

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 March 26, 2026, 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 (Exhibit A enclosed) by June 26, 2026 (the “Response Deadline”). 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 June 26, 2026, (the “Response Deadline”). |

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 March 26, 2026, 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, ILYM Group, Inc., at (888) 250-6810.

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 March 26, 2026). 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. Not all claims apply equally to all non-exempt employees. Plaintiff alleges that (1) employees who worked in phone-based or commission-compensated roles (the “Phone/Commission Subclass”) were subjected to: failure to pay minimum wages and overtime; failure to pay all wages due upon separation (waiting time penalties); and liability for liquidated damages arising from failure to timely pay wages. (2) All non-exempt employees, including the Phone/Commission Subclass, were subjected to: failure to reimburse business expenses; failure to provide proper meal periods; and failure to provide compliant wage statements. OPTIMA also allegedly made unlawful deductions and failed to provide proper rest periods as to all non-exempt employees.

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 March 26, 2026, 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 September 4, 2026, at 9:00 a.m. (“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 March 26, 2026 (“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: a two-pool allocation. Pool A (for Phone/Commission Subclass Members only) is divided by the total Phone/Commission Workweeks (116,325), resulting in the Pool A Workweek Value; each Phone/Commission Subclass Member’s Pool A payment equals the Pool A Workweek Value multiplied by his or her Phone/Commission Workweeks. Pool B (for all non-exempt Class Members) is divided by the total General Non-Exempt Workweeks (121,330), resulting in the Pool B Workweek Value; each Class Member’s Pool B payment equals the Pool B Workweek Value multiplied by his or her total non-exempt Workweeks. Phone/Commission Subclass Members receive a combined Individual Settlement Award equal to their Pool A payment plus their Pool B payment. All other non-exempt Class Members receive an Individual Settlement Award equal solely to their Pool B payment. The parties are asking the Court to approve an allocation of the following allocations: (i) for the Pool B component of all Individual Settlement Awards: twenty percent (20%) as alleged unpaid wages (W-2); forty percent (40%) as alleged unpaid interest (Form 1099); and forty percent (40%) as alleged unpaid penalties (Form 1099). (ii) For the Pool A component applicable to Phone/Commission Subclass Members: forty percent (40%) as alleged unpaid wages, including minimum wages and overtime (W-2); thirty percent (30%) as alleged waiting time penalties and liquidated damages (Form 1099); and thirty percent (30%) as alleged interest and other non-wage penalties (Form 1099).
- 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 the following: **Your Subclass: <<MERGED_Phone/Commission Subclass and General Non-Exempt Subclass>> OR <<General Non-Exempt Subclass Only>>. Your Total General Non-Exempt Workweeks (Pool B): <<MERGED_Non-ExemptWWksPoolB>>** Workweeks during the Class Period, of which <<MERGED_PP>> qualify as Pay Periods during the PAGA Period. If you are a member of the Phone/Commission Subclass, your Phone/Commission Workweeks (Pool A) are: <<MERGED_PhoneWWksPoolA>>. Based on the above two-pool methodology, your estimated Pool B payment is \$<<MERGED_PoolBClassAward>>. If you are a member of the Phone/Commission Subclass, your estimated Pool A payment is \$<<MERGED_PoolAClassAward>>. and your estimated total Individual Settlement Award (Pool A + Pool B) is \$<<MERGED_EstimatedAwardtotalA+B>>. Your estimated Individual PAGA Payment is \$<<MERGED_PAGAAward>>.

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. Notwithstanding the foregoing, the Released Claims for (a) failure to pay minimum wages and overtime (Labor Code §§ 510, 1194, 1197, 1198), (b) failure to pay all wages due upon separation / waiting time penalties (Labor Code §§ 201-203), and (c) liquidated damages (Labor Code §1197.1) are released ONLY by members of the Phone/Commission Subclass (non-exempt employees who worked in phone-based or commission-compensated roles). Class Members who are NOT members of the Phone/Commission Subclass do not release, and are not bound by any release of, those claims. The Released Claims for (i) failure to reimburse business expenses (Labor Code §§ 2800 et seq., 2802), (ii) improper meal periods (Labor Code §§ 226.7, 512, 558), and (iii) improper wage statements (Labor Code §§ 226, 226(a)) are released by ALL non-exempt Class Members.

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, 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 the enclosed **Request for Exclusion Form (Exhibit A)** and return it

ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810
Fax: (888) 845-6185
Email: info@ilymgroup.com

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 June 26, 2026 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 June 26, 2026, 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 Settlement Award or PAGA Payment, or wishes to dispute his or her subclass designation (Phone/Commission Subclass vs. General Non-Exempt Subclass Only), details may be obtained from the Settlement Administrator. The Settlement Class Member has the right to challenge (1) the Workweek calculations (including Phone/Commission Workweeks and General Non-Exempt Workweeks) and/or (2) his or her subclass designation, by completing and submitting the enclosed **Workweek and Subclass Designation Dispute Form (Exhibit B)** with written information or documentation to the Settlement Administrator. To be valid, any such challenge must be in writing, be postmarked, emailed, or fax stamped by **June 26, 2026**, 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, including the number of Phone/Commission Workweeks if applicable, and/or the correct subclass designation the Settlement Class Member contends applies to him or her; 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 and subclass designation 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 and subclass designation 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 **June 26, 2026**. 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 September 4, 2026, at 9:00 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: <https://ilymgroup.com/OptimaTaxRelief>. 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.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810
Fax: (888) 845-6185
Email: info@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.