors or anyone acting on its behalf from any and all causes of action, claims, rights, damages, punitive, or statutory damages, penalties, liabilities, expenses and losses, and issues, that any of the Class Members and Plaintiff have or could have made against Newcomb Oil in the Class Action, under any claims under federal, state, or local law, rule, or regulation, including, but not limited to the Fair Labor Standards Act (28 U.S.C. Section 201, *et seq.*); and the Kentucky Wages and Hours Act (KRS Chapter 337). The Class Members acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of this release, but that it is their intention to finally and forever settle and release the Released Claims and that, notwithstanding the discovery or existence of any such additional or different facts, as to which Class Members expressly assume the risk, they freely and voluntarily give the release as set forth above.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Fund by the total number of hours worked in hourly non-exempt positions at Five Star convenience stores located in Kentucky by all Participating Class Members during the Class Period, and (b) multiplying the result by each Participating Class Member's hours worked in hourly non-exempt positions at Five Star convenience stores located in Kentucky during the Class Period.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a check to every Participating Class Member (i.e., every Class Member who has not properly or timely opted out of the Settlement).

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed Request for Exclusion with your name, present address, telephone number, and email address, if any; and a statement electing to be excluded from the Settlement. So-called "mass," "class," or "group" opt-outs shall not be valid. You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by July 3, 2024, or it will be invalid.** Section 8 of the Notice (below) has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 14 days before the August 9, 2024, Final Approval Hearing, the parties will file in Court (1) a Motion for Final

Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses (not to exceed \$525,000 in fees and \$30,000 in litigation expenses); and (ii) the amount Plaintiff is requesting as a Class Representative Service Award (not to exceed \$10,000).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is July 3, 2024.**

A written objection must state the objecting Class Member's full name, address, telephone number, and email address, if any, and that of the Class Member's counsel, if any; the grounds for all objections, stated with specificity, and any evidence the objecting Class Member wishes to introduce in support of the objections; whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class; proof of membership in the settlement Class; a statement as to whether the Class Member intends to appear at the Final Approval Hearing, either individually or through counsel; and the Class Member's original signature in blue ink. Section 8 of this Notice (below) has the Administrator's contact information.

8. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to contact the Settlement Administrator in person or through counsel:

Southard v. Newcomb Oil Co, LLC
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

Toll Free Number: 1-888-272-1328

Fax Number: 1-949-419-3446

Website: www.cptgroupcaseinfo.com/newcomboilsettlement

Neither the Settlement Administrator nor the Court nor Defendant nor Plaintiff nor Class Counsel is rendering legal or tax advice to you on this matter, but will simply inform you of the basic facts surrounding the proposed Class Settlement. You must seek independent legal and tax advice from your own advisors at your own cost if you desire same.