

THIS IS AN IMPORTANT COURT APPROVED NOTICE. READ CAREFULLY.

Daniels v. Team Sahara, Inc., Orange County Superior Court, Case No. 30-2018-00968822-CU-OE-CXC

If you worked as a dancer in California at Sahara Theater night-club operated by Team Sahara, Inc. at any time from January 1, 2017 through December 31, 2018, a class action lawsuit may affect your rights.

This is a court-authorized notice. It is not a solicitation from a lawyer.

- You have been identified as a Class Member in a Lawsuit brought by a former dancer at Team Sahara, Inc., (“Defendant”).
- The Court has preliminarily approved a class action settlement with Defendant, which will affect all persons who danced at Sahara Theater night-club operated by the Defendant, on at least one day from January 1, 2017 up to and including December 31, 2018 and who signed a Dance Agreement.
- If the Court grants final approval of the Settlement, there will be money available to you.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
PARTICIPATE IN THE SETTLEMENT – <u>NO ACTION REQUIRED</u>	Stay in this Lawsuit. Receive a payment. Give up certain rights. By doing nothing, you become part of the Class and will collect a settlement award as detailed below. But you give up certain rights to sue Defendant separately for the legal claims raised in this Lawsuit.
OBJECT TO THE SETTLEMENT	Stay in this Lawsuit. May give up certain rights. If you object to 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.
ASK TO BE EXCLUDED	Get out of this Lawsuit. Get no payment from it. Keep rights. If you ask to be excluded from the settlement, you won’t receive any payment from the settlement award. But you keep any rights to sue Defendant separately for the legal claims raised or that could have been raised in this Lawsuit.

- **Regardless of the option you choose, you will not be retaliated against for exercising your rights.**
- Your options are explained in this notice. To object to the settlement or to ask to be excluded, you must act before August 2, 2022.
- **Any questions?** Read on or contact Class Counsel or the Class Administrator listed below.

BASIC INFORMATION

1. Why did I get this notice?

Defendant's records show that you worked on at least one day for Defendant in California from January 1, 2017 through December 31, 2018 as a dancer. This notice explains that the Court has given preliminary approval to a settlement in a conditionally certified class action lawsuit that may affect you.

The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable. 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 this settlement. Judge James J. Di Cesare of the Superior Court of the State of California, County of Orange, is overseeing this lawsuit. The lawsuit is known as *Janicia Daniels v. Team Sahara, Inc.*, Case No. 30-2018-00968822-CU-OE-CXC.

2. What is this lawsuit about?

This lawsuit is about whether Defendant(s) misclassified dancers as independent contractors, paid dancers minimum and overtime wages, provided proper meal periods and rest periods, provided proper wage statements, paid all wages owed upon termination of employment, reimbursed all necessary business expenses, made improper deductions from wages, and allowed dancers to retain all gratuities as required by applicable California laws, including California's Unfair Competition Laws, and the California Private Attorneys General Act.

Throughout the litigation, Defendant has denied—and continues to deny—the factual and legal allegations in the case and has maintained that it has valid defenses to the claims. Defendant denies any wrongdoing and assert that its pay practices at all times complied with the law. Defendant further denies that it owes the monies claimed in the lawsuit. However, Defendant has voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation.

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 company sued is called the Defendant. In class action litigation, one Court resolves the issues for everyone in the Class in one lawsuit, except for those people who choose to exclude themselves from the Class.

4. Why is this Lawsuit a class action?

As part of the settlement, Plaintiff and Defendant agreed to conditionally certify the Class with respect to all of the claims Plaintiff alleged against Defendant as a class action, for settlement purposes only and to ask the Court to approve the settlement. The Court has not ruled on the merits of these claims, and the decision to certify the agreed-upon 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?

The major terms of the settlement are as follows:

1. Defendant has agreed to pay \$2,400,000.00 to settle the claims made in this lawsuit. This amount is also known as the "Gross Settlement Amount".

2. Plaintiff seeks the following deductions from the \$2,400,000.00 Gross Settlement Amount:
 - a. Up to one-third (1/3) of the Gross Settlement Amount (currently equal to \$800,000.00) for Class Counsel's attorneys' fees.
 - b. Up to \$12,000.00 for reimbursement of Class Counsel's litigation costs.
 - c. An incentive award of up to \$5,000.00 to Plaintiff Janicia Daniels for filing the Lawsuit, performing work in connection with the Lawsuit, and undertaking the risks of filing the Lawsuit.
 - d. Up to \$20,000.00 to cover the costs of the Class Administrator.
 - e. Payment of \$56,250.00 to the California Labor and Workforce Development Agency for release of Private Attorneys General Act claims.

If the Court approves each of the requested deductions from the Gross Settlement Amount, the Parties estimate there will be approximately \$1,506,750.00 remaining before deducting for taxes. The remaining funds will be referred to as the "Net Settlement Amount." The Net Settlement Amount will be distributed to Class Members who do not request exclusion (the "Participating Class Members") according to the following formula:

The Net Settlement Amount shall be divided by the total number of Dancer Days performed by all Participating Class Members. Dancer Day means any day during the Class Period (January 1, 2017 through December 31, 2018) in which an individual dancer performed at the Club as recorded on the Daily Dance Sheet for such day. If a Class Member appears on a Daily Dance sheet for two shifts within any single day, i.e., their stage name appears on both the Day and Night Daily Dance Sheet, such Class Member will be considered to have only performed a single day for purposes of calculating the Dancer Days (the "Individual Settlement Payment").

Your estimated Individual Settlement Payment is listed in Section 8 of this Notice. Each Individual Settlement Payment will represent wages and penalties allocated using the following formula: 50% allocated to non-wage damages including penalties, 40% allocated to wages, and 10% allocated to interest.

WHO IS IN THE CLASS?

6. Am I part of this Class?

The "Class" includes: All persons who danced at Sahara Theater night-club operated by Defendant(s) in the State of California at any time between January 1, 2017 through December 31, 2018 (the "Class Period") and signed a Dance Agreement.

7. I'm still not sure if I am included.

If you still are not sure whether you are included in the Class, you can get free help by contacting ILYM Group, Inc., the "Class Administrator", at the designated phone number for this matter at (888) 250-6810 or by calling or writing the lawyers representing the Class in this case ("Class Counsel"), at the phone number or address listed in Section 19.

If you did not receive this Notice yourself but believe you are a Class Member, you may request inclusion in the Class using the enclosed “Request for Inclusion Form” and W-9 Form. You must fill out the (1) Request for Inclusion Form” and (2) W-9 Form and send them to the Class Administrator no later than August 2, 2022.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class, or ask to be excluded from the settlement. These options are further explained below, including any dates by which you need to take any actions.

8. What is my approximate Individual Settlement Payment?

According to records maintained by Defendant, the total number of Dancer Days you performed at the Club in California during the Class Period is <<DancerDays>>.

“Dancer Day” means any day during the Class Period in which an individual dancer performed at the Club as recorded on the Daily Dance Sheet for such day. If a Class Member appears on a Daily Dance sheet for two shifts within any single day, i.e., their stage name appears on both the Day and Night Daily Dance Sheet, such Class Member will be considered to have only performed a single day for purposes of calculating the Dancer Days

Based on information provided above, anticipated court-approved deductions, and preliminary calculations of Dancer Days, it is estimated your share of the settlement will be \$_____, less applicable taxes and withholdings.

Settlement Payment checks returned as undeliverable and unclaimed and uncashed 180 days after issuance and delivered checks remaining uncashed for more than 180 days after issuance will be void. The funds from any voided checks will be sent to the State Unclaimed Property Fund in the name of the Class Member.

Disputing Your Payment Amount

If you believe your total Dancer Days worked during the Class Period shown above are not correct, you may send a letter to the Class Administrator indicating what you believe is correct. You should also send any documents or other information that supports your belief that the information set forth above is incorrect. The Class Administrator will attempt to resolve any dispute based upon Defendant’s records and any information you provide. However, the Court shall make the final determination, and that determination shall be conclusive, final and binding. Any disputes not otherwise resolved by the Class Administrator will be resolved by the Court. Any such dispute must be mailed to the Class Administrator no later than August 2, 2022.

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 released Defendant from any and all claims that were alleged or reasonably could have been alleged based on the facts in Plaintiff’s operative complaint during the period of January 1, 2017 through December 31, 2018. These claims include, but are not limited to: (1) intentional misclassification of employees; (2) failing to pay at least minimum wage for all hours worked and overtime for hours worked in excess of 8 hours per day or 40 hours per week; (3) failing to provide meal

periods or compensation in lieu thereof; (4) failing to authorize or permit rest breaks or provide compensation in lieu thereof; (5) willfully failing to provide accurate itemized wage statements; (6) failing to pay all wages due upon separation of employment; (7) failing to keep accurate records of all hours worked; (8) failing to reimburse employees for expenses and losses incurred in the discharge of their duties; (9) making improper deductions from wages; (10) failing to permit employees from retaining all gratuities; (11) violation of California Business and Profession Code §§17200, et seq. based on the preceding claims; and (12) claims asserted under the Private Attorneys General Act, based on the preceding claims (“Released Claims”).

10. How do I object to the Settlement?

If you are a Class Member and would like to object to the Settlement, you must not submit a request for exclusion (*i.e.*, must not opt out). In order to object, you may mail a written objection to the Class Administrator at the address in Section 16 below. The objection form is attached. The objection must include a written statement of the grounds for objection, be signed by you or your authorized representative, and include all supporting papers. You must mail any written objection to the Class Administrator no later than August 2, 2022. You may appear in person at the Final Fairness and Approval Hearing to present any oral objections even if you do not submit a timely Notice of Objection.

11. Why would I ask to be excluded?

You have the right to exclude yourself from the Class (and the settlement). If you exclude yourself from the Class—sometimes called "opting-out" of the Class – you won't get any money or benefits from the settlement. However, you may then be able to sue or continue to sue Defendant(s) for your own claims if permitted by law. If you exclude yourself, you will not be legally bound by the Court's disposition of this lawsuit. If you exclude yourself, you should talk to your own lawyer soon, because your claims may be subject to a statute of limitations (thus, claims may expire in a short period of time).

12. How do I ask to be excluded from the Class?

If you are a member of the Class described above and would like to exclude yourself from the Class (“opt-out”), you, or your authorized representative, need to submit a written statement requesting exclusion from the Class to the Class Administrator at the address in Section 16 below. The exclusion form is attached. The statement must be signed by you or your authorized representative and must be postmarked on or before August 2, 2022. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Class Member who requests to be excluded from the Class will not be entitled to any recovery under the settlement and will not be bound by the settlement or have any right to object, appeal, or comment thereon. Class Members who fail to submit a valid and timely request for exclusion on or before August 2, 2022 will be bound by all terms of the settlement and any final disposition entered in this Class Action if the Settlement is approved by the Court. The Court will retain authority to review and determine requests for exclusion, even if untimely. However, Class Members cannot opt out of releasing PAGA claims, as those claims technically belong to the State of California and Plaintiff has agreed to release those claims acting as a proxy for the State.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court decided that Aegis Law Firm, PC is qualified to represent you and all Class Members. The law firm is called "Class Counsel" in the context of this case. The law firm’s attorneys are experienced

in handling similar cases against other employers. More information about this law firm, their practice, and their lawyers' experience is available at www.aegislawfirm.com.

14. How will the lawyers be paid?

As part of the Settlement with Defendant, Class Counsel has requested one-third of the Gross Settlement Amount (currently equal to \$800,000.00) in attorneys' fees, plus costs not to exceed \$12,000, to be paid from the Gross Settlement Amount to compensate Class Counsel for their work on this matter. You will not have to pay Class Counsel's fees and costs from your Individual Settlement Payment.

15. How will the Plaintiff be paid?

As part of the Settlement with Defendant, Class Counsel has requested an incentive award of up to \$5,000.00 to be paid to Plaintiff Janicia Daniels for her effort in this matter during 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

16. Who is handling the Settlement Administration process?

ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

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

The Final Fairness and Approval Hearing has been set for August 19, 2022, at 1:30 p.m. in Department CX101 of the Orange County Superior Court for the State of California, located at 751 West Santa Ana Blvd., Santa Ana, CA 92701. You do not need to attend the hearing to be a 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.

If you appear at the Final Approval Hearing, check the Court's website for its social distancing protocols.

18. When will I get money after the hearing?

The Court will hold a hearing on August 19, 2022, to decide whether to approve the settlement. If the Court approves the settlement, after that there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved and resolving them can take time.

If the Court approves the settlement and if you do not opt out, your individual payment set forth in Section 8 above is expected to be distributed on approximately May 16, 2023. If there are objections or appeals, the payment can be delayed by at least 65 days, or even over a year. To check on the progress of the settlement, contact the Class Administrator or Class Counsel at the phone number or address listed in Section 19.

GETTING MORE INFORMATION

19. Are more details available?

This Notice only summarizes the lawsuit, the Settlement, and related matters. For more information, including copies of the forms included with this notice, you can visit the case website at www.ilymgroup.com/TeamSahara.

Additionally, the pleadings and other records in this litigation, including copies of the Settlement Agreement, may be examined at any time during regular business hours at the office of the Clerk of the Superior Court of the State of California for Orange, at the Orange County Superior Court, located at 700 W Civic Center Dr., Santa Ana, CA 92701. You can also view the Lawsuit's records online by visiting the Court's website (<https://ocjustice.occourts.org/civilwebShoppingNS/Login.do>), accepting the website's terms, entering the Case Number 30-2018-00968822-CU-OE-CXC in the Case Number box, entering the year 2018 in the Year Filed box, selecting "I'm not a robot," and clicking search.

Any questions regarding this Class Notice or the Lawsuit may be directed to the Class Administrator at the below address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel at the address, telephone number or email address set forth below. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the Class Administrator.

Class Administrator:

ILYM Group, Inc.
ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781

Class Counsel:

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Samuel A. Wong
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PLEASE DO NOT CALL OR WRITE TO THE JUDGE OR TO THE COURT, OR TO ANY OF DEFENDANT'S MANAGERS, SUPERVISORS, OR DEFENDANT'S ATTORNEYS WITH QUESTIONS.