SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF SACRAMENTO

RUTH OYENIYI ABE, MISTY BECK, and SARAH CHRISTIAN, individually, on behalf of themselves and on behalf of all persons similarly situated,

Plaintiffs,

VS.

UNITED CEREBRAL PALSY OF GREATER SACRAMENTO, INC., a Corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 23CV008763

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT, AND HEARING DATE FOR FINAL COURT APPROVAL OF SETTLEMENT

ATTENTION: ALL PERSONS EMPLOYED BY UNITED CEREBRAL PALSY OF GREATER SACRAMENTO, INC. AS NON-EXEMPT EMPLOYEES IN CALIFORNIA FROM SEPTEMBER 20, 2019 TO AUGUST 8, 2024:

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO RECEIVE PAYMENT OR TO OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

IF YOU DO NOT WISH TO RECEIVE PAYMENT UNDER THE CLASS SETTLEMENT OR PARTICIPATE IN THE CLASS SETTLEMENT, YOU MUST REQUEST TO BE EXCLUDED FROM THE SETTLEMENT CLASS ON OR BEFORE JUNE 9, 2025.

Pursuant to the Order Granting Preliminary Approval of Class Action and PAGA Settlement of the Superior Court of the State of California in and for Sacramento County entered February 24, 2025, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A class action settlement has been reached between the Parties in the above-captioned lawsuit pending in the Superior Court of the State of California for the County of Sacramento on behalf of all persons currently and formerly employed by United Cerebral Palsy of Greater Sacramento, Inc. ("Defendant") as non-exempt employees in California from September 20, 2019 to August 8, 2024 (the "Settlement Class" or "Class Members"); the Settlement Class does not include persons who submit valid Requests for Exclusion (as explained below), or who previously settled, released or received awards for claims covered by the Settlement.

Based on Defendant's records, and the Parties' current assumptions, your Settlement Award is estimated to be \$<<Est.PAGAAmt>>. The actual amount you may receive likely will be different and will depend on a number of factors, including the final number of weeks worked by all Class Members. These estimates are based on Defendant's records showing that you worked <<ClassWW>> workweeks during the Class Release Period and you worked <<PAGAWW>> workweeks during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section II(B) of this Notice below.

All Class Members who worked any hours for Defendant in California during any work week from September 20, 2022 through August 8, 2024 are aggrieved employees with respect to the California Private Attorneys General Act ("PAGA") ("PAGA Members"), and will be paid their PAGA Share and release the Released PAGA Claims regardless of whether they submit a timely and valid Request for Exclusion from the Settlement.

The "Released Parties" in the Action include: (i) Defendant; (ii) each of Defendant's respective, present and future parents, subsidiaries, partners and affiliates, including, without limitation, any corporation, limited liability company or partnership; (iii) the past, present and future board members, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable

with any of the foregoing.

You have received this notice because records indicate you worked for Defendant as a non-exempt employee in California during the Class Period and/or PAGA Period (defined below). This notice is to advise you of how you can either participate in the Settlement or be excluded from the Settlement.

I. BACKGROUND OF THE CASE

On September 20, 2023, Plaintiff Ruth Oyeniyi Abe filed a complaint against Defendant in the Sacramento County Superior Court on behalf of herself and other non-exempt employees who worked for Defendant in California alleging claims of failure to pay minimum wages under Labor Code sections 1194, 1197 and 1197.1, failure to pay overtime wages under Labor Code section 510, failure to provide required meal periods under Labor Code sections 226.7 and 512, failure to provide accurate itemized wage statements under Labor Code section 226, failure to reimburse employees for required expenses under Labor Code section 2802, failure to provide wages when due under Labor Code sections 201, 202 and 203, failure to pay sick pay wages under Labor Code sections 201-203, 233 and 246, and violation of Business and Professions Code section 17200, *et seq.* Plaintiffs Misty Beck and Sarah Christian filed a complaint on January 31, 2024 against Defendant in Placer County, alleging violations of PAGA, Labor Code section 2698, *et seq.* On September 3, 2024, Plaintiff Ruth Oyeniyi Abe filed her First Amended Complaint, including all Plaintiffs and all Class Released Claims (defined below) and PAGA Released Claims (defined below) in both the *Abe* and *Beck* actions ("Operative Complaint"). On November 8, 2024, Plaintiffs Misty Beck and Sarah Christian dismissed the *Beck* action. The term "Action" refers to the *Abe* action under the Operative Complaint.

The Parties engaged in arms-length settlement negotiation and private mediation. Without an admission of liability or wrongdoing, the Parties reached a settlement at mediation. The class period is from September 20, 2019 through August 8, 2024 (the "Class Period"). The PAGA period is from September 20, 2022 through August 8, 2024 ("PAGA Period").

Plaintiffs' Operative Complaint alleges a failure to pay minimum wages, failure to pay overtime wages, failure to provide meal periods and meal period premiums, failure to provide rest periods and rest period premiums, failure to furnish accurate itemized wage statements, failure to reimburse business expenses, failure to provide wages when due, failure to pay sick pay wages, unfair competition, and a PAGA cause of action, on behalf of all persons currently and formerly employed by Defendant as non-exempt employees in California from September 20, 2019 to August 8, 2024. Plaintiffs' Operative Complaint seeks recovery of compensatory damages, restitution, penalties, interest, and attorneys' fees and costs. Defendant denies all claims and denies that Plaintiffs and the Class Members and PAGA Members are entitled to any recovery.

The Action has been actively litigated. There have been investigations and there has been an exchange of extensive documentation and data. Furthermore, the Parties participated in arms-length settlement negotiations and private mediation. Based upon the negotiations and mediation, and all known facts and circumstances, including the various risks and uncertainties related to legal actions including the complete defenses to liability potentially available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation, the Parties reached the Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims, and entering into the Settlement is not an admission of wrongdoing or liability.

The Parties have entered into a Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and Defendant ("Joint Stipulation" or "Settlement"), which has been preliminarily approved by the Court.

If you are part of the Settlement Class, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement. PAGA Members are not eligible to exclude themselves from, or to opt out of, the Released PAGA Claims.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Settlement, Defendant agrees to pay a Gross Settlement Amount of \$1,350,000.00 for all claims, attorneys' fees and costs, enhancement award, penalties of any nature, including PAGA penalties and settlement administration expenses ("Maximum Settlement Amount"). Deducted from this Maximum Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed thirty-three and one-third percent (33 1/3%) of the Maximum Settlement Amount which presently equals \$450,000.00, attorneys' costs not to exceed \$25,000.00, an Enhancement Award to the Class Representatives not to exceed \$10,000.00 per Class Representative, the fees and expenses of the settlement

administrator estimated not to exceed \$13,000, \$6,750.00 as the Net PAGA Settlement Amount to be distributed to the PAGA Members, and \$20,250.00 payable to the California Labor and Workforce Development Agency ("LWDA") for alleged PAGA penalties, which will result in a "Net Settlement Amount" for distribution to all Class Members. As explained further below, the amount of each Class Member's Settlement Award will depend on the number of weeks worked by participating Class Members during the Class Period. The Maximum Settlement Amount is expected to be funded on October 31, 2025, and the Net Settlement Amount distributed pro rata to Class Members and PAGA Members during December 2025.

This notice includes for each Class Member the number of weeks each Class Member worked during the Class Period based upon each Class Member's time clock data, and their/his/her estimated Settlement Award. This notice will also list for each PAGA Member the number of weeks worked during the PAGA Period based upon each PAGA Member's time clock data.

B. Settlement Formula, and Settlement Awards

Defendant will pay Settlement Awards through a Settlement Administrator, as described below, to each Class Member who has not submitted a Request for Exclusion from the Settlement. The Settlement Administrator will calculate the amount to be paid to Class Members on a per workweek basis as Settlement Awards by dividing the Net Settlement Amount by the aggregate number of weeks worked by all Class Members. All Settlement Awards will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action, that all Settlement Awards payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as follows: one third (1/3) will be allocated to alleged unpaid wages for which IRS Forms W-2 will issue; one third (1/3) will be allocated to alleged unpaid penalties for which IRS Forms 1099-MISC will issue; and one third (1/3) will be allocated to alleged unpaid interest for which IRS Forms 1099-MISC will issue. Individual PAGA awards ("PAGA Share(s)") for the PAGA Members will be paid from the Net PAGA Settlement Amount, as alleged penalties for which IRS Form 1099 will issue. The amount to be paid per workweek to PAGA Members will be calculated by the Settlement Administrator by dividing the Net PAGA Settlement Amount by the aggregate number of weeks worked by PAGA Members. Receipt of the Settlement Awards will not entitle any Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement.

If you wish to challenge the workweek information set forth on page 1, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Class Notice no later than June 9, 2025. You should support your challenge by sending copies of pay stubs or other records. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve workweek disputes based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members), and after the Settlement Administrator's review and consideration of Defendant's records of your employment as provided by Defendant's Counsel.

The checks provided to Class Members and PAGA Members shall prominently state the expiration date, which is at least 180 days from issuance. Any residue from uncashed Settlement Award or PAGA Share checks after the expiration date will be paid pursuant to California Code of Civil Procedure section 384(b)(3) to Koinonia Family Services, a non-profit 501(c)(3) organization with child advocacy programs in the State of California, as the *cy pres* recipient, subject to Court approval.

C. Calculations to Be Based on Defendant's Records

Defendant will calculate the number of weeks worked by all Class Members during the Class Period, and the number of weeks worked by PAGA Members during the PAGA Period, based on each person's time clock data. Partial workweeks will not be counted; however, if a Class Member or PAGA Member worked only one day as a Class Member or PAGA Member, such Class Member or PAGA Member will be credited with having worked one workweek for purposes of the Settlement. Defendant's records will be presumed correct unless evidence to the contrary is provided to the Settlement Administrator.

D. Release of Claims

The Joint Stipulation contains a release, which releases Defendant and the Released Parties from all claims under state, federal, and local law alleged in the Action and that reasonably could have been alleged in the Action based on the factual allegations contained in the Complaint in the Action and any amendments thereto, as to the Class Members, including without limitation, California Labor Code sections 200-204, 210, 218, 221, 226, 226.3, 226.7, 227.3, 233, 246, 246.5, 256, 510, 512, 515, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198 and 2802, California Industrial Commission Wage Orders, California Code of Regulations, Title 8, section 11040, *et seg.*, Business and Professions Code section 17200, *et seg.* and

California Code of Civil Procedure section 1021.5, and including all claims for or related to alleged unpaid wages, minimum wages, hours worked, overtime or double time wages, regular rate of pay, bonus and incentive pay, timely payment of wages during employment, timely payment of wages at separation, wage statements, payroll records, failure to provide accurate wage statements, unreimbursed business expenses, meal periods and meal period premiums, rest breaks and rest break premiums, failure to pay sick pay wages, failure to pay additional 401(k) benefits and/or deferred compensation benefits and/or matching benefits for payments received under the Settlement, unfair competition, unfair business practices, unlawful business practices, fraudulent business practices, class actions, representative actions, aggrieved party claims, declaratory relief, penalties of any nature (including but not limited to civil penalties, wage statement penalties and waiting-time penalties), interest, fees, costs, as well as all other claims and allegations alleged in the Action (collectively "Released Class Claims") from September 20, 2019 through August 8, 2024 ("Class Release Period"). Expressly excluded from the release are claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims outside the Class Release Period.

The claims to be released by PAGA Members include all claims arising during the PAGA Period seeking civil penalties under PAGA that Plaintiffs as proxy for the State of California and/or the LWDA, to the maximum extent permitted by law, and as a private attorney general acting on behalf of Plaintiffs and the PAGA Members, asserted or could reasonably have asserted based on the facts alleged in the Action and/or the LWDA letter, including but not limited to all claims arising under the California Labor Code including, but not limited to, sections 200-204, 210, 218, 221, 226, 226.3, 226.7, 227.3, 233, 246, 246.5, 256, 510, 512, 515, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, et seq. and 2802 as alleged in the Operative Complaint, and the wage orders of the California Industrial Welfare Commission based the facts alleged in the Actions (collectively "Released PAGA Claims"). The Settlement shall release and bar all Released PAGA Claims by or on behalf of Plaintiffs and all PAGA Members from September 20, 2022 through August 8, 2024 ("PAGA Release Period"), and for the entire PAGA Release Period, regardless of whether Plaintiffs and/or a PAGA Member negotiates (cashes) their/his/her settlement checks sent pursuant to the Settlement, and regardless of whether any PAGA Member opts out of the Released Class Claims. PAGA Members are not permitted to opt out of the Released PAGA Claims.

E. Resolution of Workweek Disputes

If a Class Member or PAGA Member disputes the accuracy of Defendant's time clock records as to the number of weeks worked, any documentation supporting such dispute must be submitted by the Class Member or PAGA Member to the Settlement Administrator. Defendant's records, time clock data and any additional evidence will be provided to and reviewed by the Settlement Administrator in the event of a dispute about the number of weeks worked by a Class Member or PAGA Member. All workweek disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator's decision on all disputes will be final and binding.

F. Enhancement Award for the Class Representative

Subject to approval by the Court, the Plaintiffs and Class Representatives Ruth Oyeniyi Abe, Misty Beck and Sarah Christian will receive an Enhancement Award up to \$10,000.00 per Class Representative. This payment will be made for their service as Class Representatives, including active participation in prosecution of the Action, as well as willingness to accept the risk of incurring Class Counsel's costs or paying Defendant's attorneys' fees and costs for an unsuccessful outcome in the Action. The Class Representatives also signed a general release of all claims, which is broader than the release applicable to all other Class Members, to be eligible for the Enhancement Award.

G. Attorneys' Fees and Costs

As consideration for the Settlement and in exchange for the release by the Settlement Class, Defendant agrees to pay Class Counsel's attorneys' fees and costs to be set by the Court, up to a maximum of thirty-three and one-third percent (33 1/3%) of the Maximum Settlement Amount which presently equals \$450,000.00, and attorneys' costs not to exceed \$25,000.00. Class Counsel's attorneys' fees and costs will be paid and deducted from the Maximum Settlement Amount. The payment of Class Counsel attorneys' fees shall be made as follows: 50% to Blumenthal Nordrehaug Bhowmik De Blouw LLP and 50% to Castle Law California Employment Counsel. Payment of the attorneys' costs shall be made to the firm that incurred the expenses. The allocation of and between Class Counsel's attorneys' fees is based on a separate and independent agreement between Class Counsel.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Excluding Yourself from Class Action Portion of the Settlement

If you do not wish to participate in the Settlement, you may be excluded from being a Class Member (*i.e.*, "opt out") by submitting a timely written request to the Settlement Administrator stating you have received notice of the Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement, or words to that effect ("Request for Exclusion"). Your Request for Exclusion must also state your full name, address, date of birth, and dates you were employed by Defendant as a non-exempt employee in California. The Request for Exclusion must be signed, dated, and mailed by First-Class U.S. Mail, or the equivalent, to the Settlement Administrator as follows:

ILYM Group, Inc. P.O. Box 2031 Tustin, CA 92781 Telephone: (888) 250-6810

The Request for Exclusion must be postmarked no later than June 9, 2025. If you submit a Request for Exclusion which is not postmarked by June 9, 2025, your Request for Exclusion will be rejected, and you will be bound by the Release and all other Settlement terms. If the Request for Exclusion is sent from within the United States, it must be sent through the United States Postal Service by First-Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Request for Exclusion. Please note you may only exclude yourself as a Class Member and may not exclude yourself as a PAGA Member.

Any person who submits a complete and timely Request for Exclusion shall, upon receipt by the Settlement Administrator, no longer be a Class Member, shall be barred from participating as a Class Member in the Settlement, shall not be entitled to object to the Settlement, shall receive no benefits as a Class Member from the Settlement, shall not be deemed to have relinquished the Released Claims against the Released Parties, and, at his or her own expense, may pursue any claims he or she may have against the Released Parties. PAGA Members are not entitled to opt out of the Released PAGA Claims and will receive their PAGA Share regardless of whether they/he/she opt(s) out as a Class Member.

B. Objection to Class Action Portion of the Settlement

If you do not exclude yourself from the Settlement, you can object to the terms of the Settlement before Final Approval. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object, you may submit a written objection to appear at the Final Approval hearing currently set for July 11, 2025, at 9:00 a.m. in Department 23. You must send the written objection to the Settlement Administrator as follows: ILYM Group, ILYM Group, Inc. P.O. Box 2031 Tustin, CA 92781.

Any written objection should state each specific reason in support of your objection and any legal support for each objection. Your objection must also state your full name, address, date of birth, and dates you were employed as a non-exempt employee in California by Defendant. To be valid and effective, any objections to approval of the Settlement must be delivered filed with the Clerk of the Court and delivered to the Settlement Administrator, Class Counsel, and Counsel for Defendant no later than June 9, 2025. **DO NOT TELEPHONE THE COURT.**

A Class Member may appear at the Final Approval Hearing either in person or through their own counsel, and may object to the Settlement and any of its terms without submitting a prior objection in the manner and by the deadline specified above. If you choose to file an objection to the terms of this Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself) or through your own attorney at your own expense. The final fairness hearing at which the Court will be asked to approve the Settlement will be at 9:00 a.m. (Pacific Time) on July 11, 2025, in Department 23, Superior Court of the State of California for the County of Sacramento, or such other later date as the Court may authorize. You may also appear at the hearing remotely via the Department's zoom link or phone number which are as follows:

Department 23:

To join by Zoom link: - https://saccourt-ca-gov.zoomgov.com/my/sscdept23

To join by phone: (833) 568-8864 / ID: 16108301121

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

Upon Final Approval being granted by the Court, each and every Class Member, who does not opt out of the Settlement, will release Defendant and the Released Parties from the Released Class Claims as described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into this release and to have released the above-described Released Class Claims. Further, each and every PAGA Member will release Defendant and the Released Parties from the Released PAGA Claims. In addition, Class Members and PAGA Members will be barred from suing Defendant and the

Released Parties with respect to the Released Class Claims and the Released PAGA Claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue as though it never existed.

V. <u>FINAL SETTLEMENT APPROVAL HEARING</u>

The Court will hold a hearing in Department 23 of the Superior Court of the State of California in and for the County of Sacramento, 720 9th Street Sacramento, CA 95814, on July 11, 2025, at 9:00 a.m. (Pacific Time), to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the costs of administration, and the Enhancement Award to be paid to the Class Representatives. Class Counsel's application for attorneys' fees and litigation costs will be on file with the Court no later than June 13, 2025 and will be available for review after that date. Class Counsel are seeking approval of a total of not more than thirty-three and one-third percent (33 1/3%) of the Settlement for attorneys' fees, which equals \$450,000.00, and not more than \$25,000.00 for attorneys' costs. The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

VI. <u>ADDITIONAL INFORMATION</u>

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and Defendant ("Joint Stipulation or "Settlement"), which is on file with the Clerk of the Court. The pleadings and other records in this Action, including the Joint Stipulation, may be examined at any time during regular business hours at the Office of the Clerk of the Sacramento County Superior Court, at 720 9th Street, Sacramento, California 95814. You may also visit www.ilymgroupclassaction.com/ucp, which will include links to the Joint Stipulation, Class Notice, Motions for Preliminary and Final Approval, and Motion for Attorneys' Fees as they become available. If you want additional information about this lawsuit and its proceedings, you can contact Class Counsel:

Norman B. Blumenthal Kyle Nordrehaug BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP 2255 Calle Clara La Jolla, CA 92037

Telephone: (858) 551-1223 Facsimile: (858) 551-1232 Email: Kyle@bamlawca.com Timothy B. Del Castillo Kent Bradbury CASTLE LAW: CALIFORNIA EMPLOYMENT COUNSEL, PC 2999 Douglas Blvd., Suite 180 Roseville, CA 95661

Telephone: (916) 245-0122

E-mail:

tdc@castleemploymentlaw.com

E-mail:

kb@castleempolymentlaw.com

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.

BY ORDER OF THE SUPERIOR COURT