PLEASE READ THIS NOTICE CAREFULLY. IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS.

This is **not** a solicitation from a lawyer. This is a court authorized notice.

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Koji S. Sakai v. International Technological University Foundation Superior Court of The State Of California, County of Santa Clara Case No. 21CV390762

If you are or were employed by International Technological University Foundation ("ITU") as an adjunct professor or part-time lecturer in California from October 19, 2019 through October 15, 2021, a proposed class action settlement may affect your rights.

A proposed settlement (the "Settlement) has been reached in a class and representative action lawsuit entitled *Koji S. Sakai v. International Technological University Foundation*, Case No. 21CV390762 (Santa Clara Superior Court) (the "Lawsuit"). The purpose of this Notice of Proposed Class Action Settlement ("Notice") is to briefly describe the Lawsuit, and to inform you of your rights and options in connection with the Lawsuit and the proposed Settlement.

The Court has preliminarily approved a class action settlement with ITU, which will affect adjunct professors or parttime lecturers in California who were employed by ITU from October 19, 2019 through October 15, 2021 (the "Class") who have claims from October 19, 2017, through October 15, 2021 (the "Class Period").

If the Court grants final approval of the Settlement, there may be money available to you. **PLEASE READ THIS NOTICE CAREFULLY. IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS.**

- You are receiving this Notice because ITU's records show that you are in the proposed Class.
- Koji S. Sakai ("Plaintiff") alleges that ITU (1) failed to provide complete and accurate wage statements; (2) failed to reimburse business expenses; (3) failed to pay timely wages; (4) failed to pay minimum wages; (5) failed to provide meal break and pay meal break premiums; (6) failed to provide rest breaks and pay rest break premiums; (7) failed to pay all wages owed upon termination or separation of employment; and (8) Plaintiff argued that these claimed violations were unfair and unlawful business practices under California's Unfair Competition Laws. Plaintiff also seeks related penalties under the Private Attorneys' General Act of 2004 ("PAGA") and restitution under Cal. Bus. & Prof. Code section 17200.
- ITU denies Plaintiff's claims or that it violated the law and asserts that it has complied with all of its legal obligations under any statute, wage order, common law, or equitable theory. The Settlement is not an admission of any wrongdoing, and the Court has not made any findings of liability. Rather, ITU has entered into this settlement solely for purposes of resolving this dispute and so the parties may buy their peace and avoid further time and costs associated with litigation. Plaintiff and ITU (collectively the "Parties") Parties participated in a mediation session with a respected class action mediator, and as a result, the Parties reached a proposed class-wide settlement.
- The Parties in this action disagree as to the probable outcome of the Lawsuit with respect to liability and damages if it were not settled. Although Plaintiff believes his claims have merit, he recognizes that litigating is a risky proposition, and that he may not prevail on all or some of his claims. Likewise, while ITU is confident that it has strong defenses to Plaintiff's claims, it recognizes the risks, distractions, and costs involved with litigation. The Parties attended a full-day private mediation and, recognizing the risks and costs inherent in litigation, reached a proposed Settlement of the claims asserted in the Lawsuit.

- On July 7, 2022 the Court granted preliminary approval of the proposed Settlement. This proposed Settlement is the result of good faith, arm's-length negotiations between the Parties, through their respective attorneys. The Court has expressed no opinion on the merits of Plaintiff's claims or ITU's defenses.
- You have several options available to you:

PARTICIPATE IN THE SETTLEMENT - NO ACTION REQUIRED	YOU DO NOT NEED TO DO ANYTHING TO PARTICIPATE IN THE SETTLEMENT AND RECEIVE A SETTLEMENT PAYMENT. By doing nothing, you become part of the Class and will collect a settlement award as detailed below. But you will not be able to bring your own lawsuit against ITU for wage and hour violations that related to the claims brought in this Lawsuit.
ASK TO BE EXCLUDED (OPT OUT)	GET OUT OF THIS LAWSUIT. RECEIVE A SMALLER PAYMENT OR NO PAYMENT FROM IT. KEEP YOUR RIGHT TO PURUSE YOUR OWN LAWSUIT FOR DAMAGES. If you ask to be excluded from the Settlement, you keep your right to sue ITU separately about the legal claims in this Lawsuit, except as to the claim under the California Private Attorneys General Action ("PAGA"). If you choose this option, you must exclude yourself, in writing, from the Settlement. As a result, you may receive no payment at all. At most, you will receive a very small payment for resolution of the PAGA claim if you are a member of the PAGA Group, which is a subset of the Class. Your written Request for Exclusion letter must be postmarked
OBJECTION TO THE SETTLEMENT	by October 21, 2022. STAY IN THIS LAWSUIT. OBJECT. YOU MAY RECEIVE A PYAMENT. YOU CANNOT PURSUE YOUR OWN LAWSUIT. To object to the Settlement, you must write to the Settlement Administrator about why you do not like the settlement. You will remain a member of the Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. If the Settlement is approved, you <u>WILL</u> (i) receive a share of the Settlement proceeds and (ii) release legal claims against Defendant. Your written notice of intent to object must be postmarked by October 21, 2022.
DISPUTE YOUR SETTLEMENT AWARD	You may dispute ITU's records of number of weeks or pay periods worked during the Class Period and/or during each weighted period by submitting information to the Settlement Administrator, CPT Group, Inc. not later than October 21, 2022. CPT Group, Inc. shall make the final decision based on the information presented by you and ITU.

- **Regardless of the option you choose, you will not be retaliated against for exercising your rights.** To object to the Settlement or to ask to be excluded, you must act before October 21, 2022.
- Any questions? Read on or contact the Settlement Administrator listed below at 1-888-617-2655.

YOUR OPTIONS ARE EXPLAINED FURTHER IN THIS NOTICE.

1. Why did I get this notice?

ITU's records show that you worked for ITU in California as an adjunct professor or part-time lecturer at some time between October 19, 2019, and October 15, 2021.

The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, and it has granted preliminary approval of the Settlement of the Lawsuit. Any final

determination of those issues will be made at the final hearing. You have legal rights and options that you may exercise as part of the Settlement. Judge Sunil R. Kulkarni of the Superior Court of the State of California, County of Santa Clara, is overseeing this Lawsuit.

2. What is this lawsuit about?

In this Lawsuit, filed on November 23, 2021, Plaintiff Koji Sakai claims that ITU (1) failed to provide complete and accurate wage statements; (2) failed to reimburse business expenses; (3) failed to pay timely wages; (4) failed to pay minimum wages; (5) failed to provide meal break and pay meal break premiums; (6) failed to provide rest breaks and pay rest break premiums; (7) failed to pay all wages owed upon termination or separation of employment; and (8) Plaintiff argued that these claimed violations were unfair and unlawful business practices under California's Unfair Competition Laws, and that they entitled to Plaintiff to recover civil penalties under PAGA, to be split 75% to the State of California and 25% to certain employees. Plaintiff also claimed entitlement to restitution, interest, attorneys' fees, and costs. You can read Plaintiff's allegations as stated in the Complaint, which is available at www.cptgroupcaseinfo.com/ITUSettlement.

Throughout this litigation, ITU has denied – and continues to deny the factual and legal allegations of the case. ITU does not believe that it violated any law or regulation relating to the claims in the Lawsuit. ITU denies any wrongdoing and asserts that its conduct at all times complied with the law. ITU further denies that it owes the monies claimed in the Lawsuit. However, ITU has voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation. By agreeing to settle, ITU is not admitting liability on any of the factual allegations or claims in the Lawsuit or that the Lawsuit can or should proceed as a class action or PAGA representative action.

3. What is a class action and who is involved?

In a class action lawsuit such as this, a person called the "Class Representative" sues on behalf of other people who may have similar claims. The people together are a "Class" or "Class Members." The person who is the Class Representative is also called the plaintiff. The companies sued are called the defendant. In class action litigation, one Court resolves the issues for everyone in the Class in one lawsuit, <u>except</u> for those people who choose to exclude themselves from the Class.

This Lawsuit also includes a "Private Attorney General" (PAGA) claim where Plaintiff is attempting to recover civil penalties for the State of California. In a PAGA action, the State receives 75% of the civil penalties, while employees receive 25%. This Settlement will resolve all claims by the State for civil penalties arising from claims made by Plaintiff or his counsel in the Lawsuit during the period of October 19, 2019, to October 15, 2021, and adjunct professors or part-time lecturers covered by the Lawsuit will be barred from bringing another lawsuit on behalf of the State for such penalties.

4. Why is this Lawsuit a class action?

For settlement purposes only, Plaintiff and ITU agreed that this case can proceed as a class and representative action and to ask the Court to approve the settlement for the Class. The Court has not ruled on the merits of the case, and the decision to certify Class for settlement purposes should not be viewed as a prediction or agreement that Plaintiff or the Class would ultimately prevail on the merits of the action.

5. What are the terms of the proposed Settlement?

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

- 1. ITU has agreed to pay \$122,000.00 to settle the claims made in this Lawsuit. This amount is known as the "Gross Settlement Amount".
- 2. Plaintiff as agreed to release all his claims in this Lawsuit against ITU.
- 3. <u>Class Settlement Payments</u>: Plaintiff seeks the following deductions from the \$122,000.00 Gross Settlement Amount.
 - a. Up to one third (1/3) of the Gross Settlement Amount (currently equal to \$39,996.000) for Class

Counsel's attorneys' fees.

- b. Up to \$10,000.000 for reimbursement of Class Counsel's litigation costs.
- c. An incentive award of up to \$7,500.00 to Plaintiff for filing the Lawsuit, performing work in connection with the Lawsuit, a general release of claims, and undertaking the risks of filing the Lawsuit.
- d. Up to \$5,000.00 to cover the costs of the Settlement Administrator.

An allocation of \$20,000 for the PAGA claims, (75% or \$15,000 which will be paid to the LWDA with the remaining 25% or \$5,000 to be distributed to the Class Members, as further explained below). If the Court approves the requested deductions, there will be approximately \$44,504.00 remaining for payment to the Settlement Class receiving this notice as the "Net Settlement Amount." Each Participating Class Member will share pro-rata in the net settlement fund based on a pro rata basis. Each Participating Class Member shall be entitled to receive a pro rata portion of the Net Settlement Amount (his/her "Individual Settlement Share"), calculated based upon the number of Workweeks worked, divided by the total number of Workweeks worked by all Class Members during the Class Period. The Class Period is defined as the period from October 19, 2017, through October 15, 2021. 20% of each Individual Settlement Amount shall constitute wages and reported on an IRS W-2 basis and 80% to non-wage statutory damages and interest, to be reported on an IRS form 1099.

PAGA Settlement Payments. A portion of the Gross Settlement Amount in the amount of \$5,000.000 ("PAGA Payment") will be set aside for the Class Members who worked for ITU in California at some point between October 19, 2019, and October 15, 2021 (the "PAGA Period"). If you are a Class Member who worked during the PAGA Period, you will receive a pro rata share of the PAGA Payment, regardless of whether you opt out of the settlement. You will not be able to pursue any claim on behalf of the State for such penalties. The portion of the PAGA Payment will be distributed to the Class Members who worked during the PAGA Period based on the pay periods the individuals worked for ITU, divided by the total number of pay periods worked by all Class Members during the PAGA Period. Each Class Members' PAGA Payment shall be apportioned as 100% non-wages.

6. What do I have to do to receive a share of the proposed Settlement?

Nothing. If you wish to receive a payment under the terms of this proposed Settlement, you do **<u>not</u>** have to do anything. However, it is important that if your address has changed, you give your current mailing address to the Settlement Administrator to ensure you receive your share of the Settlement proceeds if the proposed Settlement is finally approved. You will be covered by the release summarized in Section 8, below.

7. How was my share of the Class Settlement calculated?

You receive a credit of one Workweek for each Workweek worked from October 19, 2017, through October 15, 2021.

Should you choose to participate in the Settlement, your settlement check must be cashed within 120 days from the date of the check. If you do not cash your settlement check within 120 days from the date of the check, your check will become void and your Individual Settlement Amount will be sent to the *cy pres* beneficiary of the settlement, Bay Area Legal Aid.

8. What are PAGA Penalties?

PAGA Penalties: \$20,000.00 of the Gross Settlement Amount is allocated to alleged PAGA civil penalties ("PAGA Penalties"), subject to Court approval. By law, 75% of the PAGA Penalties (*i.e.*, \$15,000.00) will be paid to the California Labor & Workforce Development Agency and 25% of the PAGA Penalties (*i.e.*, \$5,000.00) will be distributed to the Class Members. Under PAGA the state of California deputizes private attorney generals, such as Plaintiff, to prosecute employers for alleged violations of the Labor Code and all employees are entitled to share in the 25% of the penalties that would otherwise be recoverable by the State if it directly prosecuted ITU for the alleged Labor Code violations.

9. What rights am I releasing if I participate in the Settlement?

If the Court grants final approval of the Settlement and you do not opt out of the Settlement, you will be deemed to have release ITU and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns and joint venturers ("Released Parties") from any and all claims alleged in the pre-suit letter to the LDWA regarding the PAGA claims and Complaint, or that reasonably could have been alleged based on the factual allegations in the PAGA Letter and/or Complaint, and arising during the Class Period, including claims for (1) failure to provide complete wage statements in violation of Labor Code sections 226(a), 226(e), and 226.3; (2) failure to reimburse business expenses in violation of Labor Code section 2802; (3) failure to pay timely wages in violation of Labor Code sections 204 and 210; (4) failure to pay all minimum wages owed for activities that occurred outside of teaching classes in violation of Labor Code sections 226.2, 1194, 1194.2, and 1197; (5) failure to provide meal periods and/or pay meal period premiums in violation of Labor Code sections 226.7, 512 and IWC Wage Order No. 4-2001; (6) failure to provide rest periods and/or pay rest period premiums in violation of Labor Code section 226.7 and IWC Wage Order No. 4-2001; and (7) failure to pay all final wages in violation of Labor Code sections 201-203, as well as any civil penalty claims predicated on the claims alleged in Plaintiff's PAGA Letter and/or Complaint under PAGA and arising during the Class and/or PAGA Period and the LWDA notice of October 19, 2020 (the "Released Claims"). All Settlement Class Members shall be bound the Released Claims unless they formally opt out.

Additionally, if you worked during the period of October 19, 2019 through October 15, 2021, you have worked during the PAGA Period and are entitled to receive a prorated amount of the PAGA Payment, you will also release the right to bring a claim for civil penalties on behalf of the State (and other employees) based on the same facts and theories as the Released Claims, which arose during the PAGA Period, even if you have formally opted out of being a Settlement Class Member. Settlement is also conditioned on covenant of the Class Members who have worked during the PAGA Period that they will not participate in or receive recovery or monies in connection with any proceeding seeking penalties under Section 2699, which arose during the PAGA Period for claims based on the same facts or theories as the Settlement Class Released Claims facts which were or could have been alleged in the Complaint.

WHO IS IN THE CLASS?

10. Am I part of this Class?

The "Class" includes: Plaintiff and all adjunct professors and part-time lecturers who worked for ITU at any time between October 19, 2019, through October 15, 2021 (the "Class Members") and covers their claims from October 19, 2017, through October 15, 2021 (the "Class Period"). If you still are not sure whether you are included in the Class, you can get free help contacting CPT Group, Inc., the "Settlement Administrator", at the designated phone number for this matter at 1-888-617-2655 or by calling or writing the lawyers representing the Class in this case ("Class Counsel"), at the phone number or address listed in Section 14, below.

11. What is my approximate Individual Settlement Payment?

You do not need to do anything to receive your Individual Settlement Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 17, below, of any changes to your mailing address for timely payment.

Disputing Your Payment Amount.

If you believe your total weeks worked during the Class or PAGA Periods shown above are not correct, you may send a letter to the Settlement Administrator indicating what you believe is correct by no later than October 21, 2022. You should also send any documents or other information that supports your belief. The Settlement Administrator will attempt to resolve any dispute based on ITU's records and information you provide. Any disputes not resolved by the Settlement Administrator will be resolved by the Court.

12. What if I wish to be excluded from the proposed Settlement?

You have the right to exclude yourself from the Class (and the class settlement) If you exclude yourself from the Class – sometimes called "opting-out" of the Class – you will not receive any money or benefits from the class settlement. However, you may then be able to sue ITU or continue to sue ITU for your own claims if permitted by law. If you exclude yourself, you will not be legally bound by the Court's ruling in this Lawsuit, except for the PAGA claims, as explained above. Whether or not you submit a Request for Exclusion, you will still receive a small PAGA Payment if it is determined you worked during the PAGA Period.

How to ask to be excluded from the Class.

Anyone not wishing to participate in the proposed Settlement may exclude himself or herself ("opt out"), by either you or your representative, completing, signing and mailing a written statement requesting exclusion from the Class to the Settlement Administrator, at the address indicated in Section 17, below.

Your request for exclusion statements could state as follows: "I have received the Notice of Class and Representative Action Settlement in the case Sakai v. International Technological University Foundation, and I desire to be excluded from the Settlement." The statement must be signed by you or your representative and must be postmarked or before October 21, 2022. To be valid, your request for exclusion must: (1) state your full name; (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in Sakai v. International Technological University Foundation; and (3) be signed by you. A Request for Exclusion is included with this Notice for you to use. The Request for Exclusion must be postmarked no later than October 21, 2022 and mailed to the Settlement Administrator at the address specified above.

Anyone who submits a timely and valid Request for Exclusion shall not be deemed a Settlement Class Member and will not receive any payment as part of this proposed Settlement nor will they have any right to object, appeal, or comment on the Settlement. Such persons will keep any rights to sue Defendant separately about the claims made in this Lawsuit.

But Class Members cannot opt out of releasing PAGA claims, and he or she will remain entitled to his or her portion of the PAGA allocation, if applicable, as those claims belong to the State of California and Plaintiff has agreed to release those claims by acting as proxy for the State. If more than 10% of the Class Members submit valid and timely requests for exclusion ITU had the option to void this Settlement.

13. How do I object to the Settlement?

If you are a Class Member and would like to object to the Settlement, you must <u>not</u> submit a request for exclusion (i.e., must not opt out). In order to object, you must mail a written objection to the Settlement Administrator at the address in Section 17, below. To be valid, your objection must: (1) state your full name, address, telephone number, and the last four digits of your Social Security Number; (2) the words "Notice of Objection" or "Formal Objection;"(3) state the grounds for your objection, in clear and concise terms; (4) you may include the legal and factual arguments supporting the objection; (5) indicate whether you intend to appear at the Final Approval Hearing and, if so, list identifying witness(es) you may call to testify and provide true and correct copies of any exhibit(s) you intend to offer at the Final Approval Hearing, and (5) sign the objection. Class Members need not include legal arguments for their written objections to be considered. Any objections must be postmarked by the October 21, 2022 and mailed to the Settlement Administrator at the address specified above. If you wish to appear at the Final Approval Hearing, in person, or through an attorney, you need not file a notice of intention to appear at the same time as the objection is filed. Filing the notice of intention to appear is not necessary to preserve the right to appear at the Final Approval Hearing. Class Members may appear remotely at the Final Approval Hearing to discuss their objections with the Court.

THE LAWYERS REPRESENTING YOU

14. Who are the attorneys representing the Parties?

The Court has preliminarily decided that Ackermann & Tilajef, P.C. and India Lin Bodien ("Class Counsel") are qualified to represent you and all Class Members. You do not need to hire your own lawyer, because Class Counsel is working on your behalf. The law firms' attorneys are experienced in handling similar cases against other employers. More information about these law firms, their practice, and their lawyers' experience is available at www.ackermanntilajef.com.

However, if you want your own lawyer, including to make any objections to the proposed Settlement, you are free to hire one at your own expense. In the chart below is contact information for Class Counsel and Defendant's Counsel in this case:

Class Counsel:	Defendant's Counsel:
Craig J. Ackermann	Kim Carter
Ackermann & Tilajef, P.C.	Schor Vogelzang & Chung LLP
cja@ackermanntilajef.com	2170 Fourth Avenue
1180 S. Beverly Dr., Suite 610	San Diego, CA 92101
Los Angeles, CA 90035	Phone (619) 906-2400
Phone: (310) 277-0614	Fax: (619) 906-2401
Fax: (310) 277-0635	
India Lin Bodien	
India Lin Bodien, Attorney at Law	
india@indialinbodienlaw.com	
2522 North Proctor Street, No. 387	
Tacoma, Washington 98406	
Phone: (253) 212-7913	
Fax: (253) 276-0081	

15. How will the lawyers be paid?

As part of the Settlement with ITU, Class Counsel has requested one third of the Gross Settlement Amount (currently equal to \$39,996.00) in attorneys' fees, plus costs not to exceed \$10,000, to be paid from the Gross Settlement Amount to compensate Class Counsel for their work on this matter. You will not have pay Class Counsel's fees and costs from your Individual Settlement Payment.

16. How will Plaintiff be paid?

As part of the Settlement with ITU, Class Counsel has requested an enhancement payment up to \$7,5000 to be paid to Plaintiff for his efforts in this matter during the initial investigation, discovery, mediation, and the like, while serving as Class Representative and taking on the burden and risks of litigation.

THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESS

17. Who is handling the Settlement Administration process?

CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 Toll-Free Number: 1-888-617-2655

18. When is the Final Fairness and Approval Hearing and do I have to attend?

The Final Fairness and Approval Hearing has been set for November 17, 2022, at 11:30 a.m. in Department No. 1 of the Santa Clara County Superior Court, located at 191 North First Street, San Jose, CA 95113. At the Final Fairness and Approval Hearing, the court will consider any objections and determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the settlement of the PAGA representative claim and also Class Counsel's request for attorneys' fees and costs, the costs of settlement administration, and the proposed service award(s). You do not need to attend the hearing to be part of the Settlement.

However, if you wish to object to the Settlement, you may appear at the hearing. Please note that the hearing may be continued without further notice to the Class. Make sure you check the Court's website before attempting to come to the Court in person.

Hearings before the judge overseeing this case are again being conducted in person. However, remote appearances are still permitted, and are offered with the assistance of a third-party service provider, CourtCall. If that remains the case at the time of the Final Fairness and Approval Hearing, class members who wish to appear at the Final Fairness and Approval Hearing remotely should contact Class Counsel to arrange an appearance through CourtCall, at least three days before the hearing if possible. Any CourtCall fees for an appearance by an objecting class member shall be paid by Class Counsel.

GETTING MORE INFORMATION

19. Are more details available?

This Notice is a summary of the basic terms of the proposed Settlement. For the precise terms and conditions of the proposed Settlement, you may review the detailed "Joint Stipulation of Class Action and PAGA Settlement" on file with the Clerk of the Court as well as the pleadings and other records in this litigation at the Office of the Clerk of the Santa Clara County Superior Court, 191 North First Street, San Jose, CA 95113. You must make an appointment to view documents at the Office of the Clerk.

For further information, you may also call or email Class Counsel (listed above) or the Settlement Administrator (listed above). You may also ask Class Counsel to send you a copy of the Joint Stipulation of Class Action and PAGA Settlement. The pleadings and other records in this litigation may also be examined at the Office of the Clerk of the Santa Clara County Superior Court, 191 North First Street, San Jose, CA 95113. You must make an appointment to view documents at the Office of the Clerk. Additional information is also available through the Court's online system at https://www.scscourt.org/online services.shtml by searching using the case number.

PLEASE DO NOT CALL OR WRITE TO THE COURT OR CLERK OF THE COURT, OR TO ANY OF DEFENDANT'S MANAGERS, SUPERVISORS, OR DEFENDANT'S ATTORNEYS WITH **QUESTIONS ABOUT THIS NOTICE.**