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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE
CIVIL COMPLEX CENTER**

FREDERICK BERNARD on behalf of
himself and all similarly situated persons, and
the general public,

Plaintiff,

vs.

OPTIMA TAX RELIEF, LLC; OPTIMA
FINANCIAL GROUP, LLC; and DOES 1
through 25, inclusive,

Defendants.

Case No.: 30-2022-01288055-CU-OE-CXC

[Assigned for all purposes to the Honorable
William Claster, Dept. CX101]

**DECLARATION OF JOHN GLUGOSKI
IN SUPPORT OF NOTICE OF
UNOPPOSED MOTION AND
UNOPPOSED MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

DATE: January 16, 2026

TIME: 9:00 a.m.

DEPT: CX101

1 I, **JOHN GLUGOSKI**, hereby declare as follows:

2 1. I am an attorney licensed to practice law in the State of California with Righetti
3 Glugoski, P.C. (Formerly Righetti Law Firm P.C.), attorneys of record for Plaintiffs. I have
4 personal knowledge of the following facts and if called as a witness would testify as follows:

5 **EDUCATION AND EXPERIENCE**

6 2. I graduated from the University of California at Berkeley in 1993 with a degree
7 in Political Science. I then graduated from the University of San Francisco, School of Law in
8 1997. I am admitted to practice law before the following courts: United States Court of Appeals,
9 Ninth Circuit, United States Court of Appeals, Federal Circuit, United States District Court,
10 Northern, Central, Eastern, and Southern Districts of California, and all of California's state
11 courts.

12 3. I have been practicing law full time for over twenty-eight (28) years. My practice
13 has been devoted to complex class action and/or representative action litigation for the past
14 twenty-six years. Much of this litigation has involved class action and representative action
15 prosecution of wage and hour laws (state and federal), state and federal privacy laws (FCRA,
16 CCPA and CCCRA) and consumer laws. A sampling of some of the more significant
17 class/representative action cases (including wage and hour litigation) handled by Righetti
18 Glugoski, P.C., includes:

- 19 • Co-lead counsel in *Rocher v. Sav-On Drug Stores* (Hon. Victoria G. Chaney, Los Angeles
20 County Superior Court); See, *Sav-On Drug Stores, Inc. v. Superior Court*, (2004) 34 Cal.4th
21 319 (reversing the Second DCA, the California Supreme Court unanimously reinstated the trial
22 court's order granting class certification). The *Sav-On* litigation was settled after the first phase
23 of trial.
- 24 • Lead counsel in *Gentry v. Circuit City Stores, Inc.*, (2007) 42 Cal.4th 443 (reversing the
25 Court of Appeal, the California Supreme Court set forth the factors for trial courts to use in
26 determining whether or not to enforce bans on class actions in employment arbitration
27 agreements).

- 1 • Lead counsel in *Crab Addison v. Superior Court*, (2008) 169 Cal.App.4th 958 [affirming
2 the trial court, the Court of Appeal upheld an order compelling defendant to divulge names and
3 contact information of putative class members in wage and hour overtime action].
- 4 • Lead counsel in *Rutti v. Lojack Corp., Inc.* (2010) 596 F.3d 1046 [granting plaintiffs'
5 petition for rehearing, the Ninth Circuit reversed the district court's summary judgment order
6 setting parameters for the *de minimus* doctrine and compensable "hours worked" under both
7 state and federal law].
- 8 • Co-lead counsel in *In re Trans Union Privacy Litigation* (MDL, Northern District of
9 Illinois). We were appointed by the Hon. Marvin E. Aspen to serve as co-lead counsel in
10 multidistrict litigation against Trans Union. The litigation focused on Trans Union's use of its
11 vast database of financial information, which includes the confidential financial information of
12 most adults in the United States, to create and sell "target marketing" lists to advertisers in
13 violation of the FCRA. After nearly a decade of litigation the case resulted in a settlement with
14 Trans Union valued at more than \$100 million (including \$75 million in cash). The settlement
15 obtained final approval from the Hon. Robert Gettleman on September 17, 2008. In August
16 2009, all appeals of the order approving the settlement were dismissed and the settlement
17 became final. Pursuant to the terms of the settlement, credit monitoring relief was distributed to
18 class members as well as a cash payment to class members. We believe the Trans Union
19 certified class is the largest class of individuals ever certified in the United States.
- 20 • Counsel in *Elder v. Schwan Foods* (individual exemption misclassification) tried to a jury
21 verdict in the Los Angeles Superior Court. First Appeal: On May 12, 2011, the California Court
22 of Appeal reversed a trial court order that failed to award restitution and penalties following a
23 jury verdict in favor of our client. The Court of Appeal ordered the trial court to reconsider the
24 equitable remedies of restitution and civil penalties. Second Appeal: On February 27, 2013, the
25 employer contended it was deprived of its right to a statement of decision because the trial court
26 did not issue a tentative decision. The Court of Appeal rejected the employer's appeal finding
27 both that there was no prejudicial error and there was sufficient evidence in the record to award
28 restitution and civil penalties for violation of California's overtime laws.

- 1 • Counsel in the matter *Roberto Martinez et al. v. Joe's Crab Shack Holdings et al.*, 231
2 Cal.App.4th 362 (2014) where the Court of Appeal reversed the trial court's denial of class
3 certification in an executive misclassification case.
- 4 • Co-counsel in cases against Home Depot and 99 Cent Only Stores where the trial courts
5 limited the California Private Attorney General Act (PAGA) only to claims under the Labor
6 Code and not to claims under the IWC Wage Orders. In both cases the Courts of Appeal
7 reversed in published decisions. See *Home Depot v. Superior Court* (2011) 191 Cal.App.4th
8 210 (review denied March 16, 2011) (holding PAGA applicable to seating claims on grounds
9 that Labor Code §1198 incorporates IWC Wage Order protections); *Bright v. 99 Cents Only*
10 *Stores* (2010) 189 Cal.App.4th 1472 (review denied February 16, 2011) (same).
- 11 • Co-counsel in a PAGA action against Bank of America on behalf of California bank
12 tellers. The case was twice dismissed by Judge Real. Judge Real's orders were both reversed
13 by the Ninth Circuit – *Green v. Bank of America, N.A.* (9th Cir. 2013) __ Fed. Appx., 2013 WL
14 _____ and *Green v. Bank of America, N.A.* (9th Cir. 2015) 634 Fed.Appx. 188. On remand
15 the Ninth Circuit removed the case from the docket of Judge Real and re-assigned the case to
16 Judge Percy Anderson.
- 17 • Class counsel in the certified class action *Hall v. Rite Aid Corporation* in San Diego
18 County Superior Court. In 2014 the Fourth District Court of Appeal reversed the trial court's
19 decertification order. See, *Hall v. Rite Aid Corporation*, 226 Cal.App.4th 278 (2014, review
20 denied August 27, 2014). The case settled for \$18M on the day of trial.
- 21 • We were co-counsel in litigation against Wal-Mart, JPMorgan Chase Bank and CVS
22 Pharmacy Inc. (*Henderson v. JPMorgan Chase Bank* (C.D. Cal.), No. 2:11-CV-03428), *Brown*
23 *v. Wal-Mart, Inc.* (N.D. Cal.), No. 5:09-cv-03339-EJD, and *Kilby v. CVS Pharmacy, Inc.* (S.D.
24 Cal.), No. 09-CV-2051-MMA. The district court in *Wal-Mart* granted class certification based
25 on plaintiffs' construction of the law, while the district courts in *CVS* and *JPMorgan Chase*
26 denied class certification after rejecting plaintiffs' construction of the same law. All three cases
27 were then appealed and coordinated before the Ninth Circuit in December 2013. The Ninth
28 Circuit panel asked the California Supreme Court to accept certification of three questions of

1 statutory construction (739 F.3d 1192). More than two years later, after extensive briefing by
2 the parties and *amici*, the California Supreme Court in April 2016 issued its unanimous opinion
3 in *Kilby* setting forth its definitive construction of the law. *Kilby v. CVS* (2016) 63 Cal.4th 1.
4 Based on this construction by the California Supreme Court, the Ninth Circuit affirmed the grant
5 of class certification in *Wal-Mart* (2016 WL 3212265) and reversed the district court orders in
6 *CVS* and *JPMorgan Chase*. Wal-Mart settled for \$65M.

7 4. Righetti Glugoski, P.C. acted as trial counsel in what we believe are the only four
8 class action overtime cases ever to have been tried under the quantitative executive exemption
9 standard articulated in *Ramirez v. Yosemite Water Company*, (1999) 20 Cal.4th 785. We were
10 trial counsel in a class action tried in Los Angeles County Superior Court before the Hon. J.
11 Stephen Czuleger, resulting in a finding that U-Haul had misclassified all California salaried
12 “General Managers” as exempt from overtime. We were also trial counsel in a certified class
13 action tried in San Diego County Superior Court before the Honorable Patricia Cowett, resulting
14 in a judgment finding that Party City had misclassified salaried employees as exempt and an
15 award of class wide damages, fees and costs. In the third case, we were trial counsel in the *Sav-*
16 *on* overtime litigation where, following remand after appeal, we completed the first phase of
17 trial before the Honorable Victoria G. Chaney in Los Angeles County Superior Court (complex).
18 The case was then settled before the second phase of trial. In the fourth trial, we were class
19 counsel in a certified class action against Taco Bell alleging that its restaurant general managers
20 were misclassified as exempt under California law. The case was tried in the San Diego County
21 Superior Court before the Hon. Kevin Enright and settled after four weeks of trial.

22 5. I was also honored as one of the Daily Journal’s Top Labor & Employment
23 Lawyers for 2010 for my work on *Rutti v. Lojack*. I speak on panels that involve class action,
24 representative action and employment issues such as trial methodology, class certification,
25 discovery and privacy issues, arbitration agreements and releases, mediation and settlement and
26 recent developments in the field. Speaking engagements are typically for organizations such as
27 California Employment Lawyers Association, Bridgeport CEB, and a wide range of Bar
28 associations.

1 6. Over the years litigating these kinds of cases, we have developed a good deal of
2 appellate experience. It is quite common for our cases to traverse through the appellate courts
3 during the course of proceedings. We have also represented plaintiffs in many other appellate
4 court decisions in state and federal court and at the NLRB. Righetti Glugoski also represents
5 various amicus groups on occasion in court of appeal proceedings. We have handled appeals
6 throughout California and in the federal courts of the Ninth Circuit, the Seventh Circuit, the
7 Fourth Circuit and the Federal Circuit.

8 7. We have been working with Reuben Nathan from Nathan & Associates, APC
9 during the entirety of this litigation. Mr. Nathan has extensive experience litigating class actions,
10 including in the area wage and hour litigation. I believe Mr. Nathan is well qualified to evaluate
11 the claims in this case.

12 **INVESTIGATION AND RELEVANT LITIGATION HISTORY**

13 8. Plaintiff in this action was hired and worked for Optima in California as a non-
14 exempt tax consultation employee during the class period. On October 25, 2022, Plaintiff,
15 through his attorneys, filed the class action Complaint. The Complaint alleged causes of action
16 for: (1) Failure to Pay Overtime and Double Time; (2) Improper Meal Periods; (3) Improper
17 Rest Periods; (4) Improper Wage Statements; (5) Unlawful Deductions (6) Failure to
18 Reimburse, (7) Unfair Business Practices, (8) Harassment on the Basis of Marital Status in
19 violation of FEHA, (9) Discrimination on the Basis of Marital Status in Violation of FEHA; and
20 (10) representative claims under a private attorneys general action. Plaintiff allege Defendants
21 engaged in wage and hour violations and discussed the same with co-employees who
22 corroborated to Plaintiffs that they had experienced the same violations that Plaintiff complained
23 of

24 9. On December 29, 2022, Defendants filed their respective Answers to Plaintiff's
25 Complaint.

26 10. On February 17, 2023, Plaintiff filed the First Amended Complaint, alleging
27 causes of action for: (1) Failure to Pay Overtime and Double Time; (2) Improper Meal Periods;
28 (3) Improper Rest Periods; (4) Improper Wage Statements; (5) Unlawful Deductions (6) Failure

1 to Reimburse, (7) Unfair Business Practices, (8) Harassment on the Basis of Marital Status in
2 violation of FEHA, (9) Discrimination on the Basis of Marital Status in Violation of FEHA, and
3 (10) Violation of Labor Code § 2698 et seq.

4 11. On March 27, 2023, Defendants filed their respective Answers to Plaintiff's First
5 Amended Complaint.

6 12. On June 26, 2023, Plaintiff filed a Request for Dismissal of Plaintiff's individual
7 Causes of Action nos. Eight (8) and Nine (9) only.

8 13. On March 12, 2024, Plaintiff filed the Second Amended Complaint alleging
9 causes of action for: (1) Failure to Pay Overtime and Double Time; (2) Improper Meal Periods;
10 (3) Improper Rest Periods; (4) Improper Wage Statements; (5) Unlawful Deductions; (6) Failure
11 to Reimburse; (7) Wages not paid on Separation; (8) Unlawful Business Practices; and (9)
12 Violation of Labor Code § 2698 et seq.

13 14. On April 9, 2024, Defendants filed their respective Answers to Plaintiff's Second
14 Amended Complaint.

15 15. On September 10, 2024, the Parties participated in a full-day mediation with
16 Anthony F. Pantoni, Esq. The Parties did not resolve the case at mediation.

17 16. Following mediation, the Parties continued to litigate the case while entertaining
18 settlement discussions. The Parties agreed on the terms of settlement herein.

19 17. The work performed in this case has been extensive. Upon the filing of this
20 action, Plaintiff and Defense Counsel conducted extensive discovery including completion of the
21 depositions of the parties, propounding and responding to multiple sets of Form Interrogatories,
22 Special Interrogatories, and Request for Production. There were numerous successful Motions to
23 Compel brought by Plaintiff to compel Defendants to provide sufficient discovery responses and
24 produce all relevant documents. Plaintiff was able to obtain the names and contact information
25 for the class members. After several years of litigation and with Plaintiff about to file his class
26 certification motion, the parties met and conferred about the allegations set forth in this wage and
27 hour class action to determine how best to proceed. In the interest of judicial economy and to
28 avoid incurring unnecessary litigation costs, the parties agreed to mediate the case. The

1 agreement to mediate was premised on Optima providing the data information necessary to
2 evaluate the claims in this case. Specifically, Plaintiff's counsel sought and received information
3 about the number of employees, the number of pay periods, the number of workweeks, dates of
4 employment, the average pay rate, and any meal and rest break premiums paid. The mountain
5 of work performed in the case was the catalyst for the parties' negotiations and eventual
6 resolution of this case. The discovery conducted by counsel also demonstrates that Plaintiffs have
7 and will continue to fairly and adequately represent the class.

8 **THE SETTLEMENT**

9 18. The parties negotiated the terms of the settlement and entered into the by the Class
10 Action and PAGA Settlement Agreement and Release ("Settlement Agreement"), and Notice of
11 Class Action Settlement (the "Class Notice"). These negotiations lasted for months and the
12 parties encountered numerous difficulties in reaching agreement as to the terms of the settlement
13 and the language of the Class Notice. Nevertheless, the parties worked together as best they could
14 to finalize the settlement terms, which are memorialized in the Settlement Agreement. The Class
15 Notice accurately describes all the information necessary for Class Members to understand the
16 nature of the action, the terms of the settlement and their options and deadlines. Marked and
17 attached hereto as Exhibits 1 and 2 are true and correct copies of the Settlement Agreement and
18 proposed Class Notice.

19 19. Plaintiff's counsel (Righetti Glugoski, P.C. and Nathan & Associates, APC) are
20 very familiar with wage and hour class actions in general – and particularly those that arise in the
21 context of the business and financial industry with similar claims alleged herein. Plaintiff's
22 counsel has been counsel of record and settled numerous cases that involve similar groups of
23 employees, issues, and industry against the likes of Loan Depot, Nationstar, Guaranteed Rate,
24 Rocket Mortgage, and Home Point. Plaintiffs' counsel's experience in litigating and settling
25 similar cases in the business and financial industry provided Plaintiff with a strong foundation to
26 not only appreciate the strengths and the weaknesses of each side's position but also how to value
27 the claims for purposes of a settlement. Each of the classes in these other cases involved a similar
28 number of employees (i.e., around 1,000-1500 employees). Here there are 1343 employees.

1 During the course of the parties' settlement discussions, Optima was forthcoming with all the
2 necessary information to evaluate the claims in this case.

3 20. The work, referenced above, enabled Plaintiff to enter settlement negotiations
4 armed with the information necessary to evaluate and resolve this matter for a fair and reasonable
5 amount, having thoroughly assessed the risks and prepared an estimated class-wide damages
6 model.

7 21. The negotiations were conducted at arm's-length, and the resulting settlement was
8 the outcome of an informed and educated analysis regarding certification and liability issues and
9 the total exposure in relation to the costs and risks affecting Plaintiff and the Class. This
10 settlement was accomplished after discovery and investigation, with Plaintiff having invested in
11 extensive factual and legal research, engaged in numerous discussions and exchanges of
12 correspondence, reviewed, and analyzed time and payroll records and data, policy documents,
13 and other relevant documents, and conducted extensive negotiations thereafter. It was only after
14 the parties thoroughly assessed the risks that they entered into a well-reasoned settlement.

15 22. There were considerable risk and uncertainty for both sides which gave the parties
16 the perspective and the incentive to thoroughly assess the risks of the case. Class Counsel
17 advocated vigorously on behalf of the Class throughout the negotiations in order to negotiate a
18 settlement that is in the best interest of the Class Members and provides adequate class-wide
19 relief. These factors also support a finding that the settlement is fair and reasonable.

20 23. Plaintiff's counsel thoroughly analyzed all of the available information and
21 documents to evaluate the strength of each claim and prepare a class-wide damages analysis,
22 taking into account the strengths and weaknesses of the parties' positions, the risks of litigation -
23 - and Optima's financial position given the present challenges facing the mortgage industry to
24 arrive at this settlement.

25 24. T The total settlement amount is \$1,500,000.00 which will be used to compensate
26 Class Members, make a \$37,500.00 payment to the LWDA (75% of the \$50,000.00 PAGA
27 allocation), pay the Settlement Administrator's Expenses, the Class Representatives' service
28 payments, and Class Counsel's attorneys' fees and costs. See, Settlement Agreement, Ex. 1 ¶¶

16 & 24. The employer-side payroll taxes on the wage portion of the settlement will be paid separately and in addition to the total settlement amount. Settlement Agreement, Ex. 1 ¶ 16.

To make the relief provided by the Settlement as accessible to Class Members as possible, the Parties have agreed to eliminate the claims process. Settlement Agreement, Ex. 1 ¶ 59(a)(i). Each Class Member who does not submit a timely and valid opt-out request within 45 days after the Class Notice is first mailed will be automatically mailed a check for his or her pro rata portion of the Settlement. Settlement Agreement, Ex. 1 ¶ 59 a.(iii-iv).

25. To make the relief provided by the Settlement as accessible to Class Members as possible, the Parties have agreed to eliminate the claims process. (Sett. Agmt. ¶ 6.1). Each Class Member who does not submit a timely and valid opt-out request within 45 days after the Class Notice is first mailed will be automatically mailed a check for his or her pro rata portion of the Settlement. (Sett. Agmt. ¶ 4.2.4.2). The Settlement Agreement provides that Class Members shall have one-hundred eighty (180) calendar days from the postmark date of the checks to deposit or otherwise cash their settlement checks. Settlement Agreement, Ex. 1 ¶¶ 59 a.(vii). As to the funds that remain in the Settlement Fund Account after 180 days due to Class Participants' failure to deposit or cash their settlement checks, those funds will be sent to the State of California's Unclaimed Property Fund in the Class Participants' names.

26. Class Participants will release all claims arising from the same set of facts alleged in the operative Complaint or in the LWDA letters, including claims for: failure to provide rest periods and meal periods; failure to pay minimum, regular, and overtime wages; failure to timely pay wages during employment and/or upon termination; unreimbursed business expenses; improperly itemized wage statements; unfair competition; and violations of the Private Attorneys General Act. Class Participants will release all claims arising from the same set of facts alleged in the SAC and the LWDA letters. Settlement Agreement, Ex. 1 ¶ 33. The released parties are defined as:

- (i) Defendants and their respective present and former parents, owners, subsidiaries, and any affiliated or related persons or entities and each of their respective officers, directors, partners, shareholders, attorneys and agents and any other successors, assigns, or legal representatives. The Released

Parties include, but are not limited to, Optima Tax Relief, LLC and Optima Financial Group, LLC..

Settlement Agreement, Ex. 1 ¶ 34

The PAGA Employees will release all claims for PAGA penalties that were alleged or could have been alleged by Plaintiffs based on the facts alleged in the SAC and Plaintiffs' LWDA PAGA letters referenced above. Settlement Agreement, Ex. 1 ¶ 33.

27. The time period covered by the release is January 1, 2020 through the date the Court grants preliminary approval.

28. The Settlement Agreement allows Class Counsel to apply for an award of attorneys' fees of 33.3% of the Total Settlement Amount (\$500,000) plus costs not to exceed \$50,000.00. Settlement Agreement, Ex. 1 ¶ 2. Plaintiff may also apply to the Court for a Class Representative Service Award of up to \$20,000.00 to compensate Plaintiff for his service to the class. In addition, the Court recognizes that in exchange for a general release (i.e., a release that is broader than the Class Member release), the named Plaintiff shall receive \$25,000.00. See Exhibit 1 attached hereto, Settlement Agreement ¶ 57.¹

29. These amounts are preliminarily reasonable and justified based on the work performed and the costs incurred by Plaintiff and Plaintiff's counsel in order to obtain a successful result on behalf of the Class Members. Plaintiff will file a Motion for Award of Class Representative Service Payments, General Release Payments, Settlement Administrator's Expenses, and Class Counsel's Attorneys' Fees and Costs to be heard at the same time as the Motion for Final Approval. To the extent the Court awards less than the requested amounts, the difference will be added to the amount to be distributed to the Class Members. Settlement Agreement, Ex. 1 ¶ 59(a)(iv).

30. The Settlement Agreement provides for each Class Member to receive notice of the Settlement by first class mail after skip tracing to ascertain any address changes. Settlement

¹ Plaintiff has entered into General Releases and waived his rights under Civil Code Section 1542 in order to resolve any all potential claims Plaintiff has or may have, whether known or unknown against Optima in exchange for general release payments not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00).

1 Agreement, Ex. 1 ¶ 58(a)(i). The notice administration plan will ensure that substantially all of
2 the Class Members receive notice of the Settlement and will be adequately apprised of and able
3 to exercise their rights and options thereunder. Settlement Administrators, ILYM Group, an
4 experienced third-party claims administrator, will handle all aspects of the notice process and
5 settlement administration including running searches for current Class Member mailing
6 addresses using all reasonably available sources, methods and means including, but not limited
7 to, the National Change of Address database, skip traces, and direct contact by the Administrator
8 with Class Members. Settlement Agreement, Ex. 1 ¶ 58(a)(i) and ILYM Group's CV and
9 proposal detailing their work in this case are both marked and attached hereto as Exhibit 3.

10 31. Each Class Member's Individual PAGA Payment will be calculated by: (a) dividing
11 the PAGA Employees' twenty-five percent (25%) share of the PAGA Payment (\$50,000.00) by
12 the total number of Pay Periods worked by all PAGA Employees during the PAGA Period and
13 (b) multiplying the result by each PAGA Employee's Pay Periods. Ex. 1 ¶ 59(a)(ii). Each PAGA
14 Employee will be entitled to receive an Individual PAGA Payment equal to at least one (1) Pay
15 Period. PAGA Employees assume full responsibility and liability for any taxes owed on their
16 Individual PAGA Payments. The Administrator will report the Individual PAGA Payments on
17 IRS 1099 Forms. PAGA Employees assume full responsibility and liability for any taxes owed
18 on their Individual PAGA Payments.

19 31. Plaintiff has no conflict of interest with the class members. They performed the
20 similar work and was subject to the same policies and practices as the Class Members. Plaintiff's
21 claims are identical to the claims of the other class members and arise from the same course of
22 conduct by Defendant. Plaintiff has embraced their responsibilities as the class representative by
23 actively participating in this case, providing documents, identifying witnesses, providing
24 valuable information regarding the policies and practices at issue in this case and Defendant's
25 business structure, engaging in the settlement process, and consulting with counsel throughout
26 the litigation.

27 32. The Settlement provides a significant monetary relief to the Class Members to
28 compensate them for the alleged wage-and-hour violations at issue in this case.

1 33. The proposed settlement of \$1,500,000.00 is to resolve the claims of the 1343
2 Class Members who worked a total of approximately 121,300 workweeks.

3 34. The negotiations were conducted at more than arm's-length and the resulting
4 settlement was the outcome of an informed and educated analysis regarding certification and
5 liability issues and the total exposure in relation to the costs and risks affecting Plaintiff and the
6 Class. Plaintiffs address each of the claims below.

7 **Meal break premiums** – Optima's policy historically has been to track meal period
8 violations and cash out meal premium owed to employees upon separation from the
9 company as opposed to paying the premium in the pay period in which they occurred.
10 After November 2022, Optima began paying premiums in real time (i.e., in the pay period
11 there was a violation). However, Optima continued to pay out pre-Nov. 2022 violations
12 at time of separation. Based on a review of Optima records, there is just under \$24,000
13 outstanding in meal period premiums owed to currently employed employees that were
14 tied to pay periods prior Nov. 2022.

Based on this settlement, the currently employed employees who are owed meal
premiums for workweeks prior to. Nov. 2022 will be paid out now rather than having to
wait until they separate from the company.

15 **Rest Break Violations** Although employees had to log in and out for lunch, there was no
16 recordation policy for rest breaks. However, Optima's phone bank system was designed
17 to authorize and permit rest breaks. Optima designed a system where employees would
18 enter the phone bank and move up the list as calls were distributed, with the person at the
19 top of the list being assigned the next call. Optima provides a feature for the employees
20 go on "inactive" status on the phone bank list for rest breaks and then when they return,
21 the employees return to their place in line so as not to be prejudiced for taking breaks.
22 Optima's operations kept detailed logs of each employee as they sat in the phone bank
23 queue waiting to answer potential leads, business opportunities and customer calls.
24 Potential rest break violations stem from employees remaining on the phone bank because
25 they wanted to maximize their time in which they were available to receive leads rather
26 than go on break. Defendants' policies mandated employees take their rest breaks with
27 multiple trainings where employees confirmed understanding of the Defendants' rest
28 break policy (D's Bates 637-647). Under the authorize and permit standard, the likelihood
of success on this claim was minimal at best with the chance of class certification next to
zero. Plaintiff's evaluation of the value of the claim is that it has no real value.

Off-The-Clock: Defendants have a written policy that employees cannot work overtime
unless it is approved by a manager. There was never any direction or instruction from
corporate or a manager to the employees demanding that they work during or through rest
break periods. In fact, in 2020, Optima issued numerous memos confirming that no

1 employees should be working off the clock. Plaintiff and putative class members concede
2 this fact. Yet, there appears to be instances where employees logged into the phone bank
3 to obtain prime positions in the “phone bank” line before the start of their shift so they
4 would be amongst the first people to get a lead, with little to no wait time. The off-the-
5 clock claim is predicated on employees clocking into the phone bank 10-15 minutes
6 before the start of their shift (limited to the morning shift and not for folks that start after
7 5am) to ensure that they can compete for leads. This practice appears to be the product of
8 employees trying to “jump the gun.” Optima provided a random sample of the putative
9 class member time records. Plaintiff’s analysis shows 15% of the records containing
10 instances that could be characterized as “off the clock” work. There are 121,300
11 workweeks and 606,500 workdays, approximately 90,975 (15% x 606500 workdays)
12 with potential violations. Assuming, this practice warrants the payment of additional
13 compensation – a real challenge under the law since no actual work was being performed
14 -- the potential value of this claim is approximately \$454,875 (15 minutes [.25] x 90975
workdays x [15% violation rate] x \$20 per hour). Off-the-clock claims are difficult to
certify under current law where there are solid timekeeping policies and training, but if
you also consider the company policy to not work off-the-clock without approval, testing
and training confirming not to work off-the-clock without permission is a violation of
policy, no evidence of manager instructions contradicting policy, and the limited number
of employees logged-in pre-shift, there are even more hurdles.

15 Based on the 15-minute pre-shift work, the off-the-clock liquidated damages claim
16 amounts to \$454,875 (15 minute/60 minute in an hour * \$20 per hour *90975 workdays)
17 which was reduced based on Defendant’s contention that it acted in good faith and had
reasonable grounds to believe it was complying with the law.

18 **Failure to Pay Regular Rate:** Optima records indicate a potential miscalculation of the
19 regular rate when computing overtime. In most cases, the difference is less than \$.20.
20 \The difference is driven by when any given employee earns her/his commission in a pay
21 period. Plaintiff argued that payment should occur immediately within the pay period
22 whereas Defendants believe that due to underwriting and approval process, Defendant
23 correctly paid its employees in a timely manner. Additionally, assuming Plaintiff’s
24 position is correct, half of the time class members didn’t receive their payments and half
25 of the time Plaintiff was overpaid, which further diminishes this claim. Based on the
26 sampling and extrapolation, the damages for unpaid bonus due to overtime is less than
27 \$5,000.00.

28 **Reimbursement Claim:** Plaintiff’s class period (due to Defendant’s previous
settlements in the Debar class action and Garcia PAGA action) begins in January 2020.
Optima implemented a policy to reimburse employees for at-home office expenses in
September 2020. Optima pays a \$40 per month for internet and \$10 per month for phone
use under the reimbursement policy. The total exposure from January 2020 to September
2020 equals 1,260 months. There were on average 140 Full-time Equivalents during this

1 period. 140 employees x 9 months = 1,260 months. 1260 months x \$50 per month =
2 \$63,000.²

3 Waiting time penalties: There are approximately 909 former employees with an average
4 pay rate of \$20. Plaintiff was given a sample of 10%. The difference in what the regular
5 rate that Optima paid and the regular rate that was owed resulted in half the employees
6 being overpaid and one-half being underpaid. Whether the employee was overpaid or
7 underpaid, the average was mere pennies. Based on the records, which show about 50%
8 being paid a higher regular rate than they were owed, Plaintiff estimates the potential
9 value of the claim to be in the range of \$2.17M (454 employees x. 8 hours x 30 days x
10 \$20). Under California Labor Code Section 203, the conduct of the employer must be
willful. Given that half the employees were overpaid and half were underpaid by a mere
few cents, Plaintiff views the ability to establish that Optima's conduct was willful to be
an uphill battle. Plaintiff discounts the value of this claim by 50% to be
\$1,085,000.00 because it is possible that the Court could find the error to be clerical or a
computer glitch rather than willful under the LC 203 standard.

11 **Wage Statement Violation:** There are two applicable theories (accuracy of wage
12 statements and furnishing wage statements); however, recovery would only be allowed
13 under one theory. In other words, the employee is not entitled to double dip - damages
14 for inaccurate wage statements and then an additional damage if the wage statement was
found not to be "furnished."

15 With respect to accuracy, there are approximately 36,941 pay periods during the class
16 period covering 909 employees' particular claim. If we assume a violation for every pay
17 period, then a maximum recovery would be \$1,847,050 (36,941 x \$50 rate for initial
18 violation). However, as set forth above, about 50% of the sampling were overpaid (i.e.,
19 paid a regular rate that is above the legally mandated regular rate), which reduces
exposure to \$923,525.00. There is also the strong possibility that the willful standard –
similar to 203 waiting time penalty claims – would not be met for similar reasons (i.e.,
the difference between the regular rate paid and owed is a mere pennies and in half the
situations the employee was paid a regular rate above the legal required rate.

20 Regarding the issue of whether the employees were "furnished" wage statements, this is
21 a claim that would be applicable to all 36,941 pay periods with a potential value of
22 \$1,847,050 (36,941 x \$50 rate for initial violation). This claim is susceptible to a viable
23 and potentially strong defense. Optima implemented electronic wage statements without
24 a formal election before moving to electronic wage statements. But, subsequently, the
25 employees were told they could request to receive hard copies. There is a significant risk
26 that a court would find a) that Optima's subsequent offer/option to employees after the
move to electronic wage statements allowing for wage statements in hard copy format
would meet the "furnish" standard and/or b) that Optima had a good faith belief that
Optima was complying with the "furnish" requirement because the wage statements could

27 2 *This is based on Plaintiff's theory of the case that the Court could find Optima liable for a variety of home*
28 *office related expenses such as reimbursement to employees for home office space, utilities, cell phone, and furniture.*

1 be obtained through either on-line or formal request. The Court would have to find that
2 Optima acted willfully in violating Labor Code 203. There is strong likelihood that the
willful standard would not be met.

3 Plaintiff's discount the value of this claim in light of the following to be between
4 \$330,000.00 to \$923,525.00.

5 Under PAGA, as stated above, \$50,000 is allocated to PAGA penalties under this
6 Settlement. Given the policy reasons articulated above, courts routinely approve
7 settlements that allocate similar amounts, if not much less, of the total settlement to
8 PAGA than allocated here. See, e.g., *McLeod v. Bank of America, N.A.*, 2018 WL
9 5982863 (N.D. Cal. Nov. 14, 2018) (of \$11 million settlement, \$50,000 allocated to
10 PAGA); *Brown v. CVS Pharmacy, Inc.*, 2017 WL 3494297, at *1 (C.D. Cal. Apr. 24,
11 2017) (\$20,000 for PAGA out of a \$3,000,000 settlement); *Dynabursky v. Alliedbarton*
12 *Sec. Servs., LP*, 2016 WL 8921915, at *2 (C.D. Cal. Aug. 15, 2016) (\$50,000 for PAGA
13 from \$11,000,000 settlement); *Ceja-Corona v. CVS Pharmacy, Inc.*, 2015 WL 222500,
14 at *2-3 (E.D. Cal. Jan. 14, 2015) (approving \$10,000 for PAGA from a \$900,000
15 settlement), report and recommendation adopted; *Nen Thio v. Genji, LLC*, 14 F. Supp. 3d
16 1324, 1330 (N.D. Cal. 2014) (\$10,000 for PAGA from \$1,250,000 settlement); *Franco*
17 *v. Ruiz Food Prods., Inc.*, 2012 WL 5941801, at *14 (E.D. Cal. Nov. 27, 2012) (\$10,000
18 for PAGA from \$2,500,000 settlement); *Garcia v. Gordon Trucking, Inc.*, 2012 WL
19 5364575, at *3 (E.D. Cal. Oct. 31, 2012) (\$10,000 for PAGA from a \$3,700,000
settlement); *Chu v. Wells Fargo Invests., LLC*, 2011 WL 672645, at *1 (N.D. Cal. Feb.
16, 2011) (\$10,000 for PAGA from \$6,900,000 settlement); *Villegas v. J.P. Morgan*
20 *Chase & Co.*, 2012 WL 5878390 (N.D. Cal. Nov. 21, 2012), ECF Nos. 164 at 3, 183 at 3
(\$66,666.67 for PAGA from \$9,225,000 settlement). Indeed, many courts approve lower
21 allocations to PAGA Settlements. *Magadia v. Wal-Mart Assocs., Inc.*, 384 F. Supp. 3d
22 1058, 1101 (N.D. Cal. 2019) (collecting cases); *Garcia v. Gordon Trucking, Inc.*, 2012
23 WL 5364575, at *7 (E.D. Cal. Oct. 31, 2012) (\$10,000 PAGA penalties in \$3.7m
24 settlement). As the allocation here is greater than that routinely approved by the courts,
the allocation satisfies the *Moniz v. Adecco USA, Inc.*, 72 Cal. App. 5th 56, 76 (2021),
standards.

25 35. It is estimated based on Optima records that there are approximately 1343 class
26 members, who worked 121,330 workweeks. The proposed settlement amount of \$1,500,000.00
27 is expected to provide the settlement class members with an average gross recovery per class
28 member is \$1,116.90 and \$690.00 net recovery. If it is determined that the number of Workweeks
during the Class Period exceeds that number by more than ten percent (10%), *i.e.*, exceeds
133,463 Workweeks, then Defendants may elect to either (a) end the Class Period on the date on
which the number of Workweeks reached 133,463, or (b) increase the GSA on a *pro rata* basis
by any increase after that trigger threshold (*i.e.*, a 14% increase in Workweeks would result in a
14% increase in the GSA, and so forth). Ex. 1, Settlement Agreement ¶ 67.

1 36. There are 60,665 pay periods eligible for an assessment of a PAGA penalty. This
2 is a fair number in light of the discretionary nature of the penalty amount under the PAGA. The
3 LWDA received notice of this settlement and this motion. Marked and attached hereto as Exhibit
4 4 is a true and correct copy from the LWDA confirming submission of this settlement and motion.

5 37. In total, if Plaintiffs were able to prevail on all claims, Plaintiffs estimate the total
6 *potential* exposure to be between \$2,417,296 - \$3,010,931. The settlement value represents
7 approximately 50% of the total exposure after applying discounts to account for the risks at class
8 certification and trial. The settlement produces outstanding results for the class members,
9 particularly considering the risks of further litigation. There is no guarantee that Plaintiffs could
10 certify the off-the-clock, rest break, meal period, or reimbursement claim or prevail on the merits.

11 38. Plaintiffs' Counsel believe that there has been extensive litigation to date, but
12 litigating further through certification, summary judgment, and trial would have been expensive
13 and time-consuming, with the risk that Plaintiffs could lose at each step of the way and recover
14 nothing, barring a successful appeal. For these reasons – and viewed in light of the amount
15 offered -- the settlement value is fair, reasonable, and adequate.

16 39. The Settlement does not give preferential treatment to any Class Members. The
17 settlement provides for the funds to be allocated to each participating Class Member
18 proportionally based on the number of weeks they worked for Defendant, as shown by
19 Defendant's records. The settlement class is cohesive because it consists of employees subject
20 to the same relevant wage-and-hour policies, including policies regarding work schedules and
21 hours worked, rest breaks, and reimbursement policies.

22 I declare under penalty of perjury under the laws of the State of California that the
23 foregoing is true and correct. Executed this 11th day of December, 2025 at San Francisco, CA.

24 **RIGHETTI GLUGOSKI, P.C.**

25
26 By:



John Glugoski
Attorneys for Plaintiff

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EXHIBIT 1

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

IT IS HEREBY STIPULATED, by and between the parties in the civil action entitled *Frederick Bernard v. Optima Tax Relief, LLC, et al.*, Orange County Superior Court Case No. 30-2022-01288055-CU-OE-CXC (hereinafter the “*Bernard* Action”), subject to the approval of the Court (as defined below), that the *Bernard* Action (as defined below) is hereby compromised and settled pursuant to the terms and conditions set forth in this Joint Stipulation of Class Action and PAGA Settlement (“Agreement,” “Settlement,” or “Stipulation”) and that the Court shall make and enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and terms set forth herein which by this reference become an integral part of this Stipulation.

DEFINITIONS

1. “Class Counsel” means Reuben D. Nathan of Nathan & Associates, APC and Matthew Righetti and John Glugoski of Righetti Glugoski, P.C.

2. “Class Counsel Award” means the Court-approved attorneys’ fees for Class Counsel’s litigation and resolution of the *Bernard* Action, not to exceed thirty-three percent (33.3%) of the Gross Settlement Amount (as defined below), and the Court-approved costs incurred by Class Counsel in connection with the *Bernard* Action (in an amount to be determined, but currently not believed to exceed \$50,000).

3. “Class Information” or “Class Lists” means information regarding Class Members (as defined below) and PAGA Members (as defined below) that Defendants shall in good faith compile from its records and shall be authorized by the Court to transmit in a secured manner to the Settlement Administrator (as defined below). Class Information shall be transmitted in Microsoft Excel format and shall include each Class Member’s, and PAGA Member’s: (i) full name; (ii) last known address; (iii) Social Security number; (iv) the dates of employment and/or the number of Workweeks (as defined below) worked for Defendants as a Class Member; and (v) the number of Pay Periods (as defined below) worked for Defendants as a PAGA Member (as defined below).

4. “Class Members” or “Settlement Class” means: All individuals employed in

California by Defendants in hourly, non-exempt positions during the Class Period (as defined below).

5. “Class Period” means January 1, 2020, through the date of entry of the Preliminary Approval Order (as defined below), subject to the Escalator Clause set forth in Paragraph 67, below.

6. “Class Representative Service Award” means the Court-approved amount to be paid to Plaintiff (as defined below) in an amount of up to Twenty Thousand Dollars and No Cents (\$20,000.00), in recognition of Plaintiff’s efforts and risks in prosecuting the *Bernard* Action.

7. “*Bernard* Action” shall mean and refer to the action with case number 30-2022-01288055-CU-OE-CXC.

8. “Court” shall mean the Orange County Superior Court.

9. “Defendants” mean Optima Tax Relief, LLC and Optima Financial Group, LLC, who are named as Defendants.

10. “Defense Counsel” means Dean Rocco and Trevor Wong of Wilson Elser Moskowitz Edelman & Dicker LLP.

11. “Effective Date” means the date on which the Final Order and Judgment (as defined below) entered by the Court becomes final. For purposes of this Section, the Final Order and Judgment “becomes final” only after the Court grants the Motion for Final Approval and upon the latter of: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Final Order and Judgment (this time period is sixty-one (61) calendar days after the Court’s Order is entered); (ii) the date of affirmance of an appeal of the Final Order and Judgment becomes final under the California Rules of Court; or (iii) the date of final dismissal of any appeal from the Final Order and Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Final Order and Judgment. It is the intention of the Parties that the Settlement shall not become effective until the Court’s Final Approval and Judgment has become completely final, and no timely recourse remains for an appellant or objector to contest the

Settlement.

12. “Employer’s Share of Payroll Taxes” means Defendants’ portion of payroll taxes, including, but not limited to FICA and FUTA, on the portion of each Individual Settlement Award (as defined below) that is designated as wages.

13. “Final Approval Hearing” means the hearing to be conducted by the Court after preliminary approval of the Settlement and following appropriate notice to Class Members giving Class Members an opportunity to request exclusion from the Settlement Class and Settlement and to object to the Settlement, at which time Plaintiff shall request that the Court finally approve the Settlement, enter the Final Order and Judgment (as defined below), and take other appropriate action.

14. “Final Order and Judgment” means the order and judgment to be entered by the Court upon granting final approval of the Settlement and this Stipulation of Settlement as binding upon the Parties and Participating Class Members (as defined below). A proposed Final Order and Judgment shall be mutually agreed upon by the Parties and submitted to the Court concurrently with Plaintiff’s Motion for Final Approval of the Settlement.

15. “Final Report” means the report to be prepared by the Settlement Administrator (after the expiration of the 180-day period in which Participating Class Members must cash/deposit their Individual Settlement Award payment checks) regarding the distribution of the Gross Settlement Amount, including the total amount that was cashed/deposited by Participating Class Members and the total amount of any unpaid residue or unclaimed or abandoned funds pursuant to California Code of Civil Procedure section 384. The Settlement Administrator shall also include in the Final Report information regarding the distribution of the PAGA Payment, including the total amount that was cashed/deposited by PAGA Members and the total amount of any unpaid residue or unclaimed or abandoned funds.

16. “Gross Settlement Amount” or “GSA” means the total amount Defendants shall have to pay in connection with this Settlement, by way of a common fund, which shall be inclusive of all Individual Settlement Awards to Participating Class Members, the Class Counsel Award, the Class Representative Service Awards, PAGA Payment (as defined below),

and Settlement Administration Costs (as defined below). Subject to Court approval and the terms of this Stipulation of Settlement, and subject to the Escalator Clause as set forth in Paragraph 67, below, the GSA shall be One Million Five Hundred Thousand Dollars and No Cents (\$1,500,000.00). The Gross Settlement Amount does not include the Employer's Share of Payroll Taxes for the Individual Settlement Awards (as defined below), which shall be paid by Defendants from separate funds, which is in addition to the GSA.

17. "Individual PAGA Payment" means the amount payable from the PAGA Payment to each PAGA Member.

18. "Individual Settlement Award" means the amount payable from the Net Settlement Amount (as defined below) to each Participating Class Member.

19. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less the Class Counsel Award, Class Representative Service Awards, PAGA Payment, and Settlement Administration Costs.

20. "Notice of Objection" means a Class Member's valid and timely submission of a written objection to the Settlement. The Notice of Objection should include: (a) the objector's full name, signature, address, telephone number, and the last four digits of his/her Social Security number, (b) a written statement of all grounds for the objection accompanied by any legal support for such objection, and (c) copies of any papers, briefs, or other documents upon which the objection is based. At no time shall any of the Parties, Class Counsel, or Defense Counsel seek to solicit or otherwise encourage or discourage Class Members from submitting a Notice of Objection or filing an appeal from the Final Order and Judgment. Non-Participating Class Members (*i.e.*, Class Members who submit valid Requests for Exclusion) may not submit a Notice of Objection to the Settlement. If a Class Member submits both a Request for Exclusion and a Notice of Objection, the Notice of Objection shall be ignored, and the Request for Exclusion will be deemed controlling.

21. "Operative Complaint" means the Second Amended Complaint filed on March 12, 2024, in the *Bernard* Action.

22. "PAGA Members" means: All individuals employed by Defendants in hourly,

non-exempt positions in California at any time during the PAGA Period (as defined below).

23. “PAGA Notice” means, (a) the November 1, 2022, letter that Plaintiff’s attorneys sent to the California Labor Workforce Development Agency (“LWDA”) pursuant to Labor Code §2699.3(a)/(c) seeking to exhaust Plaintiff’s administrative remedies under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), Cal. Lab. Code §§2698, *et seq.*

24. “PAGA Payment” means the amount of Fifty Thousand Dollars and No Cents (\$50,000.00), subject to Court approval, to be paid from the Gross Settlement Amount for satisfaction of claims under the California Private Attorneys’ General Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”). Pursuant to the PAGA, seventy five percent (75%) of the PAGA Payment, or Thirty-Seven Thousand Five Hundred Dollars and No Cents (\$37,500.00), will be paid to the LWDA and twenty five percent (25%), or Twelve Thousand Five Hundred Dollars and No Cents (\$12,500.00), will be distributed as the Individual PAGA Payments to PAGA Members.

25. “PAGA Period” means November 1, 2021, through the date of entry of the Preliminary Approval Order, subject to the Escalator Clause as set forth in Paragraph 67, below.

26. “PAGA Release” or “PAGA Released Claims” means the release by all PAGA Members for all claims for penalties under PAGA that arise out of or relate to California Labor Code sections 201-204, 210, 218, 221-224, 225.5, 226, 226.3, 226.7, 500-508, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, 2751, 2800 *et seq.*, 2802, 2810.5, California Code of Regulations, Title 8, Section 11040 and Industrial Welfare Commission Wage Order 4-2001, Sections 3, 11 and 12, as pled in the Operative Complaint and the PAGA Notices, during the PAGA Period. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969 (2009), Class Members who exclude themselves from this Settlement shall still receive an Individual PAGA Payment directly from the Settlement Administrator for the amount of each such individual’s estimated share of the PAGA Payment as calculated by the Settlement Administrator, and shall not be able to object to or exclude themselves from releasing the PAGA Released Claims against Defendants.

27. “Participating Class Members” means Plaintiff and all other Class Members who do not submit a valid and timely Request for Exclusion.

28. “Parties” means Plaintiff and Defendants.

29. “Pay Periods” means, as to non-exempt employees, the number of pay periods worked by each Class Member for Defendants during the PAGA Period. For purposes of payment, a Pay Period shall be defined as any pay period in which the PAGA Member worked at least one shift. To the extent Defendants do not have information about pay periods worked readily available due to gaps in its electronic or paper time records, Defendants shall use their best available information, including extrapolations where necessary, to compute actual Pay Periods, and provide that information to the Settlement Administrator.

30. “Pay Period Value” means the value of each compensable Pay Period, as determined by the formula set forth herein.

31. “Plaintiff” means Frederick Bernard.

32. “Preliminary Approval Order” means the order to be issued by the Court approving and authorizing the mailing of the Settlement Notice by the Settlement Administrator, setting the date of the Final Approval Hearing and granting preliminary approval of the Settlement set forth in this Stipulation of Settlement. A proposed Preliminary Approval Order shall be mutually agreed upon by the Parties and submitted to the Court concurrently with Plaintiff’s Motion for Preliminary Approval of the Settlement.

33. “Released Claims” includes all claims under state or local law, whether statutory, common law, or administrative law, whether in law or equity, for all claims other than the PAGA Released Claims that are pled in the Operative Complaint, based on or arising out of the factual allegations therein, during the Class Period, including: (a) all claims for failure to pay overtime and double time under Cal. Labor Code §§ 510, 1194, 1198 and IWC Wage Order 4-2001, §3(A); (b) all claims for improper meal periods under Cal. Labor Code §§ 226.7, 512, 558 and IWC Wage Order 4-2001 § 11(B); (c) all claims for improper rest periods under Cal. Labor Code §§ 226.7, 512, and IWC Wage Order 4-2001 § 12; (d) all claims for improper wage statements under Cal. Labor Code §§ 226 and 226(a); (e) all claims for unlawful deduction of

wages under Cal. Labor Code §§ 204, 221-224, and 2751; (f) all claims for failure to reimburse business expenses under Cal. Labor Code §§ 2800, et seq.; (g) all claims for failure to pay all wages due upon separation under Cal. Labor Code §§201-203 and 218; (h) claims for unlawful or unfair business practices under Business and Professions Code, §17200; (i) claims for liquidated damages; (j) claims for interest; (k) claims for attorneys' fees; (l) claims for attorneys' costs; and (m) claims for declaratory relief.

34. "Released Parties" means Defendants and their respective present and former parents, owners, subsidiaries, and any affiliated or related persons or entities and each of their respective officers, directors, partners, shareholders, attorneys and agents and any other successors, assigns, or legal representatives. The Released Parties include, but are not limited to, Optima Tax Relief, LLC and Optima Financial Group, LLC.

35. "Request for Exclusion" means a written statement submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must be in writing and should: (i) be signed by the Class Member; (ii) contain the name, address, telephone number, and the last four digits of the Social Security number of the Class Member requesting exclusion; (iii) clearly state that the Class Member does not wish to be included in the Settlement; (iv) be returned by e-mail, fax, or mail to the Settlement Administrator at the specific address and/or facsimile number provided by the Settlement Administrator for such return; and (v) be e-mailed, faxed, or postmarked on or before the Response Deadline (as defined below). The date of the e-mail, fax, or postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement will be deemed a Participating Class Member and will be bound by all terms of the Settlement, if the Settlement is granted final approval by the Court. Any Class Member who validly requests to be excluded from the Settlement will no longer be a member of the Settlement Class and will not have any right to object, appeal, or comment on the Settlement, but will remain as a PAGA Member and will receive an Individual PAGA Payment for the PAGA Released Claims. No later than ten (10) calendar days after the Response Deadline, the Settlement Administrator

shall provide Class Counsel and Defense Counsel with a complete list of all Class Members who submitted a timely and valid Request for Exclusion.

36. “Response Deadline” means the deadline by which Class Members must e-mail, fax, or mail to the Settlement Administrator a valid Request for Exclusion, objection or Workweek Dispute (as defined below). The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Settlement Notices by the Settlement Administrator unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defense Counsel. Under no circumstances, however, will the Settlement Administrator have the unilateral authority to extend the deadline for Class Members to submit a Request for Exclusion, objection, or Workweek Dispute to the Settlement.

37. “Settlement Administrator” or “Administrator” means IYLM Group, Inc., the third-party settlement administrator agreed to by the Parties, to be approved by the Court, for purposes of administering this Settlement. The Parties each represent that they will not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

38. “Settlement Administration Costs” means the reasonable costs and fees of administering the Settlement to be paid from the Gross Settlement Amount, not to exceed Fifty Thousand Dollars and No Cents (\$50,000.00) including, but not limited to: (i) maintaining a website with information about the Settlement and relevant documents (including, but not limited to, the Settlement Agreement, the Operative Complaint, and the Court’s Preliminary Approval Order); (ii) printing, mailing and re-mailing (if necessary) of the Settlement Notice (as defined below) to Class Members; (iii) preparing and submitting to Class Members, PAGA Members, , and government entities all appropriate tax filings and forms; (iv) computing the amount of and distributing Individual Settlement Awards, Individual PAGA Payments, the Class Representative Service Awards, and the Class Counsel Award; (v) processing and validating Requests for Exclusion; (vi) establishing a Qualified Settlement Fund, as defined by

the Internal Revenue Code; (vii) calculating and remitting to the appropriate government agencies all employer and employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement; and (viii) transmitting uncashed Individual Settlement Award and/or Individual PAGA Payment checks to the California State Controller's Office Unclaimed Property Fund, as described further herein.

39. "Settlement Notice" means the Notice of Class Action Settlement, substantially in the form attached as **Exhibit 1**, which shall be subject to Court approval and which the Settlement Administrator shall mail to each Class Member containing: (i) information regarding the nature of the *Bernard* Action; (ii) a summary of the Settlement's principal terms; (iii) the Class definitions; (iv) the total number of Workweeks the respective Class Member worked for Defendants (according to Defendants' best available records, and as further set forth in the definition of "Workweeks" herein); (v) the Class Member's estimated Individual Settlement Award and the formula for calculating Individual Settlement Awards; (vi) the dates which comprise the Class Period; (vii) instructions on how to submit disputes regarding Workweeks, Requests for Exclusion, and/or Notices of Objection; (viii) the Response Deadline; and (ix) the claims to be released pursuant to the Settlement of the *Bernard* Action.

40. "Workweeks" means the number of Workweeks worked by each Class Member for Defendants as a non-exempt employee during the Class Period. For purposes of payment, a Workweek shall be defined as any workweek in which the Class Member worked at least one shift. To the extent Defendants do not have information about weeks worked readily available due to gaps in their electronic or paper time records, Defendants shall use their best available information, including extrapolations where necessary, to compute actual Workweeks, and provide that information to the Settlement Administrator. Plaintiffs understand the number of workweeks to be 121,330.

41. "Workweek Dispute" means a written statement that a Class Member disputes the number of Workweeks, as defined herein, listed on his/her Settlement Notice. Any such Workweek Dispute must be e-mailed, faxed, or mailed to the Settlement Administrator by the

Response Deadline. The date of the e-mail, fax, or postmark on the mailing envelope will be the exclusive means to determine whether a Workweek Dispute has been timely submitted. A valid Workweek Dispute must be in writing and should contain: (i) the Class Member's full name, signature, address, telephone number, and the last four digits of his/her Social Security number; (ii) the number of Workweeks the Class Member contends is correct; and (iii) any evidence supporting his/her contention. The dates of employment identified for each Class Member in the applicable Class Lists and the number of Workweeks for each Class Member as defined herein will be presumed to be correct, unless a particular Class Member proves otherwise to the Settlement Administrator by credible evidence. All Workweek Disputes will be resolved and decided by the Settlement Administrator, with consultation with Defense Counsel and/or Class Counsel as appropriate. If the Workweek Dispute cannot be resolved by the Settlement Administrator, then it shall be resolved by the Court.

42. "Workweek Value" means the value of each compensable Workweek, as determined by the formula set forth herein.

RECITALS

43. Procedural History.

a. On October 25, 2022, Plaintiff, through his attorneys, filed the class action Complaint. The Complaint alleged causes of action for: (1) Failure to Pay Overtime and Double Time; (2) Improper Meal Periods; (3) Improper Rest Periods; (4) Improper Wage Statements; (5) Unlawful Deductions (6) Failure to Reimburse, (7) Unfair Business Practices, (8) Harassment on the Basis of Marital Status in violation of FEHA, (9) Discrimination on the Basis of Marital Status in Violation of FEHA; and (10) representative claims under a private attorneys general action.

b. On December 29, 2022, Defendants filed their respective Answers to Plaintiff's Complaint.

c. On February 17, 2023, Plaintiff filed the First Amended Complaint, alleging causes of action for: (1) Failure to Pay Overtime and Double Time; (2) Improper Meal Periods; (3) Improper Rest Periods; (4) Improper Wage Statements; (5) Unlawful Deductions

(6) Failure to Reimburse, (7) Unfair Business Practices, (8) Harassment on the Basis of Marital Status in violation of FEHA, (9) Discrimination on the Basis of Marital Status in Violation of FEHA, and (10) Violation of Labor Code § 2698 et seq.

d. On March 27, 2023, Defendants filed their respective Answers to Plaintiff's First Amended Complaint.

e. On June 26, 2023, Plaintiff filed a Request for Dismissal of Plaintiff's individual Causes of Action nos. Eight (8) and Nine (9) only.

f. On March 12, 2024, Plaintiff filed the Second Amended Complaint alleging causes of action for: (1) Failure to Pay Overtime and Double Time; (2) Improper Meal Periods; (3) Improper Rest Periods; (4) Improper Wage Statements; (5) Unlawful Deductions; (6) Failure to Reimburse; (7) Wages not paid on Separation; (8) Unlawful Business Practices; and (9) Violation of Labor Code § 2698 et seq.

g. On April 9, 2024, Defendants filed their respective Answers to Plaintiff's Second Amended Complaint.

h. On September 10, 2024, the Parties participated in a full-day mediation with Anthony F. Patoni, Esq. The Parties did not resolve the case at mediation.

i. Following mediation, the Parties continued to litigate the case while entertaining settlement discussions. The Parties agreed on the terms of settlement herein.

44. Benefits of Settlement to Plaintiff and the Class Members. Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiff's disputes in the *Bernard* Action through trial and through any possible appeals. Plaintiff has considered the uncertainty and risks of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the *Bernard* Action, both generally and in response to Defendants' defenses thereto, and the difficulties in establishing damages, penalties, restitution, and other relief sought in the *Bernard* Action. Plaintiff and Class Counsel also have considered Defendants' agreement to enter into a settlement that confers substantial benefits upon the Class Members. Based on the foregoing,

Plaintiff and Class Counsel have determined that the Settlement set forth in this Stipulation is fair, adequate, and reasonable and is in the best interests of all Class Members.

45. Defendants' Reasons for Settlement. Defendants have concluded that further defense of the *Bernard* Action would be protracted and expensive. Substantial amounts of Defendants' time, energy, and resources have been, and unless this Settlement is completed, shall continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendants have also considered the risks of further litigation in reaching its decision to enter into this Settlement. Defendants contend they are not liable for any of the claims alleged by Plaintiff in the *Bernard* Action and deny any liability whatsoever. Defendants, nonetheless, have agreed to settle in the manner and upon the terms set forth in this Stipulation and to put fully and finally to rest the claims alleged in the *Bernard* Action. Defendants have asserted and continue to assert that the claims alleged by Plaintiff have no merit and do not give rise to any liability, damages, restitution, penalties or other payments. This Stipulation is a compromise of disputed claims. Nothing contained in this Stipulation, no documents referred to herein, and no action taken to carry out this Stipulation, shall be construed or used as an admission by or against Defendants as to the merits or lack thereof of the claims asserted in the *Bernard* Action. Defendants contend that they have complied with all applicable state, federal and local laws. In the event this Settlement does not obtain final approval, Defendants retain all rights to defend themselves in this matter and to take any actions in defense of itself that are available to it.

CLASS CERTIFICATION

46. Solely for purposes of settling the *Bernard* Action, and not for purposes of class certification should the Settlement not be approved or for any other reason, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Settlement Class have been met and are met. More specifically, for purposes of settlement only, the Parties stipulate and agree that:

- a. The Settlement Class is ascertainable and so numerous as to make it impracticable to join all Class Members;
- b. There are common questions of law and fact;

- c. Plaintiff's claims are typical of the claims of the Class Members;
- d. Plaintiff and Class Counsel will fairly and adequately protect the interests of the Class Members;
- e. The prosecution of separate actions by individual Class Members would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct; and
- f. Questions of law and fact common to the Class Members predominate over any questions affecting any individual Class Member, and a class action is superior to other available means for the fair and efficient adjudication of the controversy.

47. Should this Settlement not be approved or be terminated, all stipulations set forth in the immediately preceding Paragraph shall be null and void and shall not be admissible for any purpose whatsoever.

TERMS OF SETTLEMENT

NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

48. Binding Settlement. This Settlement shall bind the Parties and all Participating Class Members and PAGA Members, subject to the terms and conditions hereof and the Court's approval.

52. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments specified herein, and Participating Class Members and PAGA Members, and are not relying on any statement or representation by the Parties, Class Counsel or Defense Counsel in this regard. Participating Class Members, and PAGA Members, as well as Class Counsel, understand and agree that they shall be solely and legally responsible for the payment of all applicable taxes and penalties assessed on the payments specified herein.

53. Circular 230 Disclaimer. THE PARTIES ACKNOWLEDGE AND AGREE THAT (I) NO PROVISION OF THIS STIPULATION OF SETTLEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES, CLASS COUNSEL OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR

WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (II) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS STIPULATION OF SETTLEMENT, (B) HAS NOT ENTERED INTO THIS STIPULATION OF SETTLEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS STIPULATION OF SETTLEMENT.

54. Preliminary Approval of Settlement. Class Counsel will reserve a date for a hearing on Plaintiff's motion for preliminary approval to take place at a time mutually agreed to by the Parties so that the Parties may request provisional certification of the Settlement Class for settlement purposes only and the setting of a Final Approval Hearing date. The Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for preliminary approval. Plaintiff shall provide Defense Counsel with a reasonable opportunity to review and provide comments on the moving papers prior to Plaintiff submitting the motion for preliminary approval to the Court.

55. Release by All Participating Class Members. All Participating Class Members,

including Plaintiff, shall be deemed to have released their respective Released Claims against the Released Parties upon the date on which the payment of the Gross Settlement Amount and all employer-side payroll taxes is made by Defendants. All Participating Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged with respect to all of the Released Parties for any and all Released Claims that accrued during the Class Period. Each Participating Class Member fully releases and discharges the Released Parties as to all Released Claims during the Class Period.

56. PAGA Release by Plaintiff, PAGA Members, and State of California. Plaintiff, PAGA Members, and the State of California shall be deemed to have released their respective PAGA Released Claims against the Released Parties upon the date on which the payment of the Gross Settlement Amount and all employer side payroll taxes is made by Defendants. It is understood that PAGA Members, will not have the opportunity to opt out of, or object to, the PAGA Release. Further, all PAGA Members are bound by the PAGA Release regardless of whether they cash and/or otherwise negotiate their Individual PAGA Payment.

57. Additional Release and Waiver of Claims by Plaintiff. In addition to the releases of Released Claims and PAGA Released Claims against the Released Parties, as set forth above, Plaintiff, in his individual capacity, agrees to release the Released Parties from any and all claims, known and unknown, under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, arising as of the date of execution of this Agreement including but not limited to claims arising from or related to his employment with Defendants and his compensation while an employee of Defendants (“Plaintiff’s Released Claims”). In exchange for the release, Plaintiff shall receive Twenty-Five Thousand Dollars and No Cents (\$25,000.00) from Defendants, paid out of the Gross Settlement Amount. On October 25, 2022, Plaintiff filed a complaint that included causes of action for Harassment and Discrimination in addition to the class claims that are the subject of this Agreement. On June 26, 2023, Plaintiff dismissed his individual claims for Harassment and Discrimination with the intent to re-file the claims, but the Parties attended mediation and continued to discuss resolution of the class claims and Plaintiff’s individual claims that resulted in the within

settlement. Plaintiff enters into this general release of any and all claims against Defendants and the Released Parties. Plaintiff's Released Claims include all claims, whether known or unknown. Even if Plaintiff discovers facts in addition to or different from those that he now knows or believes to be true with respect to the subject matter of Plaintiff's Released Claims, those claims will remain released and forever barred. To affect a full and complete general release as described above, Plaintiff expressly waives and relinquishes all rights and benefits of section 1542 of the Civil Code of the State of California and do so understanding and acknowledging the significance and consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the State of California states as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of the Released Parties, Plaintiff expressly acknowledges this Stipulation is intended to include in its effect, without limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at the time of signing this Stipulation, and that this Stipulation contemplates the extinguishment of any such claims. Plaintiff warrants that he has read this Stipulation, including this waiver of California Civil Code section 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's choosing about this Stipulation and specifically about the waiver of section 1542, and that Plaintiff understands this Stipulation and the section 1542 waiver, and so Plaintiff freely and knowingly enters into this Stipulation. Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or believes to be true regarding the matters released or described in this Stipulation, and even so Plaintiff agrees that the releases and agreements contained in this Stipulation shall remain effective in all respects

notwithstanding any later discovery of any different or additional facts. Plaintiff expressly assumes all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Stipulation or with regard to any facts now unknown to Plaintiff relating thereto.

58. Settlement Administration.

a. Within twenty-one (21) calendar days of entry of the Preliminary Approval Order, Defendants shall provide the Settlement Administrator with the Class List for purposes of mailing the Settlement Notices to Class Members. The Settlement Administrator shall not be permitted to share any Class Information included in the Class List with Plaintiff or Class Counsel absent express approval by Defense Counsel.

i. Notice by First Class U.S. Mail. Upon receipt of the Class List, the Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes. Within seven (7) calendar days after receiving the Class List from Defendants as provided herein, the Settlement Administrator shall mail copies of the Settlement Notice to all Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member, and PAGA Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the most current mailing address for each Class Member and PAGA Member. The Parties agree that this procedure for notice provides the best notice practicable to Class Members, PAGA Members, and fully complies with due process.

ii. Undeliverable Settlement Notices. Any Settlement Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto within five (5) calendar days of receipt of the returned Settlement Notice by the Settlement Administrator. If no forwarding address is provided, the Settlement Administrator shall attempt to determine a correct address by the use of skip-tracing, or other type of automated search, using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing to

the Class Member whose Settlement Notice was returned as non-deliverable within five (5) calendar days of receipt of the returned Settlement Notice by the Settlement Administrator, assuming another mailing address is identified by the Settlement Administrator. Class Members who are sent a re-mailed Settlement Notice shall have their Response Deadline extended by ten (10) calendar days from the date the Settlement Administrator re-mails the Settlement Notice. If these procedures are followed, notice to Class Members shall be deemed to have been fully satisfied, and if the intended recipient of the Settlement Notice does not receive the Settlement Notice, the intended recipient shall nevertheless remain a Class Member and shall be bound by all terms of the Settlement and the Final Order and Judgment.

iii. Determination of Individual Settlement Awards and Individual PAGA Payments. The Settlement Administrator shall determine the eligibility for, and the amounts of, each Individual Settlement Award and Individual PAGA Payment under the terms of this Stipulation of Settlement, based on the Workweek and Pay Period information as provided by Defendants and defined above. The Settlement Administrator's determination of the eligibility for and amount of each Individual Settlement Award and Individual PAGA Payment shall be binding upon the Class Members and the Parties; however, it is subject to Court review as appropriate.

iv. Disputes Regarding Administration of Settlement. Any dispute not resolved by the Settlement Administrator concerning the administration of the Settlement, in consultation with Class Counsel and Defense Counsel, shall be resolved by the Court.

b. Monitoring and Reviewing Settlement Administration. The Parties have the right to monitor and review the administration of the Settlement to verify that the monies allocated under the Settlement are distributed in the correct amount, as provided for in this Stipulation of Settlement.

c. Certification Reports Regarding Individual Settlement Award Calculations. The Settlement Administrator will provide Defense counsel and Class Counsel a weekly status report which reports: (i) the number of Class Members who have submitted valid Requests for Exclusion or objections; and (ii) whether any Class Member has submitted a

challenge to any information contained in their Settlement Notice, including but not limited to the number of Class Members from the Settlement Class who have submitted a dispute of Workweeks. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

d. Best Efforts. The Parties agree to use their best efforts to carry out the terms of this Settlement.

59. Funding and Allocation of Gross Settlement Amount. The Gross Settlement Amount and the Employer's Share of Payroll Taxes shall be paid by Defendants in one lump sum payment within thirty (30) calendar days of the Effective Date. Defendants shall provide the Gross Settlement Amount to the Settlement Administrator in any feasible manner, including, but not limited to, by way of a wire transfer. If this Settlement is not finally approved by the Court in full, or is terminated, rescinded, canceled, or fails to become effective for any reason, or if the Effective Date does not occur, then no portion of the Gross Settlement Amount shall be paid.

a. Payments to the Class Members. Class Members shall not be required to submit a claim to receive a share of the Net Settlement Amount, and no portion of the Gross Settlement Amount shall revert to Defendants or result in an unpaid residue. The Settlement Administrator shall first compute the Net Settlement Amount by deducting from the Gross Settlement Amount approved by the Court for the Class Counsel Award, Class Representative Service Awards, PAGA Payment, and Settlement Administration Costs. To the extent the Court does not approve the full requested attorneys' fees, litigation costs, enhancement payments or settlement administration costs, the Net Settlement Amount will increase accordingly, by the difference between the requested amount and the amount awarded by the Court.

i. Individual Settlement Award: From the Net Settlement Amount, the Settlement Administrator will calculate each Individual Settlement Award by dividing the Net Settlement Amount by the total number of Workweeks, resulting in the Workweek Value; and then multiplying the Workweek Value by the number of Workweeks worked by each Class

Member, as defined above. As necessary, and to the extent not already provided by Defendants, the Settlement Administrator will calculate the number of Workweeks worked by the Class Members during the Class Period. The Settlement Administrator will also calculate the amount to be paid per Workweek, and the Individual Settlement Awards to eligible Class Members. All Workweek Disputes will be resolved and decided by the Settlement Administrator, in consultation with Class Counsel and/or Defense Counsel, as appropriate, and subject to review by the Court as needed.

ii. Individual PAGA Payment: The Settlement Administrator will calculate each PAGA Member's Individual PAGA Payment by dividing the 25% of the PAGA Payment to be distributed to PAGA Members by the total number of Pay Periods for all PAGA Members, resulting in the Pay Period Value; and then multiplying the Pay Period Value by the number of Pay Periods worked by each PAGA Members, as defined above. As necessary, and to the extent not already provided by Defendants, the Settlement Administrator will calculate the number of Pay Periods worked by the PAGA Members during the PAGA Period.

iii. Individual Settlement Award and Individual PAGA Payments shall be mailed by the Settlement Administrator by regular First-Class U.S. Mail to each Participating Class Member and PAGA Member's last known mailing address within ten (10) calendar days after Defendants provide the Settlement Administrator with the Gross Settlement Amount.

iv. Should any of the following occur, the Settlement Administrator will proportionately increase the estimated Individual Settlement Award of each Participating Class Member to ensure that the entire Net Settlement Amount is distributed to Participating Class Members: (i) any Class Members submit timely and valid, or otherwise accepted, Requests for Exclusion following the provision of Settlement Notices and expiration of the Response Deadline; (ii) the Court approves the Class Representative Service Award in amounts less than those requested by Plaintiff, as detailed herein; (iii) the Court approves a Class Counsel Award in an amount less than that requested by Plaintiff, as detailed herein; and/or (iv) the Court approves Settlement Administration Costs in an amount less than that requested by

Plaintiff, as detailed herein.

v. Individual Settlement Award payments and Individual PAGA Payments shall be made by check and shall be made payable to each Participating Class Member, PAGA Member, as set forth in this Stipulation of Settlement.

vi. Individual Settlement Awards shall be allocated as follows: twenty percent (20%) as alleged unpaid wages subject to all applicable tax withholdings; forty percent (40%) as alleged unpaid interest; and forty percent (40%) as alleged unpaid penalties. The Settlement Administrator shall issue an IRS Form W-2 to each Participating Class Member for the portion of each Individual Settlement Award payment allocated as alleged unpaid wages and subject to all applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each Participating Class Member and PAGA Member for the portion of each Individual Settlement Award and for the Individual PAGA Payment allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings. The Settlement Administrator shall calculate the amount of the Employer's Share of Payroll Taxes and shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities in a timely manner.

vii. After the expiration of the 180-day period to cash/deposit the Individual Settlement Award checks, the Settlement Administrator will prepare the Final Report regarding the distribution of the Gross Settlement Amount as detailed above. The total amount of any uncashed settlement checks will be transmitted to the California State Controller's Office Unclaimed Property Fund, in the name of the individual.

viii. In the event a Participating Class Member and/or PAGA Member fails to cash/deposit his or her Individual Settlement Award check and/or Individual PAGA Payment check, the Participating Class Member and PAGA Member, shall nevertheless remain bound by the Settlement.

ix. All monies received by Class Members under the Settlement which are attributable to wages shall constitute income to such Class Members solely in the year in which such monies are received by the Class Members. It is expressly understood and

agreed that the receipt of Individual Settlement Awards shall not entitle any Class Member to additional compensation or benefits under any collective bargaining agreement or under any bonus, contest or other compensation or benefit plan or agreement in place during the periods covered by the Settlement, nor shall it entitle any Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of the Parties that the Individual Settlement Awards and Individual PAGA Payments provided for in this Stipulation of Settlement are the sole payments to be made by Defendants to Class Members in connection with this Settlement, with the exception of Plaintiff, and that the Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Awards and/or and Individual PAGA Payments.

60. Non-Monetary Relief. As part of the Settlement of the *Bernard* Action, and as additional, non-monetary consideration therefor, Defendants have agreed to undertake, with the assistance and direction of their counsel, a review of their wage and hour practices and policies, and to make any appropriate revisions of those practices and policies.

61. Settlement Administration Costs. The Settlement Administration fees and expenses, which are estimated not to exceed Thirty Thousand Dollars and No Cents (\$30,000.00), shall be paid from the Gross Settlement Amount. Prior to Plaintiff filing a Motion for Final Approval of the Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the Settlement Administration Costs to date. The Parties agree to cooperate in the Settlement Administration process and to make all reasonable efforts to control and minimize Settlement Administration Costs.

i. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

ii. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities required by the Settlement. The Settlement Administrator shall be authorized to establish a Qualified Settlement Fund pursuant to IRS rules and regulations in which the Gross Settlement Amount

shall be placed and from which payments required by the Settlement shall be made.

62. Payroll Taxes. In accordance with this Settlement and to the fullest extent possible, the Gross Settlement Amount shall resolve, satisfy and completely extinguish all of Defendants' liability with respect to the Class Members and PAGA Members, except that Defendants shall solely be responsible for the Employer's Share of Payroll Taxes and these taxes shall be paid by Defendants in addition to the Gross Settlement Amount. Upon the transfer of the Gross Settlement Amount and the employer portion of payroll taxes on the portion of the Individual Settlement Awards that constitutes wages, Defendants shall have no further payment or defense obligation whatsoever with respect to any claims covered by this Settlement made or asserted by any person or entity anywhere in the world in connection with the Class Members.

63. Final Settlement Approval Hearing and Entry of Final Order and Judgment. Following expiration of the Response Deadline, a Final Approval Hearing shall be conducted by the Court for the Court to determine whether to grant final approval of the Settlement, including determining the amounts properly payable for: (i) the Class Counsel Award; and (ii) the Class Representative Service Award. Prior to the Final Approval Hearing, the Settlement Administrator shall provide a written report or declaration to the Parties describing the process and results of the administration of the Settlement to date, which report, or declaration shall be filed by Plaintiff with the Court prior to the Final Approval Hearing. The Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for final approval.

64. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit this Settlement to the Court in support of Plaintiff's motion for preliminary approval of the Settlement and determination by the Court as to its fairness, adequacy, and reasonableness. As part of Plaintiff's motion for preliminary approval, Plaintiff shall also apply to the Court for the entry of an Order as follows:

- a. Certifying the Settlement Class for settlement purposes only;
- b. Approving, as to form and content, the proposed Settlement Notice;
- c. Approving the manner and method for Class Members to object or request exclusion from the Settlement, as contained herein and within the Settlement Notice;

d. Directing the mailing of the Settlement Notices to Class Members, by first class mail;

e. Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court; and

f. Setting a Final Approval Hearing.

65. Duties of the Parties Following Final Approval. Following final approval by the Court of the Settlement provided for in this Settlement Agreement, Class Counsel will submit a proposed Final Order of Approval and Judgment:

a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;

b. Approving Class Counsel's application for an award of attorneys' fees and costs;

c. Approving the Class Representative Service Awards payments to Plaintiff;

d. Setting a date when the Parties shall submit the Final Report regarding the distribution of the Gross Settlement Amount pursuant to California Code of Civil Procedure section 384, and, if necessary, a date for a final accounting hearing following its receipt of the Final Report;

e. Entering judgment in this Action barring and enjoining all members of the Settlement Class from prosecuting against any of the Released Parties, any individual or class, or representative claims released herein pursuant to the Settlement Agreement, upon satisfaction of all payments and obligations hereunder.

66. Revocation of Settlement by Defendants. If more than five percent (5%) of Class Members opt-out of the Settlement, then Defendants shall have the sole and absolute discretion to rescind/void the Settlement Agreement within twenty (20) days after receiving from the Settlement Administrator the final list of opt-outs. Defendants agree to meet and confer in good faith with Class Counsel before rescinding or voiding the Settlement Agreement. In the event that Defendants elect to rescind/void the Settlement Agreement, they shall provide

written notice of such rescission to Class Counsel. Such rescission shall have the same effect as a termination of this Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null and void and have no further force or effect, and the Settlement Class certified pursuant to this Settlement Agreement will be decertified for all purposes. If Defendants choose to terminate this Settlement Agreement under this provision, they shall be responsible to pay the Settlement Administrator's fees and costs incurred to that point.

67. Escalator Clause. For purposes of this Settlement, Defendants estimate that there are 1343 employees and 121,330 Workweeks between the start of the Class Period and September 8, 2025W. If it is determined that the number of Workweeks during the Class Period exceeds that number by more than ten percent (10%), *i.e.*, exceeds 133,463 Workweeks, then Defendants may elect to either (a) end the Class Period on the date on which the number of Workweeks reached 133,463, or (b) increase the GSA on a *pro rata* basis by any increase after that trigger threshold (*i.e.*, a 14% increase in Workweeks would result in a 4% increase in the GSA, and so forth).

68. Nullification of Settlement. In the event: (i) the Court does not enter the Preliminary Approval Order; (ii) the Court does not grant final approval of the Settlement; (iii) the Court does not enter the Final Order and Judgment; or (iv) the Settlement does not become final for any other reason, this Stipulation of Settlement shall be rendered null and void, any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning and this Stipulation of Settlement and any documents related to it shall not be used by any Class Member or Class Counsel to support any claim or request for class certification in the *Bernard* Action, and shall not be used in any other civil, criminal or administrative action against Defendants or any of the other Released Parties. Additionally, should the Settlement not become final for any reason, the Parties will request that the Court reopen proceedings within thirty (30) calendar days, and any Settlement Administration Costs already incurred by the Settlement Administrator shall be split evenly between the Parties. The Parties and any monies required to be paid under this Settlement shall be returned to their

respective statuses as of the date and time immediately prior to the execution of this Stipulation, and the Parties shall proceed in all respects as if this Stipulation had not been executed. In the event an appeal is filed from the Court's Final Order and Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, and the stay shall only be lifted if the result of the appeal or other proceeding is that the terms of this settlement agreement are upheld.

69. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees that by signing this Agreement, he will be bound by the terms herein. Plaintiff further agrees that, upon signing this Settlement Agreement, he will not request to be excluded from this Settlement and that any such request for exclusion by Plaintiff will be void and of no force or effect.

70. Waiver of Certain Appeals. Either party may appeal any Court order that materially alters the Agreement's terms. Additionally, nothing in this Settlement shall prevent Plaintiff from appealing a Court order denying or failing to grant his requests for the Class Counsel Award or the Class Representative Service Award.

71. No Admission by Defendants. Defendants deny all claims alleged in the *Bernard* Action and deny all wrongdoing whatsoever by Defendants. Neither this Stipulation of Settlement, nor any of its terms and conditions, nor any of the negotiations connected with it, is a concession or admission, and none shall be used against Defendants as an admission or indication with respect to any claim of any fault, concession, or omission by Defendants or that class certification is proper under the standard applied to contested certification motions. Defendants further contend that the *Bernard* Class Action, and the Operative Complaint, cannot be maintained as a class action lawsuit because all Class Members have signed binding arbitration agreements with class action waivers. Thus, the Parties stipulate and agree to the certification of the proposed classes for settlement purposes only. The Parties further agree that this Stipulation of Settlement will not be admissible in this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendants are liable to Plaintiff or any Class Member, other than according to the terms of this Stipulation.

72. Waiver. No waiver of any condition or covenant contained in this Settlement

Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

73. **Judgment and Continued Jurisdiction.** Upon final approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to the Court for its approval, pursuant to Rule 3.770 of the California Rules of Court. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

74. **Exhibit and Headings.** The terms of this Stipulation of Settlement include the terms set forth in any attached Exhibit, which are incorporated by this reference as though fully set forth herein. The **Exhibit** to this Stipulation of Settlement is an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Stipulation of Settlement are inserted for convenience of reference only.

75. **Amendment or Modification.** This Stipulation of Settlement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

76. **Entire Agreement.** This Stipulation of Settlement and any attached Exhibit constitute the entire agreement between the Parties, and no oral or written representations, warranties, or inducements have been made to Plaintiff or Defendants concerning this Stipulation or its Exhibit other than the representations, warranties, and covenants contained and memorialized in this Stipulation and its Exhibit. No other prior or contemporaneous written or oral agreements, including but not limited to the previously executed term sheet, may be deemed binding on the Parties.

77. **Authorization to Enter into Settlement Agreement.** Class Counsel and Defense Counsel warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Stipulation and to take all appropriate actions required or permitted to be taken

by such Parties pursuant to this Stipulation to effectuate its terms, and to execute any other documents required to effectuate the terms of this Stipulation. The Parties, Class Counsel and Defense Counsel shall cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The persons signing this Stipulation on behalf of the Defendants represent and warrant that they are authorized to sign this Stipulation on behalf of Defendants. Plaintiff represents and warrants that he is authorized to sign this Stipulation and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third party. The Parties have cooperated in the drafting and preparation of this Stipulation. Hence, in any construction made of this Stipulation, the same shall not be construed against any of the Parties.

78. Confidentiality. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of the Settlement. In addition, the Parties and their counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement, including but not limited to any postings on any websites maintained by Class Counsel. Nothing set forth herein, however, shall prohibit the Parties from providing this Stipulation to the Court in connection with the Parties' efforts to seek Court approval of this Settlement.

79. Binding on Successors and Assigns. This Stipulation of Settlement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties.

80. California Law Governs. All terms of this Stipulation of Settlement and the Exhibit hereto shall be governed by and interpreted according to the laws of the State of California, without giving effect to any law that would cause the laws of any jurisdiction other than the State of California to be applied.

81. Counterparts. This Stipulation of Settlement may be executed in one or more

counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

82. This Settlement is Fair, Adequate, and Reasonable. Plaintiff represents that this Settlement is a fair, adequate, and reasonable settlement of the *Bernard* Action and Plaintiff has arrived at this Settlement after extensive arm's-length negotiations, taking into account all relevant factors, present and potential.

83. Jurisdiction of the Court. Following entry of the Final Order and Judgment, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Stipulation of Settlement and all orders and judgments entered in connection therewith, and the Parties, Class Counsel and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Stipulation of Settlement and all orders and judgments entered in connection therewith.

84. Invalidity of Any Provision. Before declaring any term or provision of this Stipulation of Settlement invalid, the Parties request that the Court first attempt to fully construe the terms or provisions valid possible consistent with applicable precedents so as to define all provisions of this Stipulation of Settlement as valid and enforceable. In the event the Court declares any material provision of this Stipulation of Settlement invalid, the Stipulation of Settlement will be void and its terms will be of no force and effect, except as otherwise agreed to by the Parties in writing.

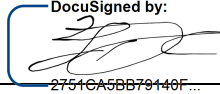
85. Continuing Validity of Arbitration Agreements. The Parties have agreed to settle the *Bernard* Action in Court, including Released Claims, for the mutual benefit of the Parties and Class Members. This Agreement, the settlement process (including, but not limited to, motions, correspondence, communications, and filings) and proceedings and anything related to them shall have no impact on any individual arbitration agreements between Defendants and any of Defendants' employees, regardless of whether they are Class Members, or PAGA Members. The submission of Released Claims to the Court is solely for the purposes of settlement and shall not be deemed as an invalidation, waiver, or avoidance of the arbitration

agreements, and shall have no negative impact on their continued validity. By failing to request exclusion by serving a valid and timely Request for Exclusion, each Class Member will be deemed to have agreed to the provisions of this Paragraph.

86. Binding Nature of Notice of Class Action Settlement. It is agreed that, because the Class Members are so numerous, it is impossible or impractical to have each Class Member execute the Stipulation of Settlement. The Class Notice shall advise all Class Members of the binding nature of the Settlement, and the release of Released Claims and shall have the same force and effect as if this Stipulation of Settlement were executed by each Participating Class Member.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiff, on the one hand, and Defendants, on the other hand, as of the date(s) set forth below.

Dated: 10/30/2025



Plaintiff Frederick Bernard

OPTIMA TAX RELIEF, LLC

Dated: _____

By: _____
Its: _____

OPTIMA FINANCIAL GROUP, LLC

Dated: _____

By: _____
Its: _____

agreements, and shall have no negative impact on their continued validity. By failing to request exclusion by serving a valid and timely Request for Exclusion, each Class Member will be deemed to have agreed to the provisions of this Paragraph.

86. Binding Nature of Notice of Class Action Settlement. It is agreed that, because the Class Members are so numerous, it is impossible or impractical to have each Class Member execute the Stipulation of Settlement. The Class Notice shall advise all Class Members of the binding nature of the Settlement, and the release of Released Claims and shall have the same force and effect as if this Stipulation of Settlement were executed by each Participating Class Member.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiff, on the one hand, and Defendants, on the other hand, as of the date(s) set forth below.

Dated: _____

Plaintiff Frederick Bernard

OPTIMA TAX RELIEF, LLC

Dated: 11 / 04 / 2025



By: Jesse E. Stockwell

Its: Managing Member

OPTIMA FINANCIAL GROUP, LLC

Dated: 11 / 04 / 2025



By: Jesse E. Stockwell

Its: Managing Member

APPROVED AS TO FORM ONLY

Dated: 11/4/2025

NATHAN & ASSOCIATES, APC

DocuSigned by:

Reuben D. Nathan

3AC2DBE408C347F...

Reuben D. Nathan
Attorneys for Plaintiff Frederick Bernard

RIGHETTI GLUGOSKI, P.C.

DocuSigned by:

Matthew Righetti

98F8D926FC32495...

Dated: 10/31/2025

Matthew Righetti
John Glugoski
Attorneys for Plaintiff Frederick Bernard

**WILSON ELSER MOSKOWITZ EDELMAN
& DICKER, LLP**

Dated: _____

Dean Rocco
Trevor Wong
Attorneys for Defendants Optima Tax Relief,
LLC and Optima Financial Group, LLC

APPROVED AS TO FORM ONLY

NATHAN & ASSOCIATES, APC

Dated: _____

Reuben D. Nathan
Attorneys for Plaintiff Frederick Bernard

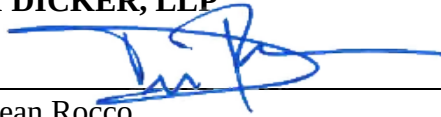
RIGHETTI GLUGOSKI, P.C.

Dated: _____

Matthew Righetti
John Glugoski
Attorneys for Plaintiff Frederick Bernard

**WILSON ELSEER MOSKOWITZ EDELMAN
& DICKER, LLP**

Dated: 11/5/25 _____



Dean Rocco
Trevor Wong
Attorneys for Defendants Optima Tax Relief,
LLC and Optima Financial Group, LLC

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

FREDERICK BERNARD, PLAINTIFF v. OPTIMA TAX RELIEF, LLC; OPTIMA FINANCIAL GROUP, LLC, DEFENDANTS

**SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF ORANGE
CASE NO. 30-2022-01288055-CU-OE-CXC (“ACTION”)**

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

If you are or were employed by OPTIMA TAX RELIEF, LLC / OPTIMA FINANCIAL GROUP, LLC in California as a non-exempt employee at some time between January 1, 2020 through [DATE OF ENTRY OF THE PRELIMINARY APPROVAL ORDER], you are eligible to receive compensation from a class action settlement.

A court authorized this notice. This is not an advertisement.

This is not a lawsuit against you. You are not being sued.

ELIGIBLE SETTLEMENT CLASS MEMBERS ARE HEREBY NOTIFIED AS FOLLOWS:

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND GET AUTOMATIC PAYMENT	If you received this Notice of Class Action Settlement, you will <u>automatically</u> receive your share of the settlement, unless you exclude yourself. You do <u>not</u> need to submit a claim form to receive this payment.
EXCLUDE YOURSELF	You can opt-out of the Class Settlement if you do not want to participate by sending the Administrator a written Request for Exclusion Form by [REDACTED], 2025. 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. You cannot opt-out of the PAGA portion of the proposed Settlement.
OBJECT	Class Members who do not opt out of the proposed settlement (“Participating Class Members”) may object to the settlement. The deadline to file objections with the Court is [REDACTED], 2024.

A proposed settlement (the “Settlement”) has been reached in the above-referenced lawsuit (the “Action”). The Settlement resolves a class and representative action lawsuit in which Plaintiff FREDERICK BERNARD (“Plaintiff or “Class Representative”) claims Defendants OPTIMA TAX RELIEF, LLC and OPTIMA FINANCIAL GROUP, LLC (“OPTIMA” or “Defendants”) violated California’s wage and hour laws. OPTIMA has denied and continues to deny the factual and legal allegations in the case and believes it consistently complied with all applicable laws at all relevant times.

You have received this notice because OPTIMA records show that you were employed in California as a non-exempt employee at some time between January 1, 2020, through [DATE OF ENTRY OF THE PRELIMINARY APPROVAL ORDER], and therefore may be part of the “Settlement Class.” Because your rights may be affected by this Settlement, it is important that you read this Notice carefully. If you still have questions, or if you wish to update your mailing information, please contact the settlement administrator, [REDACTED], at (xxx) xxx-xxxx.

1. Why did I get this notice?

You received this notice because OPTIMA’s records show that you are a member of the Settlement Class. The “Settlement Class” or “Settlement Class Members” consist of all individuals employed in California by Defendants in hourly, non-exempt positions during the Class Period (January 1, 2020, through [DATE OF ENTRY OF THE

PRELIMINARY APPROVAL ORDER)). This notice tells you how you can a) be part of the class action Settlement, b) object to the proposed class action Settlement, or c) exclude yourself from the class action Settlement.

2. What is the Action and Settlement about?

Plaintiff asserts claims on behalf of himself and other non-exempt employees who worked for OPTIMA in California during the Class Period. Plaintiff alleges that OPTIMA failed to pay overtime and double time, failed to provide proper meal and rest periods, failed to provide compliant wage statements, made unlawful deductions, failed to reimburse business expenses, and failed to pay all wages due upon separation, among other claims involving penalties. OPTIMA denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

The parties disagree as to the probable outcome of the Action with respect to liability and damages if the Action were not settled. That notwithstanding, each side has decided to amicably resolve this matter rather than continue to trial.

The parties reached a settlement, subject to Court approval, to resolve all claims asserted in the Action. Plaintiff believes the Settlement is fair, adequate, and reasonable, and is in the best interest of Settlement Class Members. By agreeing to settle, OPTIMA is not admitting liability on any of the factual allegations or claims in the Action or that the Action can or should proceed as a class or representative action. The Court has not ruled on the merits of the Plaintiff's claims or OPTIMA's defenses (which means the court has not decided who is right or wrong).

On **DATE**, the Court issued an order preliminarily approving the proposed Settlement, approving this Notice and setting deadlines and a final approval hearing date. The Court will decide whether to give final approval to the proposed Settlement at a hearing scheduled for **INSERT DATE** ("Final Approval Hearing"). See below for details.

3. What does the settlement provide?

Subject to the Court's final approval, the terms of the Settlement are as follows:

- A. OPTIMA will pay the gross settlement amount of \$1,500,000.00 ("the Settlement Amount"), which is inclusive of: attorneys' fees of not more than 33.3% of the Gross Settlement Amount and costs incurred for representing Plaintiff and the Settlement Class in the Action (not to exceed \$50,000); class representative service payments to Plaintiff for his services as Class Representative of not more than \$20,000; release payments to Plaintiff of not more than \$25,000 in consideration for Plaintiff's general release of claims against OPTIMA; a payment of \$50,000 in settlement of Plaintiff's claims under the California Private Attorneys General Act of 2004 (the "PAGA Settlement"), of which 75% (\$37,500) will be paid to the California Labor and Workforce Development Agency ("LWDA") and 25% (\$12,500) will be paid to Settlement Class Members who worked for OPTIMA between November 1, 2021 through **[DATE OF ENTRY OF THE PRELIMINARY APPROVAL ORDER]** ("PAGA Employees"), pursuant to PAGA; and an administrator expenses payment not to exceed \$50,000.00 Settlement Administrators. Each of these sums will be paid from the Settlement Amount. The remaining amount (the "Net Settlement Amount") will be paid to Settlement Class Members who did not submit a valid and timely Request for Exclusion ("Participating Class Members").
- B. Each Participating Class Member will be allocated an "Individual Settlement Award," that will be calculated based on the number of "Workweeks" the Participating Class Member worked for OPTIMA in California as a non-exempt employee during the Class Period according to Defendants' records, or as estimated using the Participating Class Members' dates of employment, as follows: dividing the Net Settlement Amount by the total number of Workweeks, resulting in the Workweek Value; and then multiplying the Workweek Value by the number of Workweeks worked by each Class Member. The parties are asking the Court to approve an allocation of twenty percent (20%) as alleged unpaid wages subject to all applicable tax withholdings; forty percent (40%) as alleged unpaid interest; and forty percent (40%) as alleged unpaid penalties for each Individual Settlement Award.

- C. In addition to the Individual Class Payment, each of the PAGA Employees will be allocated an “Individual PAGA Payment,” which will be calculated based on the number of “workweeks” each of the PAGA Employees worked for Defendants in California as a non-exempt employee during the PAGA Period, as follows: by dividing the 25% of the PAGA Settlement to be distributed to PAGA Employees by the total number of Pay Periods for all PAGA Employees, resulting in the Pay Period Value; and then multiplying the Pay Period Value by the number of Pay Periods worked by each of the PAGA Employees.
- D. The Settlement Administrator shall issue an IRS Form W-2 to each Participating Class Member for the portion of each Individual Settlement Award payment allocated as alleged unpaid wages and subject to all applicable tax withholdings.
- E. The Settlement Administrator shall issue an IRS Form 1099 to each Participating Class Member and each of the PAGA Employees for the portion of each Individual Settlement Award and Individual PAGA Payment allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings.

According to OPTIMA’ records, you worked for OPTIMA as a non-exempt employee in California for a total of [REDACTED] Workweeks during the Class Period, of which [REDACTED] qualify as Pay Periods during the PAGA Period. Based on the above methodology, your estimated Individual Class Payment is \$ [REDACTED] and your estimated Individual PAGA Payment is \$ [REDACTED].

Although the parties have agreed to the above allocations, neither side is giving you any advice on whether your Individual Class Payment or Individual PAGA Payment 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 Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement. None of the above payments will be eligible for benefit contributions or employee matching.

4. What am I giving up in exchange for the settlement benefits?

If you do not timely exclude yourself from the class action Settlement as explained below, then upon entry of final judgment and payment by Defendants of the Gross Settlement Amount in accordance with paragraphs 26, 33, 55-56 of the Agreement, Defendants and their respective present and former parents, owners, subsidiaries, and any affiliated or related persons or entities and each of their respective officers, directors, partners, shareholders, attorneys and agents and any other successors, assigns, or legal representatives (the “Released Parties”) shall be entitled to a release from the Participating Class Members and PAGA Members as follows:

Release by All Participating Class Members. All Participating Class Members, including Plaintiff, shall be deemed to have released their respective Released Claims against the Released Parties upon the date on which the payment of the Gross Settlement Amount and all employer-side payroll taxes is made by Defendants. All Participating Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged with respect to all of the Released Parties for any and all Released Claims that accrued during the Class Period. Each Participating Class Member fully releases and discharges the Released Parties as to all Released Claims during the Class Period.

“Released Claims” includes all claims under state or local law, whether statutory, common law, or administrative law, whether in law or equity, for all claims other than the PAGA Released Claims that are pled in the Operative Complaint, based on or arising out of the factual allegations therein, during the Class Period, including: (a) all claims for failure to pay overtime and double time under Cal. Labor Code §§ 510, 1194, 1198 and IWC Wage Order 4-2001, §3(A); (b) all claims for improper meal periods under Cal. Labor Code §§ 226.7, 512, 558 and IWC Wage Order 4-2001 § 11(B); (c) all claims for improper rest periods under Cal. Labor Code §§ 226.7, 512, and IWC Wage Order 4-2001 § 12; (d) all claims for improper wage statements under Cal. Labor Code §§ 226 and 226(a); (e) all claims for unlawful deduction of wages under Cal. Labor Code §§ 204, 221-224, and 2751; (f) all claims for failure to reimburse business expenses under Cal. Labor Code §§ 2800, et seq; (g) all claims for failure to pay all wages due upon separation under Cal. Labor Code §§201-203 and 218; (h) claims for unlawful or unfair business practices under Business and Professions Code, §17200; (i) claims for liquidated damages; (j) claims for

interest; (k) claims for attorneys' fees; (l) claims for attorneys' costs; and (m) claims for declaratory relief.

PAGA Release by Plaintiff, PAGA Members, and State of California. Plaintiff, PAGA Members, and the State of California shall be deemed to have released their respective PAGA Released Claims against the Released Parties upon the date on which the payment of the Gross Settlement Amount and all employer side payroll taxes is made by Defendants. It is understood that PAGA Members, will not have the opportunity to opt out of, or object to, the PAGA Release. Further, all PAGA Members are bound by the PAGA Release regardless of whether they cash and/or otherwise negotiate their Individual PAGA Payment.

"PAGA Release" or "PAGA Released Claims" means the release by all PAGA Members for all claims for penalties under PAGA that arise out of or relate to California Labor Code sections 201-204, 210, 218, 221-224, 225.5, 226, 226.3, 226.7, 500-508, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, 2751, 2800 *et seq.*, 2802, 2810.5, California Code of Regulations, Title 8, Section 11040 and Industrial Welfare Commission Wage Order 4-2001, Sections 3, 11 and 12, as pled in the Operative Complaint and the PAGA Notices, during the PAGA Period. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969 (2009), Class Members who exclude themselves from this Settlement shall still receive an Individual PAGA Payment directly from the Settlement Administrator for the amount of each such individual's estimated share of the PAGA Payment as calculated by the Settlement Administrator, and shall not be able to object to or exclude themselves from releasing the PAGA Released Claims against Defendants.

5. Who are the attorneys representing the parties?

Class Counsel

Reuben D. Nathan
rnathan@nathanlawpractice.com
NATHAN & ASSOCIATES, APC
2901 W. Coast Hwy., Suite 200
Newport Beach, California 92663
Telephone: (949) 270-2798

Matthew Righetti
matt@righettilaw.com
John Glugoski
jglugoski@righettilaw.com
RIGHETTI GLUGOSKI, P.C.
2001 Union Street, Suite 400
San Francisco, CA 94123
Telephone: (415) 983-0900

Defendants' Counsel

Dean A. Rocco
dean.rocco@wilsonelser.com
Trevor C. Wong
trevor.wong@wilsonelser.com
WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP
555 S. Flower Street, Suite 2900
Los Angeles, California 90071
Telephone: (213) 443-5100

6. How do I participate in the settlement?

You are not required to take any action to receive your individual settlement payments. If you do nothing, your share of the settlement proceeds will be mailed to you by check after the Court grants "final approval" of the Settlement, and after time for appeals has ended or any appeals have been resolved, if applicable.

7. How do I opt-out of the Settlement Class?

If you do not wish to participate in the class Settlement (i.e., "Opt Out"), you must complete and sign a request for exclusion and return it by first class mail, facsimile, or email to:

ILYM Group, Inc.
2832 Walnut Ave. Ste C.
Tustin, CA 92780
T: 888.250.6810|F:888.845.6185

Your Request for Exclusion must include the following: (1) a statement that reasonably communicates your election to be excluded from the class Settlement (e.g., “I wish to exclude myself from the class settlement reached in the matter of Frederick Bernard v. Optima Tax Relief, LLC.”); (2) your name, address, email address or telephone number, and the last four digits of your Social Security number; and (3) your signature. Your Request for Exclusion must also (4) be faxed, emailed, or postmarked on or before **DATE** and returned to the Settlement Administrator at the mailing address, email, or fax number specified above.

Your Request for Exclusion will not be valid if it does not comply with the above requirements. The date of the postmark on the return mailing envelope or the fax stamp, or in the event of an email, the date the email was sent, shall be the exclusive means used to determine whether the Request for Exclusion was timely submitted. Settlement Class Members who fail to submit a valid and timely written Request for Exclusion on or before **DATE** shall be bound by all terms of the Settlement and any final judgment entered in the Action if the Settlement is approved by the Court.

Any person who submits a complete and timely Request for Exclusion will not be eligible to participate in the class Settlement, will not receive proceeds from the class Settlement, and will not be bound by the class releases of the Settlement. However, by excluding yourself from the class Settlement you may pursue your own claims against OPTIMA in the future, subject to any defenses that OPTIMA may assert.

There is no statutory right for any PAGA Employee to opt out or otherwise be excluded from the PAGA portion of the Settlement and the associated release of claims and rights under PAGA.

8. What happens with any uncashed settlement checks?

All individual settlement checks that are not cashed within 180 days of issuance shall be canceled, and the money represented by such checks shall be transferred to the California State Controller’s Unclaimed Property Fund, in the name of the Settlement Class Member to be held as unclaimed property.

9. What if I have questions about my Individual Class and/or PAGA Payment calculations?

If any Settlement Class Member wants additional information about the calculation of his or her Individual Class or PAGA Payment, details may be obtained from the Settlement Administrator. The Settlement Class Member has the right to challenge whether the Workweek calculations are proper under the terms of the Settlement by submitting information or documentation to the Settlement Administrator. To be valid, a challenge to the calculation of Workweeks and/or Pay Periods must be in writing, be postmarked, emailed, or fax stamped by **DATE** and returned to the Settlement Administrator at the specified address, email or fax telephone number below, and contain: (1) the Settlement Class Member’s full name, signature, address, telephone number, and the last four digits of his/her Social Security number; (2) the number of Workweeks and/or Pay Periods the Settlement Class Member contends is correct; and (3) any evidence supporting his/her contention. The date of the postmark on the return mailing envelope, email or fax stamp shall be the exclusive means used to determine whether the challenge was timely submitted. The Workweeks and/or Pay Periods identified for each Settlement Class Member in this Notice will be presumed to be correct unless a particular Settlement Class Member proves otherwise to the Settlement Administrator by credible evidence. The Settlement Administrator shall make the final, non-appealable determination as to all valid Workweek and Pay Period challenges.

10. How do I object to the Settlement?

If you do not file a Request for Exclusion, you can object to the terms of this Settlement before it is granted final approval by the Court. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object to the Settlement, you may fax, email, or mail via first class mail to the Settlement Administrator a written statement objecting to this Settlement setting forth the legal and factual grounds for any objection. You cannot ask the Court for a larger settlement; the Court can only approve or deny the proposed settlement. A Settlement Class Member who elects to send a written objection to the Settlement Administrator must do so no later than **DATE**. If you do not send a written objection, you may still appear at the final approval hearing or through an attorney you hire,

at your own expense, to object. If you are represented by counsel, your attorney must file with the Superior Court a notice of appearance providing the attorney's contact information. If you fail to object, you shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement.

Objecting is simply telling the Court you do not like something about the Settlement. You can object to the class action Settlement only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you will have no basis to object because the Settlement will no longer affect you.

11. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing in Department CX101 of the Orange County Superior Court, located at Civil Complex Center, 751 W. Santa Ana Blvd. Santa Ana, CA 92701, on XXX at __:00 a.m. Notification of any changes to the time or location of the fairness hearing, as well as the final judgment following final approval, if any, will be available at this link: [REDACTED]. If there are objections, the Court will consider them at the final approval hearing. The Court will also consider how much to pay Class Counsel and the amount of any class representative service payments and release payments to Plaintiff. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

You do not need to come to the hearing. Class Counsel will answer any questions the judge may have. But you are welcome to come to the hearing at your own expense. If you send an objection, you don't have to come to court to talk about it. You can appear at the hearing, at your own expense, to discuss any objections you may have with the Court whether or not you file an objection in writing. You may also pay another lawyer to attend, but this is not required.

ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may refer to the settlement agreement and other information located at www.xxxxxx. You may also review the pleadings, the settlement agreement, and other papers filed in the Action which may be inspected in person at the courthouse, or by searching case number 30-2022-01288055-CU-OE-CXC on the Court's website located at <https://civilwebshopping.occourts.org/Login.do>. All inquiries by Class Members regarding this Notice and/or the settlement should be directed to the Settlement Administrator using the contact information set forth below:

Settlement Administrator
ILYM Group, Inc.
2832 Walnut Ave. Ste C.
Tustin, CA 92780
T: 888.250.6810|F:888.845.6185
kelsey@ilymgroup.com

PLEASE DO NOT CONTACT THE COURT OR THE JUDGE WITH INQUIRIES.

THIS NOTICE IS NOT A RECOMMENDATION BY THE COURT AS TO ANY ACTION YOU SHOULD OR SHOULD NOT TAKE.

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EXHIBIT 2

NOTICE OF CLASS ACTION SETTLEMENT

FREDERICK BERNARD, PLAINTIFF v. OPTIMA TAX RELIEF, LLC; OPTIMA FINANCIAL GROUP, LLC, DEFENDANTS

**SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF ORANGE
CASE NO. 30-2022-01288055-CU-OE-CXC (“ACTION”)**

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

If you are or were employed by OPTIMA TAX RELIEF, LLC / OPTIMA FINANCIAL GROUP, LLC in California as a non-exempt employee at some time between January 1, 2020 through [DATE OF ENTRY OF THE PRELIMINARY APPROVAL ORDER], you are eligible to receive compensation from a class action settlement.

A court authorized this notice. This is not an advertisement.

This is not a lawsuit against you. You are not being sued.

ELIGIBLE SETTLEMENT CLASS MEMBERS ARE HEREBY NOTIFIED AS FOLLOWS:

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND GET AUTOMATIC PAYMENT	If you received this Notice of Class Action Settlement, you will <u>automatically</u> receive your share of the settlement, unless you exclude yourself. You do <u>not</u> need to submit a claim form to receive this payment.
EXCLUDE YOURSELF	You can opt-out of the Class Settlement if you do not want to participate by sending the Administrator a written Request for Exclusion Form by [REDACTED], 2025. 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. You cannot opt-out of the PAGA portion of the proposed Settlement.
OBJECT	Class Members who do not opt out of the proposed settlement (“Participating Class Members”) may object to the settlement. The deadline to file objections with the Court is [REDACTED], 2024.

A proposed settlement (the “Settlement”) has been reached in the above-referenced lawsuit (the “Action”). The Settlement resolves a class and representative action lawsuit in which Plaintiff FREDERICK BERNARD (“Plaintiff” or “Class Representative”) claims Defendants OPTIMA TAX RELIEF, LLC and OPTIMA FINANCIAL GROUP, LLC (“OPTIMA” or “Defendants”) violated California’s wage and hour laws. OPTIMA has denied and continues to deny the factual and legal allegations in the case and believes it consistently complied with all applicable laws at all relevant times.

You have received this notice because OPTIMA records show that you were employed in California as a non-exempt employee at some time between January 1, 2020, through [DATE OF ENTRY OF THE PRELIMINARY APPROVAL ORDER], and therefore may be part of the “Settlement Class.” Because your rights may be affected by this Settlement, it is important that you read this Notice carefully. If you still have questions, or if you wish to update your mailing information, please contact the settlement administrator, [REDACTED], at (xxx) xxx-xxxx.

1. Why did I get this notice?

You received this notice because OPTIMA’s records show that you are a member of the Settlement Class. The “Settlement Class” or “Settlement Class Members” consist of all individuals employed in California by Defendants in hourly, non-exempt positions during the Class Period (January 1, 2020, through [DATE OF ENTRY OF THE

PRELIMINARY APPROVAL ORDER). This notice tells you how you can a) be part of the class action Settlement, b) object to the proposed class action Settlement, or c) exclude yourself from the class action Settlement.

2. What is the Action and Settlement about?

Plaintiff asserts claims on behalf of himself and other non-exempt employees who worked for OPTIMA in California during the Class Period. Plaintiff alleges that OPTIMA failed to pay overtime and double time, failed to provide proper meal and rest periods, failed to provide compliant wage statements, made unlawful deductions, failed to reimburse business expenses, and failed to pay all wages due upon separation, among other claims involving penalties. OPTIMA denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

The parties disagree as to the probable outcome of the Action with respect to liability and damages if the Action were not settled. That notwithstanding, each side has decided to amicably resolve this matter rather than continue to trial.

The parties reached a settlement, subject to Court approval, to resolve all claims asserted in the Action. Plaintiff believes the Settlement is fair, adequate, and reasonable, and is in the best interest of Settlement Class Members. By agreeing to settle, OPTIMA is not admitting liability on any of the factual allegations or claims in the Action or that the Action can or should proceed as a class or representative action. The Court has not ruled on the merits of the Plaintiff's claims or OPTIMA's defenses (which means the court has not decided who is right or wrong).

On **DATE**, the Court issued an order preliminarily approving the proposed Settlement, approving this Notice and setting deadlines and a final approval hearing date. The Court will decide whether to give final approval to the proposed Settlement at a hearing scheduled for **INSERT DATE** ("Final Approval Hearing"). See below for details.

3. What does the settlement provide?

Subject to the Court's final approval, the terms of the Settlement are as follows:

- A. OPTIMA will pay the gross settlement amount of \$1,500,000.00 ("the Settlement Amount"), which is inclusive of: attorneys' fees of not more than 33.3% of the Gross Settlement Amount and costs incurred for representing Plaintiff and the Settlement Class in the Action (not to exceed \$50,000); class representative service payments to Plaintiff for his services as Class Representative of not more than \$20,000; release payments to Plaintiff of not more than \$25,000 in consideration for Plaintiff's general release of claims against OPTIMA; a payment of \$50,000 in settlement of Plaintiff's claims under the California Private Attorneys General Act of 2004 (the "PAGA Settlement"), of which 75% (\$37,500) will be paid to the California Labor and Workforce Development Agency ("LWDA") and 25% (\$12,500) will be paid to Settlement Class Members who worked for OPTIMA between November 1, 2021 through **[DATE OF ENTRY OF THE PRELIMINARY APPROVAL ORDER]** ("PAGA Employees"), pursuant to PAGA; and an administrator expenses payment not to exceed \$50,000.00 Settlement Administrators. Each of these sums will be paid from the Settlement Amount. The remaining amount (the "Net Settlement Amount") will be paid to Settlement Class Members who did not submit a valid and timely Request for Exclusion ("Participating Class Members").
- B. Each Participating Class Member will be allocated an "Individual Settlement Award," that will be calculated based on the number of "Workweeks" the Participating Class Member worked for OPTIMA in California as a non-exempt employee during the Class Period according to Defendants' records, or as estimated using the Participating Class Members' dates of employment, as follows: dividing the Net Settlement Amount by the total number of Workweeks, resulting in the Workweek Value; and then multiplying the Workweek Value by the number of Workweeks worked by each Class Member. The parties are asking the Court to approve an allocation of twenty percent (20%) as alleged unpaid wages subject to all applicable tax withholdings; forty percent (40%) as alleged unpaid interest; and forty percent (40%) as alleged unpaid penalties for each Individual Settlement Award.

- C. In addition to the Individual Class Payment, each of the PAGA Employees will be allocated an “Individual PAGA Payment,” which will be calculated based on the number of “workweeks” each of the PAGA Employees worked for Defendants in California as a non-exempt employee during the PAGA Period, as follows: by dividing the 25% of the PAGA Settlement to be distributed to PAGA Employees by the total number of Pay Periods for all PAGA Employees, resulting in the Pay Period Value; and then multiplying the Pay Period Value by the number of Pay Periods worked by each of the PAGA Employees.
- D. The Settlement Administrator shall issue an IRS Form W-2 to each Participating Class Member for the portion of each Individual Settlement Award payment allocated as alleged unpaid wages and subject to all applicable tax withholdings.
- E. The Settlement Administrator shall issue an IRS Form 1099 to each Participating Class Member and each of the PAGA Employees for the portion of each Individual Settlement Award and Individual PAGA Payment allocated as alleged unpaid non-wage penalties and interest and not subject to payroll tax withholdings.

According to OPTIMA’ records, you worked for OPTIMA as a non-exempt employee in California for a total of [REDACTED] Workweeks during the Class Period, of which [REDACTED] qualify as Pay Periods during the PAGA Period. Based on the above methodology, your estimated Individual Class Payment is \$ [REDACTED] and your estimated Individual PAGA Payment is \$ [REDACTED].

Although the parties have agreed to the above allocations, neither side is giving you any advice on whether your Individual Class Payment or Individual PAGA Payment 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 Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement. None of the above payments will be eligible for benefit contributions or employee matching.

4. What am I giving up in exchange for the settlement benefits?

If you do not timely exclude yourself from the class action Settlement as explained below, then upon entry of final judgment and payment by Defendants of the Gross Settlement Amount in accordance with paragraphs 26, 33, 55-56 of the Agreement, Defendants and their respective present and former parents, owners, subsidiaries, and any affiliated or related persons or entities and each of their respective officers, directors, partners, shareholders, attorneys and agents and any other successors, assigns, or legal representatives (the “Released Parties”) shall be entitled to a release from the Participating Class Members and PAGA Members as follows:

Release by All Participating Class Members. All Participating Class Members, including Plaintiff, shall be deemed to have released their respective Released Claims against the Released Parties upon the date on which the payment of the Gross Settlement Amount and all employer-side payroll taxes is made by Defendants. All Participating Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged with respect to all of the Released Parties for any and all Released Claims that accrued during the Class Period. Each Participating Class Member fully releases and discharges the Released Parties as to all Released Claims during the Class Period.

“Released Claims” includes all claims under state or local law, whether statutory, common law, or administrative law, whether in law or equity, for all claims other than the PAGA Released Claims that are pled in the Operative Complaint, based on or arising out of the factual allegations therein, during the Class Period, including: (a) all claims for failure to pay overtime and double time under Cal. Labor Code §§ 510, 1194, 1198 and IWC Wage Order 4-2001, §3(A); (b) all claims for improper meal periods under Cal. Labor Code §§ 226.7, 512, 558 and IWC Wage Order 4-2001 § 11(B); (c) all claims for improper rest periods under Cal. Labor Code §§ 226.7, 512, and IWC Wage Order 4-2001 § 12; (d) all claims for improper wage statements under Cal. Labor Code §§ 226 and 226(a); (e) all claims for unlawful deduction of wages under Cal. Labor Code §§ 204, 221-224, and 2751; (f) all claims for failure to reimburse business expenses under Cal. Labor Code §§ 2800, et seq; (g) all claims for failure to pay all wages due upon separation under Cal. Labor Code §§201-203 and 218; (h) claims for unlawful or unfair business practices under Business and Professions Code, §17200; (i) claims for liquidated damages; (j) claims for

interest; (k) claims for attorneys' fees; (l) claims for attorneys' costs; and (m) claims for declaratory relief.

PAGA Release by Plaintiff, PAGA Members, and State of California. Plaintiff, PAGA Members, and the State of California shall be deemed to have released their respective PAGA Released Claims against the Released Parties upon the date on which the payment of the Gross Settlement Amount and all employer side payroll taxes is made by Defendants. It is understood that PAGA Members, will not have the opportunity to opt out of, or object to, the PAGA Release. Further, all PAGA Members are bound by the PAGA Release regardless of whether they cash and/or otherwise negotiate their Individual PAGA Payment.

"PAGA Release" or "PAGA Released Claims" means the release by all PAGA Members for all claims for penalties under PAGA that arise out of or relate to California Labor Code sections 201-204, 210, 218, 221-224, 225.5, 226, 226.3, 226.7, 500-508, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, 2751, 2800 *et seq.*, 2802, 2810.5, California Code of Regulations, Title 8, Section 11040 and Industrial Welfare Commission Wage Order 4-2001, Sections 3, 11 and 12, as pled in the Operative Complaint and the PAGA Notices, during the PAGA Period. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969 (2009), Class Members who exclude themselves from this Settlement shall still receive an Individual PAGA Payment directly from the Settlement Administrator for the amount of each such individual's estimated share of the PAGA Payment as calculated by the Settlement Administrator, and shall not be able to object to or exclude themselves from releasing the PAGA Released Claims against Defendants.

5. Who are the attorneys representing the parties?

Class Counsel

Reuben D. Nathan
rnathan@nathanlawpractice.com
NATHAN & ASSOCIATES, APC
2901 W. Coast Hwy., Suite 200
Newport Beach, California 92663
Telephone: (949) 270-2798

Matthew Righetti
matt@righettilaw.com
John Glugoski
jglugoski@righettilaw.com
RIGHETTI GLUGOSKI, P.C.
2001 Union Street, Suite 400
San Francisco, CA 94123
Telephone: (415) 983-0900

Defendants' Counsel

Dean A. Rocco
dean.rocco@wilsonelser.com
Trevor C. Wong
trevor.wong@wilsonelser.com
WILSON, ELSER, MOSKOWITZ,
EDELMAN & DICKER LLP
555 S. Flower Street, Suite 2900
Los Angeles, California 90071
Telephone: (213) 443-5100

6. How do I participate in the settlement?

You are not required to take any action to receive your individual settlement payments. If you do nothing, your share of the settlement proceeds will be mailed to you by check after the Court grants "final approval" of the Settlement, and after time for appeals has ended or any appeals have been resolved, if applicable.

7. How do I opt-out of the Settlement Class?

If you do not wish to participate in the class Settlement (i.e., "Opt Out"), you must complete and sign a request for exclusion and return it by first class mail, facsimile, or email to:

ILYM Group, Inc.
2832 Walnut Ave. Ste C.
Tustin, CA 92780
T: 888.250.6810|F:888.845.6185

Your Request for Exclusion must include the following: (1) a statement that reasonably communicates your election to be excluded from the class Settlement (e.g., “I wish to exclude myself from the class settlement reached in the matter of Frederick Bernard v. Optima Tax Relief, LLC.”); (2) your name, address, email address or telephone number, and the last four digits of your Social Security number; and (3) your signature. Your Request for Exclusion must also (4) be faxed, emailed, or postmarked on or before **DATE** and returned to the Settlement Administrator at the mailing address, email, or fax number specified above.

Your Request for Exclusion will not be valid if it does not comply with the above requirements. The date of the postmark on the return mailing envelope or the fax stamp, or in the event of an email, the date the email was sent, shall be the exclusive means used to determine whether the Request for Exclusion was timely submitted. Settlement Class Members who fail to submit a valid and timely written Request for Exclusion on or before **DATE** shall be bound by all terms of the Settlement and any final judgment entered in the Action if the Settlement is approved by the Court.

Any person who submits a complete and timely Request for Exclusion will not be eligible to participate in the class Settlement, will not receive proceeds from the class Settlement, and will not be bound by the class releases of the Settlement. However, by excluding yourself from the class Settlement you may pursue your own claims against OPTIMA in the future, subject to any defenses that OPTIMA may assert.

There is no statutory right for any PAGA Employee to opt out or otherwise be excluded from the PAGA portion of the Settlement and the associated release of claims and rights under PAGA.

8. What happens with any uncashed settlement checks?

All individual settlement checks that are not cashed within 180 days of issuance shall be canceled, and the money represented by such checks shall be transferred to the California State Controller’s Unclaimed Property Fund, in the name of the Settlement Class Member to be held as unclaimed property.

9. What if I have questions about my Individual Class and/or PAGA Payment calculations?

If any Settlement Class Member wants additional information about the calculation of his or her Individual Class or PAGA Payment, details may be obtained from the Settlement Administrator. The Settlement Class Member has the right to challenge whether the Workweek calculations are proper under the terms of the Settlement by submitting information or documentation to the Settlement Administrator. To be valid, a challenge to the calculation of Workweeks and/or Pay Periods must be in writing, be postmarked, emailed, or fax stamped by **DATE** and returned to the Settlement Administrator at the specified address, email or fax telephone number below, and contain: (1) the Settlement Class Member’s full name, signature, address, telephone number, and the last four digits of his/her Social Security number; (2) the number of Workweeks and/or Pay Periods the Settlement Class Member contends is correct; and (3) any evidence supporting his/her contention. The date of the postmark on the return mailing envelope, email or fax stamp shall be the exclusive means used to determine whether the challenge was timely submitted. The Workweeks and/or Pay Periods identified for each Settlement Class Member in this Notice will be presumed to be correct unless a particular Settlement Class Member proves otherwise to the Settlement Administrator by credible evidence. The Settlement Administrator shall make the final, non-appealable determination as to all valid Workweek and Pay Period challenges.

10. How do I object to the Settlement?

If you do not file a Request for Exclusion, you can object to the terms of this Settlement before it is granted final approval by the Court. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object to the Settlement, you may fax, email, or mail via first class mail to the Settlement Administrator a written statement objecting to this Settlement setting forth the legal and factual grounds for any objection. You cannot ask the Court for a larger settlement; the Court can only approve or deny the proposed settlement. A Settlement Class Member who elects to send a written objection to the Settlement Administrator must do so no later than **DATE**. If you do not send a written objection, you may still appear at the final approval hearing or through an attorney you hire,

at your own expense, to object. If you are represented by counsel, your attorney must file with the Superior Court a notice of appearance providing the attorney's contact information. If you fail to object, you shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement.

Objecting is simply telling the Court you do not like something about the Settlement. You can object to the class action Settlement only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you will have no basis to object because the Settlement will no longer affect you.

11. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing in Department CX101 of the Orange County Superior Court, located at Civil Complex Center, 751 W. Santa Ana Blvd. Santa Ana, CA 92701, on XXX at __:00 a.m. Notification of any changes to the time or location of the fairness hearing, as well as the final judgment following final approval, if any, will be available at this link: [REDACTED]. If there are objections, the Court will consider them at the final approval hearing. The Court will also consider how much to pay Class Counsel and the amount of any class representative service payments and release payments to Plaintiff. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

You do not need to come to the hearing. Class Counsel will answer any questions the judge may have. But you are welcome to come to the hearing at your own expense. If you send an objection, you don't have to come to court to talk about it. You can appear at the hearing, at your own expense, to discuss any objections you may have with the Court whether or not you file an objection in writing. You may also pay another lawyer to attend, but this is not required.

ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may refer to the settlement agreement and other information located at www.xxxxxx. You may also review the pleadings, the settlement agreement, and other papers filed in the Action which may be inspected in person at the courthouse, or by searching case number 30-2022-01288055-CU-OE-CXC on the Court's website located at <https://civilwebshopping.occourts.org/Login.do>. All inquiries by Class Members regarding this Notice and/or the settlement should be directed to the Settlement Administrator using the contact information set forth below:

Settlement Administrator
ILYM Group, Inc.
2832 Walnut Ave. Ste C.
Tustin, CA 92780
T: 888.250.6810|F:888.845.6185
kelsey@ilymgroup.com

PLEASE DO NOT CONTACT THE COURT OR THE JUDGE WITH INQUIRIES.

THIS NOTICE IS NOT A RECOMMENDATION BY THE COURT AS TO ANY ACTION YOU SHOULD OR SHOULD NOT TAKE.

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EXHIBIT 3

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Overview of Our Firm:

ILYM Group, Inc is a class action administration, legal notification, and direct media outlets firm. With over 20 years of combined experience, our primary commitments are to client satisfaction, cutting edge technology and data management security, seamless case management and delivery of case expectations. Because, of our adherence to these commitments, ILYM Group, Inc is a one of the fastest growing, Woman Owned Business (NAPW), in the industry and has become the go-to firm for class action administration and legal notification. ILYM Group, Inc works with the top defense and plaintiff firms across the United States.

AREAS OF EXPERTISE:

- Wage and Hour
- FLSA
- Insurance and Health Care
- Consumer
- Finance
- ERISA
- TCPA
- Antitrust
- Securities

Ramirez v JC Penney.

- ERISA Case with a class size of 26,000.

Kruger, et al. v. Novant Health

- ERISA Case with a class size of \$32 million.

Abbott, et al. v. Lockheed Martin Corp.

- ERISA Case with \$62 million.

Jacqueline Jones vs. I.Q. Data International, Inc.

- TCPA Case with a class size of 93,993. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 93.82% of the Class that did not have a name or address.

Reza Barani vs. Wells Fargo Bank, N.A.

- TCPA Case with a class size of 82,874. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 87.84% of the Class that did not have a name or address.

Kimberly Roberts, et al. v. T.J. Maxx of CA, LLC, et al.

- Wage & Hour Case with a class size of 82,549.

Robert Stone, et al. v. Universal Protection Services, LP, et al.

- Wage & Hour Case with a class size of 75,351.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

ILYM Group, Inc. is operational 24/7 delivering true client and class member availability. Our call center is open 24/7/365 days a year, even holidays and is full digital, automated and multilingual. ILYM Group Inc.'s mail and media center is a state-of-the-art facility, fully digital and USPS integrated. We can accommodate cases of any size, from ten class members to multi-millions. ILYM Group, Inc. prides itself on its commitment to service, quality, value pricing and availability. We've committed ourselves to being the best Class Action Administration and Notification Company in our industry. Through our years of experience, ILYM Group, Inc. is dedicated to exceeding our client's expectations.

PRE-SETTLEMENT CONSULTATION

- **Administration Consultation:** Meeting to determine objectives and expectations by both parties. All reporting and responsibilities will be agreed upon as will the seamless process to access data. We will also discuss the opportunities to identify class members with the proposed print and web-based media for optimum reach. Additionally, all expectations and delivery of those results will be planned for and mapped accordingly.

MAILING AND NOTIFICATION

- **Fulfillment and Correspondence:** All provided settlement information will be published via United States Postal Service (USPS first class standards) to the proposed mailing class. Notifications will include a Claim ID and how to respond, or Opt-Out, based on the stipulations.
- **Reverse Lookup:** A confidential reverse phone or reverse cell lookup will provide; owner's name, location, address history, carrier, phone type (landline or cell phone) and more. Our reverse lookup is powered by an extensive database which includes hundreds of millions of cell phone, landline, residential and unlisted number. Our software collects data from multiple data sources and carriers across the US. Our average "hit ratio" ranges from 93% - 98%.
- **Creating Class Database:** All Data is verified and filtered to eliminate duplication against the United States Postal Service (USPS) National Change of Address (NCOA) database. ILYM Group, Inc. will also certify and validate with the Coding Accuracy Support System (CASS) and Track Your Class (TYC) for zone delivery.
- **Claim Forms:** ILYM Group, Inc. will email all claim forms, whenever possible, to have accurate reporting and tracking of all class requests. Emails will contain full text claim forms.
- **Translations:** When needed, ILYM Group, Inc. will translate notices to any language needed to reach Class members.
- **Remails:** Returned mail will be scanned, re-verified and re-mailed. All returned mail is data warehoused and reported to both parties' counsels in a weekly report.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

MEDIA & INTERNET BANNER ADS

Notice Publication

- **Legal Notices:** ILYM Group, Inc. can provide a Media Proposal to maximize reach based on quantitative and qualitative methodologies.
- **Electronic Publication (Banner Ads):** ILYM Group, Inc. will utilize Internet Banner Noticing efforts and web technologies for maximum reach via the World Wide Web.
- **Electronic Mail Notices:** ILYM Group, Inc. can email an estimated number of class members a full text notice. We are compliant with all search engines and Internet Service Providers (ISP) so that our emails are always “White List” accepted with minimal returns.
- **Reach:** Every case has its own proposed reach and exposure percentage. We filter, verify and scrub the data to improve reach results.
- **Services Included:** Analysis, Documentation, Research and Methodologies, Execution and Reporting.

PROJECT MANAGEMENT

- **Case Notification, Maintenance and Management:** ILYM Group, Inc.’s Senior Project Managers will provide all Account Management, Pre-Consultation to Case Conclusion, Reporting and Claims Processing. Design, negotiation and implementation, upon approval, of all forms and notices, all distribution reporting and filings with the court.
- **Claims Processing:** All claims can be submitted by USPS, Internet, Fax, and Email or Online submission. Claims will be processed and recorded with matching ILYM database ID's. E-claims will have corresponding records of intake. All deficient claims will be notified via USPS and make provisions for class member to re-submit claims.
- **Call Center:** ILYM Group, Inc. will support class members with a toll-free number to get the most up-to-date case settlement information. Customer service representatives will be available 24/7/365 as will recorded messages. All class members are given the options to best serve their needs and to receive case information.
- **Internet Support:** Class members can log on to a provided website and view, print or submit information and claim forms regarding the settlement. Frequently Asked Questions (FAQ's) will be provided as well. Class members may download the claim form with mailing and fax instructions provided on the form.
- **Objection and Request for Exclusion:** All objections and request for exclusion, opt-out, will be data warehoused, dated and reported. Postmarks will serve for exclusion dating and will be forwarded to both counsels' no more than 5 days post submission. Objection will be reviewed by ILYM Group, Inc. to determine the timeliness and basis of the objection. All information will be forwarded to both parties counsel, along with any representation information from the class member, within 5 days.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

DATA ADMINISTRATION AND NETWORK SECURITY

- **Network Security:** All provided data is encrypted, stored and hosted in a Tier 4, SAS70 certified environment.
- **Database Administration:** To be developed with all electronically provided data. Class members will be assigned ILYM Group, Inc. internal tracking ID's to ensure all collected member data coincides with all received claims.

DISTRIBUTION AND SETTLEMENT FUNDING

- **Distribution and Management:** Upon receipt of settlement funds, ILYM Group, Inc. will open a QSF Account for proceeds of the Gross Settlement Payment. The deposited funds will then be managed per the Settlement Agreement. All funds will be settled with class members and counsel along with all federal and state income tax reporting.
- **Check Printing and Mailing:** Claims processed, quantified and approved by clients, will be processed for distribution. All checks will be printed and mailed via USPS first class standards. ILYM Group, Inc. will reissue checks in accordance with the Settlement Agreement.
- **Preparation, Filing and Reporting of Taxes:** ILYM Group, Inc. will ensure taxes are filed in accordance to all federal, state and local employment tax returns. All taxes associated with the settlement will be paid on time to tax authorities. All filings and returns (e.g., 1099s, W-2s, etc.) will be done properly and timely with the appropriate authorities. All QSF steps and obligations with federal, state and/or local law will be followed.

CASE CONCLUSION

- **Data Manager Final Report:** All database and electronic documentation will be sent in reports weekly and at the conclusion of the Administration engagement. Call center activity, e-claims, mailed, and faxed claims will be included in all reporting.
- **Project Manager Final Report:** All case and class related information will be provided on a weekly basis and at the conclusion of the Administration engagement. Mailing and media final analysis, exclusions, objections, and all other claims processing outcomes, status reports and final court documentations will be included.
- **Affidavits:** ILYM Group, Inc. will provide all affidavits in support of analysis and media reach, final approvals and settlement. Expert Testimony and Media Methodologies will be determined.
- **Document Retention:** Unless otherwise directed, ILYM Group, Inc. will destroy all undeliverable notices on the effective date of the settlement or when the case is no longer subject to appeal. ILYM Group, Inc. will correspond for one year after the final distribution or until the case is no longer subject to appeal.

ILYM | GROUP, Inc.

C L A S S A C T I O N A D M I N I S T R A T I O N

Case Name: Bernard

Wednesday, December 3, 2025

Requesting Attorney:

Reuben Nathan

Nathan Law Practice

rnathan@nathanlawpractice.com

310.890.1237

ILYM Group Contact:

Lisa Mullins

ILYM Group, Inc.

Lisa@ilymgroup.com

714.878.8836

Estimate For Administrative Solutions: Class & PAGA

KEY ASSUMPTIONS	
Total Number of Class Members	1,350
Estimated Percentage of Remails	15%
Certified Spanish Translation	No
ILYM Group Static Website	No
Case Duration (Years)	1

Summary of ILYM Group, Inc.'s Fees & Expenses

Case Startup:	\$1,300.00
Project Management:	\$1,770.00
Notification & Mailing:	\$3,573.75
Distribution (Includes EIN, Bank Acct * /QSF Setup):	\$6,126.25
Case Conclusion:	\$1,480.00

Estimated ILYM Fees & Expenses: \$14,250.00

ILYM | GROUP, Inc.

CLASS ACTION ADMINISTRATION

Case Name: Bernard

Wednesday, December 3, 2025

Requesting Attorney's Name: Reuben Nathan

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	4	\$600.00
Programming of Class Database	Hourly	\$175.00	4	\$700.00

**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

Subtotal \$1,300.00

PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	5	\$600.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	2	\$140.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	2	\$140.00
NCOA	Flat Rate	\$350.00	1	\$350.00
Toll Free Customer Service Representative	Flat Fee	\$400.00	1	\$400.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$1,770.00

NOTIFICATION & MAILING				
Fulfillment of Notice, English only	Per Piece	\$1.50	1,350	\$2,025.00
USPS First Class Postage	Per Piece	\$0.74	1,350	\$999.00
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.00	176	\$351.00
Storage, Photocopies, Deliveries	Flat Fee	\$198.75	1	\$198.75

Subtotal \$3,573.75

ILYM | GROUP, Inc.

CLASS ACTION ADMINISTRATION

Case Name: Bernard

Wednesday, December 3, 2025

Requesting Attorney's Name: Reuben Nathan

Activity	Rate Type	Unit Cost	Volume	Amount
DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	5	\$750.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	5	\$625.00
Check, Stub & Release - Print & Mail (W2/1099)	Per Check	\$1.00	1,350	\$1,350.00
USPS First Class Postage	Per Piece	\$0.74	1,350	\$999.00
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$1.50	122	\$182.25
Preparation of Taxes	Hourly	\$120.00	6	\$720.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

**Additional Bank fees may apply*

Subtotal \$6,126.25

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	2	\$200.00
Project Manager Final Reporting	Hourly	\$120.00	4	\$480.00
Process Unclaimed Funds	Flat Fee	\$550.00	1	\$550.00
Declaration	Hourly	\$125.00	2	\$250.00

Subtotal \$1,480.00

Estimated ILYM Fees & Expenses: \$14,250.00

ILYM Group's Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the permissible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

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EXHIBIT 4