

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
AND FINAL APPROVAL HEARING**

Waldrep v. Cambly Inc., Case No. 34-2022-00314360 (Sacramento Sup. Ct.)

The Court authorized this notice. This is not a solicitation from a lawyer.

Pursuant to the Order of the Superior Court for the State of California for the County of Sacramento, you are hereby notified that a proposed settlement has been reached in the above-referenced case brought on behalf of the following individuals:

The Settlement Class: all current and former individuals who provided services in connection with Cambly's platform in the State of California at any time during the period November 9, 2020 to May 26, 2022.

You have been identified by Cambly records as a member of the Settlement Class. **Please read this entire notice carefully. It may affect your legal rights to money you may be owed.**

<u>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</u>	
Participate in the Settlement	If you wish to receive a share of the Settlement proceeds, you do not need do anything in response to receiving this notice. If you do not opt out of the settlement as described below, then you will be bound by the Settlement and will receive a share of the settlement proceeds.
Exclude Yourself from the Settlement (Opt-Out)	If you do not want to participate in the Settlement, you must mail or email a written Request for Exclusion to the Settlement Administrator postmarked no later than [REDACTED], 2026, or else you will be bound by the Settlement and the Release if the Court grants final approval of the Settlement. Please refer to <u>paragraph 13</u> below for instructions on excluding yourself.
Object to the Settlement	If you wish to object to the Settlement, you may mail or email a written objection to the Settlement Administrator postmarked or emailed no later than [REDACTED], 2026, or make your objection at the Fairness Hearing. However, if you choose to object, you will remain bound by the Settlement and will release your claims against Cambly if the Settlement is ultimately approved. A Settlement Class Member can object and still receive a share of the settlement proceeds, but a Settlement Class Member cannot object and opt out of the Settlement. Please refer to paragraph 14 below for instructions on objecting.
Participate in the Hearing	If you submit a written objection to the Settlement, you may also indicate in the objection whether you wish to appear and be heard at the time of the Fairness Hearing. You may also appear and be heard at the Fairness Hearing without submitting a written objection. Remember that Settlement Class Members who object remain part of the settlement class and shall be bound by the Settlement.

Which option you choose is entirely up to you.

**YOUR RIGHTS AND OPTIONS, INCLUDING THE DEADLINES BY WHICH TO
EXERCISE THEM, ARE EXPLAINED IN THIS NOTICE.**

www.[WEBSITE].com

TABLE OF CONTENTS

GENERAL INFORMATION REGARDING THIS NOTICE	4
WHAT IS THIS NOTICE ABOUT?.....	4
WHAT IS THIS LAWSUIT ABOUT?	4
SUMMARY OF THE SETTLEMENT	5
WHO IS INCLUDED IN THE SETTLEMENT?	5
WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?.....	5
WHAT ARE MY RIGHTS AS A SETTLEMENT CLASS MEMBER?	7
CLASS COUNSEL	10
FINAL SETTLEMENT APPROVAL HEARING.....	10
GETTING MORE INFORMATION	11

GENERAL INFORMATION REGARDING THIS NOTICE

WHAT IS THIS NOTICE ABOUT?

A proposed settlement (the “Settlement”) has been reached in the case entitled *Waldrep v. Cambly Inc.*, Case No. 34-2022-00314360, Sacramento County Superior Court (the “Action”). This case alleges that Cambly has misclassified its California-based tutors and violated the Labor Code as a result. As described further below, the First Amended Complaint in this case, filed only for settlement purposes, includes claims for expense reimbursement, minimum wage and overtime, willful misclassification, failure to provide meal and rest breaks, failure to provide itemized wage statements, waiting time penalties, failure to provide all wages when due, unfair competition, requiring tutors to sign illegal contracts, and claims under the Private Attorneys General Act (“PAGA”). The Court has preliminarily approved the Settlement and has directed the parties to notify the Settlement Class Members of the Settlement.

You have received this notice because Cambly’s records indicate that you are a Settlement Class Member. This notice is designed to inform you of your right to receive a share of the Settlement payment, to elect not to participate in the Settlement, or to object to the Settlement.

WHAT IS THIS LAWSUIT ABOUT?

Plaintiff claims he and others who used the Cambly platform to provide ESL tutoring services have been improperly classified as independent contractors by Cambly and have sought relief under various California Labor Code provisions, Section 17200 of the California Business and Professions Code, and the Private Attorneys General Act of 2004 (“PAGA”) on behalf of the state of California and California Cambly tutors. Plaintiff primarily seeks reimbursement of his necessary business expenses, which he contends is required by California law, as well as minimum wage for all hours worked, overtime, and numerous other wage violations.

Cambly denies Plaintiff’s allegations and instead contends, among other things, that those who used the Cambly platform to provide services were correctly classified as independent contractors.

The Court has not ruled whether either party is correct.

After good-faith negotiations with an experienced, neutral mediator, in which both sides recognized the substantial risk of an uncertain outcome, the parties agreed to settle their dispute pursuant to the terms and conditions of a negotiated Settlement.

The Settlement represents a compromise and settlement of disputed claims. Nothing in the Settlement is intended to be or will be construed as an admission by Cambly that Plaintiffs’ claims have merit or that it has any liability to Plaintiff or the proposed Settlement Class on the claims in the Action.

SUMMARY OF THE SETTLEMENT

WHO IS INCLUDED IN THE SETTLEMENT?

You have received this notice and are included in the Settlement because Cambly's records show that you fall within the following definition:

The Settlement Class: all current and former tutors who provided services in connection with Cambly's platform in the State of California at any time during the period November 9, 2020 to May 26, 2022.

WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

1. The Settlement Fund is \$393,000. The Settlement Fund will fund payments to Settlement Class Members.
2. From this Settlement Fund, amounts will be deducted for attorneys' fees and costs in the amount that the Court approves, up to 33% of the total Settlement Fund (\$131,000); Class Representative Service Award for the named Plaintiff, in the amount the Court approves, estimated to be \$10,000; a payment to the Settlement Administrator for the costs of administering the Settlement that is not to exceed \$14,000 without leave of court; and a payment to the State of California for PAGA penalties, in the amount of \$22,500.
3. The remaining approximately **\$230,810** will be distributed to the Settlement Class Members. The Settlement Fund will be allocated to Class Members proportionally to their total minutes spent teaching through the Cambly platform, with no claimant receiving less than \$25.
4. Residual funds (e.g., from a returned or failed payment or if an individual does not timely cash his or her check) will be re-distributed to all those Settlement Class Members who received an initial payment and whose second payment would be more than \$50; no amount of the Settlement Fund will revert to Cambly. After this redistribution of residual funds to all Settlement Class Members, any funds that are not claimed by the Settlement Class Members (for example, from a returned or failed payment or if an individual does not timely cash his or her check) will be donated to California Controller's Unclaimed Property Fund, which allows financial institutions, insurance companies, corporations, businesses, and certain other entities to report and submit their customers' property to the State Controller's Office when there has been no activity for a period of time, in compliance with California law governing unclaimed property.
5. You **will be bound** by this Settlement if it is given final approval by the Court unless you submit a written Request for Exclusion to the Settlement Administrator, postmarked or emailed by the deadline of [REDACTED], 2026, except that all Settlement Class Members (even those who do opt out) will still release their PAGA claims through May 26, 2022. If you do mail a Request for Exclusion by the deadline in accordance with the instructions for submitting a Request for Exclusion, you will be excluded from the Settlement and **will not receive a Settlement share, but you will retain the right you may have, if any, to bring your claim against Cambly.**
6. If the Court does not grant final approval of the Settlement, does not enter the Final Approval

Order, or if the Court's Final Approval Order is reversed in whole or in part on appeal, the parties have no obligations under the Settlement, and Settlement Class Members will not receive payments. In other words, it will be as if this Settlement were never reached; Cambly will not have to pay any funds or keep any of the promises made as part of the Settlement, and Settlement Class Members will not release their claims against Cambly.

7. The Court has appointed Simpluris to act as the Settlement Administrator to administer the Settlement. The Settlement Administrator serves as a neutral, third-party who collects requests for exclusion and objections, adjudicates disputes, calculates payments, issues payments and reissues payments, and performs other tasks necessary to administer the Settlement.
8. If the Court grants final approval of the Settlement, the Court will enter judgment, the Settlement will bind all PAGA Members. "PAGA Members" are all current and former individuals who provided services in connection with Cambly's platform in the State of California at any time during the PAGA Period. PAGA Members cannot opt out of the Settlement. PAGA Members will be bound by the release described below:

any and all claims against Cambly arising within the PAGA Period, for civil penalties attorneys' fees, litigation costs (with the exception of any claims which cannot be released as a matter of law) pursuant to PAGA, that were alleged or reasonably could be brought based on the factual allegations set forth in the LWDA letter, Complaint and/or First Amended Complaint, namely Cambly's alleged misclassification of the Settlement Class as independent contractors. The claims released pursuant to this paragraph specifically include, without limitations, a release of claims under the Private Attorneys General Act, Cal. Lab. Code, § 2698, *et seq.*, related to violations of Cal. Labor Code, §§ 2802, 226.7, 226.8, 1197, 1194, 1198, 510, 554, 512, 432.5, 1182.12, 1194.2, 1197.1, 1199, 226(a), 226.3, 551, 552, 221-224, 225.5, 227, 201-203, 204, 210, 227.3, San Francisco Minimum Wage Ordinance, Los Angeles Citywide Minimum Wage Ordinance, Los Angeles County Minimum Wage Ordinance, IWC Wage Order No. 9-2001, in connection with claims related to independent contractor misclassification; as well as any other claims that Plaintiff may pursue under PAGA based on violations of the California Labor Code or any applicable California Industrial Welfare Commission Wage Orders; and all of their implementing regulations and interpretive guidelines, as well as any other similar state, local, or common law claims that relate to independent contractor misclassification, if any.

9. If the Court grants final approval of the Settlement, the Court will enter judgment, the Settlement will bind all Settlement Class Members who have not opted out, and the judgment will bar all Settlement Class Members from bringing any claims released in the Settlement, including but not limited to, claims related to allegations of independent contractor misclassification (the "Released Claims"). The release is described below:

any and all claims against Cambly arising within the Class Period (with the exception of any claims which cannot be released as a matter of law), that were alleged or reasonably could be brought based on the factual allegations set forth in the LWDA letter, Complaint and/or First Amended Complaint, namely Cambly's alleged misclassification of the Settlement Class as independent contractors. The claims released pursuant to this paragraph specifically include, without limitations, a release of claims under Cal. Labor Code, §§ 2802, 226.7, 226.8, 1197, 1194, 1198, 510, 554, 512, 432.5, 1182.12, 1194.2, 1197.1, 1199, 226(a), 226.3, 551, 552, 221-224, 225.5, 227, 201-203, 204, 210, 227.3 San

Francisco Minimum Wage Ordinance, Los Angeles Citywide Minimum Wage Ordinance, Los Angeles County Minimum Wage Ordinance, IWC Wage Order No. 9-2001, in connection with claims related to independent contractor misclassification.

All Settlement Class Members who do not timely and formally opt out of the Settlement by requesting exclusion as described below shall be bound by this release for all claims, except that all Settlement Class Members (even those who do opt out) will still release their PAGA claims through May 26, 2022.

If you wish to contact the Settlement Administrator, you may do so at (8XX) [] or []@[].com

10. If more than five percent (5%) of Settlement Class Members exercise their right to opt out of the Settlement, Cambly can decide to terminate the Settlement, meaning that it will be as if this Settlement were never reached; Cambly will not have to pay any funds or comply with any obligations made as part of the Settlement, and Class Members will not release their claims against Cambly.

WHAT ARE MY RIGHTS AS A SETTLEMENT CLASS MEMBER?

Receiving a Settlement Payment: Settlement Class Members' shares will be calculated based on the total number of minutes spent teaching during the Settlement Class Period through Cambly's online platform, as determined by Cambly.

According to Cambly's records, you have worked on estimated [] minutes during the relevant period.

These minutes do not have a value fixed at a particular dollar amount; that amount will vary depending upon many factors, including how many Settlement Class Members are receiving payments under this Agreement and the amount ultimately awarded in attorneys' fees and Class Representative Service Award to the named Plaintiff.

If you do not agree with your estimated minutes taught, you can inform the Settlement Administrator. To contest your number of minutes taught, you must provide documentation showing that you taught more minutes than estimated in this Notice **to the Settlement Administrator within sixty (60) days of receiving this Notice.**

If the Court approves the Settlement, payments will be sent to all Settlement Class Members via PayPay, using the PayPal account information on file with Cambly. **If you prefer to receive payment via some other means (e.g., other digital payment service such as Venmo, or a mailed check)** please notify the Settlement Administrator at (8XX) [] or []@[].com.

With respect to PAGA penalties, 25% of the PAGA penalties (totaling \$7,500) will be distributed pro rata to each individual tutor, in addition to their settlement share, set forth above.

11. **Excluding Yourself from the Settlement (Opt-Out):** If you do not wish to participate in the Settlement, you must mail or email a Request for Exclusion to the Settlement Administrator.

The Request for Exclusion must include: (1) the Settlement Class Member's name, address, and telephone number; (2) a clear and unequivocal statement that the Settlement Class Member wishes to be excluded from the Settlement Class; and (3) the signature of the Settlement Class Member or the Legally Authorized Representative of the Settlement Class Member (who is not the class member's counsel). Signatures may be physical ("wet ink") signatures or electronic signatures, provided that there is an electronic certificate authenticating the signature and IP address, such as that provided by DocuSign. Alternatively, if the Request for Exclusion is emailed from the email address associated with the Settlement Class Member's Cambly account, the requirement to sign the request is waived. Nothing about the Settlement's opt-out procedure prevents counsel (a) from reviewing the Settlement with the client; (b) from advising the client on whether participating in or opting out of the Settlement is in the client's (as opposed to counsel's) best interest; or (c) from preparing the opt-out request for their client to sign (e.g., including the requisite information such as the Settlement Class Member's name, address, and telephone number, and a clear and unequivocal statement that the individual wishes to be excluded).

The Request for Exclusion must be completed, signed, and mailed or emailed to the Settlement Administrator at the address identified below, postmarked or emailed no later than [REDACTED], 2026. **A Settlement Class Member who fails to return a Request for Exclusion in the manner and by the deadline specified above will be bound by all terms and conditions of the Settlement and the Judgment, regardless of whether he or she has objected to the Settlement.** Requests for Exclusion must be exercised individually by the Settlement Class Member (or their Legally Authorized Representative who is not the Settlement Class Member's counsel), even if the Settlement Class Member is represented by counsel. Attempted collective group, class, or subclass requests for exclusions shall be ineffective and disregarded by the Settlement Administrator.

Any person who files a complete and timely Request for Exclusion will, upon receipt, no longer be a member of the Settlement Class and will not be eligible to receive a payment. Any such person will retain the right, if any, to pursue at his or her own expense a claim against Cambly. A Request for Exclusion that does not fulfill the requirements above will be deemed invalid.

If a Settlement Class Member submits both an objection and a valid and timely Request for Exclusion, the Request for Exclusion will be accepted and the objection will be rejected.

Please note that Requests for Exclusion do not apply to the release of PAGA claims contemplated by the Settlement. Settlement Class Members who validly and timely submit a Request for Exclusion will nevertheless be bound by the settlement and release of PAGA claims, and therefore any PAGA claims that any Settlement Class Member may possess for the Settlement Class Period shall be extinguished if the Court approves the Settlement.

There will be no retaliation or adverse action taken against any Class Member who participates in the Settlement, elects not to participate in the Settlement, or objects to the settlement.

12. **Objecting to the Settlement:** If you think the settlement is unfair and should not be given final approval, you may mail or email an objection to the Settlement Administrator. You may also attend the Fairness Hearing and make your objection to the Court at that time, without submitting an objection to the Settlement Administrator. If you choose to object to any aspect of the Settlement (including to the Settlement itself, the request for attorney's fees, or the Class Representative Service Awards), you opt out of the Settlement. If a Settlement Class Member submits both an objection and a valid and timely Request for Exclusion, the Request for Exclusion will be accepted and the objection will be rejected.

If you choose to object, you will remain a Settlement Class Member and will be deemed to have waived the right to pursue any independent remedy against Cambly for the claims being released in the Settlement.

If the Court does not give final approval to the Settlement, no settlement payments will be sent out and the lawsuit will continue.

All written objections and supporting papers must be mailed or emailed to the Settlement Administrator at the Settlement Administrator's address or email address below and be postmarked on or before [Address], 2026. All objections must be in writing and contain at least the following: (1) a clear reference to the case, which is *Waldrep v. Cambly Inc.*, Case No. 34-2022-00314360 in the Superior Court of the State of California, County of Sacramento; (2) your name, current address, and telephone number; (3) a description of why you believe the settlement is unfair; and (4) a signature by the objecting class member if the request is being mailed. A signature is not required on an emailed objection provided that it is sent from the email address associated with the Settlement Class Member's Cambly account.

13. **Participating in the Final Approval Hearing:** You may appear and object at the Final Approval Hearing in person or appear through counsel of your choice, paid at your own expense, and be heard at the time of the Final Approval Hearing, if you wish to do so. **If the Court overrules your objection and gives final approval to the Settlement, you will be bound by the terms of the Settlement and receive a Settlement Payment if you submitted a Claim.**
14. **Keep Your Information Up to Date:** It is your obligation to keep the Settlement Administrator informed of any changes in your mailing address until your Settlement Payment is received, should final approval of the Settlement be granted. Failing to provide the Settlement Administrator with any change of your mailing address may prevent you from receiving your Settlement Payment.
15. **The Settlement Administrator's Address & Email Address.** You may send a paper/hard copy Request for Exclusion, or Objection to the Settlement Administrator at the following mailing address:

[Address]
[Address]
[Email Address]

CLASS COUNSEL

Contact information for Class Counsel is provided below:

Shannon Liss-Riordan
Lichten & Liss-Riordan, P.C.
729 Boylston Street, Suite 2000
Boston, MA 02116
www.llrlaw.com
Phone: (617) 994-5800
claims@llrlaw.com, Firm Settlement Administrator

FINAL SETTLEMENT APPROVAL HEARING

The Court has scheduled the Settlement Fairness Hearing for [] on [], 2026, in the Superior Court for the County of Sacramento, Department 22, Gordon D. Schaber Sacramento County Courthouse at 720 9th Street, Sacramento, CA 95814, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the requests for the Class Representative Service Award and the Class Counsel Award and Costs.

The hearing may be postponed without further notice to the Class. **It is not necessary for you to appear at this hearing.** If you plan to attend the Fairness Hearing, you may contact Class Counsel to confirm the date and time or check the settlement website, as the hearing may be rescheduled without further notice.

You may also attend the Settlement Fairness Hearing remotely via Zoom. You may attend remotely by joining the Zoom link or dialing into the telephone number listed below:

Zoom link: <https://saccourt-cagov.zoomgov.com/my/sscdept22>
Dial-in: (833) 568-8864 / ID: 16184738886

GETTING MORE INFORMATION

This notice summarizes the proposed settlement. For more precise terms and conditions of the Settlement, please contact Class Counsel (contact information above), visit the Settlement website at [www.\[WEBSITE\].com](http://www.[WEBSITE].com), or contact the Settlement Administrator at XXX-XXX-XXXX. Notice of entry of final judgment will be provided on the Settlement website.

PLEASE DO NOT TELEPHONE THE COURT, CAMBLY OR CAMBLY'S COUNSEL FOR INFORMATION!

YOU MAY CALL THE SETTLEMENT ADMINISTRATOR OR CLASS COUNSEL LISTED ABOVE.

Dated: _____, 2026.
By Order of the Court