

## NOTICE OF PENDENCY OF A CLASS ACTION SETTLEMENT

*Tricia Yeomans, et al. v. World Financial Group Insurance Agency, Inc., et al.*

San Francisco Superior Court Case No. CGC-18-572397

Hon. Christine Van Aken, Department 301

To all persons who: (1) were designated by World Financial Group as independent contractors; and (2) who performed services for World Financial Group in the State of California during the period from December 28, 2014 through December 31, 2023 under the title of Training Associate, Associate, Senior Associate, Marketing Director, and/or Senior Marketing Director (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification).

### PLEASE READ THIS NOTICE CAREFULLY

IT MAY AFFECT YOUR LEGAL RIGHT TO MONEY IN CONNECTION WITH THE SETTLEMENT OF A CLASS ACTION LAWSUIT. AS DISCUSSED IN GREATER DETAIL BELOW IN SECTION F, YOUR OPTIONS INCLUDE:

**1. DO NOTHING:** If you do nothing in response to this Notice and the Court grants final approval of the Settlement, you will receive an Individual Class Payment, you will be bound by the terms of the Settlement, and you will be deemed to have released the Released Class Claims against the Released Parties.

**2. REQUEST EXCLUSION:** If you do not wish to participate in the class action aspects of the Settlement, you must submit a Request for Exclusion which must be completed, dated, signed by you, and returned to the Settlement Administrator by mail postmarked by July 28, 2025.

**3. OBJECT:** You may object to the Settlement of the Class Claims by mailing a Notice of Objection to the Settlement Administrator postmarked no later than July 28, 2025. You will have a right to appear at the Final Approval Hearing to have your objections heard orally by the Court whether or not you submit a written objection. The Final Approval Hearing is scheduled for August 13, 2025, at 9 a.m., in Department 301 at the Superior Court of California for the County of San Francisco, 400 McAllister Street, San Francisco, CA 94102.

### **A. WHAT IS THIS NOTICE ABOUT?**

A settlement agreement (the "**Settlement**") has been reached between Plaintiffs Tricia Yeomans, Ismail Chraibi, Robert Jenkins, Dorothy Jenkins, Cameron Bradford, and Fatemeh Abtahi (collectively, "**Plaintiffs**") and Defendants World Financial Group Insurance Agency, Inc. (n.k.a. World Financial Group Insurance Agency, LLC) and World Financial Group, Inc. (collectively, "**Defendants**" or "**World Financial Group**") in a lawsuit (the "**Action**") pending in the Superior Court for the County of San Francisco (the "**Court**"). Plaintiffs are pursuing the Action on a class action basis on behalf of themselves and all persons who: (1) were designated by Defendants as independent contractors; and (2) who performed services for Defendants in the State California during the period from December 28, 2014 through December 31, 2023 (the "**Class Period**") under the title of Training Associate, Associate, Senior Associate, Marketing Director, and/or Senior Marketing Director (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification) (the "**Class Members**").

Plaintiffs are also seeking civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698 et seq. ("**PAGA**"), on behalf of themselves, the State of California, and all persons who: (1) were designated by Defendants as independent contractors; and (2) who performed services for Defendants in the State California during the period from October 24, 2017 through December 31, 2023 (the "**PAGA Period**") under the title of Training Associate, Associate, Senior Associate, Marketing Director, and/or Senior Marketing Director (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification) (the "**Aggrieved Group Members**").

The Court has preliminarily approved the Settlement and conditionally certified a class of all Class Members for purposes of the Settlement only. You have received this Notice because World Financial Group's records indicate that you are a Class Member. This Notice is designed to provide you with a brief description of the Action, inform you of the terms of the proposed Settlement, and discuss your rights and options in connection with the Settlement, including how you can participate in the Settlement, opt out of the Settlement, or object to the Settlement. Unless you submit a timely and valid Request for Exclusion, the Settlement will be binding upon you if and when it is approved by the Court.

### **B. WHAT IS THIS LAWSUIT ABOUT?**

The Action is titled "*Tricia Yeomans, et al. v. World Financial Group Insurance Agency, Inc., et al.*," designated as San Francisco Superior Court Case No. CGC-18-572397.

In the Action, Plaintiffs allege that World Financial Group misclassified Class Members as independent contractors and, as a result, failed to pay minimum wages; failed to pay overtime wages; failed to provide meal periods, and to properly provide premium pay in lieu thereof; failed to provide rest periods, and to properly provide premium pay in lieu thereof; unlawful deductions from wages; failed to provide accurate wage statements; failed to reimburse business expenses; and failed to pay wages during and at the end of employment. Plaintiffs seek recovery of damages, statutory penalties, interest, and restitution resulting from these alleged violations.

Plaintiffs also seek recovery of civil penalties under PAGA for these alleged violations.

World Financial Group denies all of Plaintiffs' allegations. Specifically, World Financial Group contends, among other things, that it properly classified Class Members as independent contractors and that their policies and practices do not violate the California Labor Code; a class could not be appropriately certified in the Action; and, if a class were certified, Plaintiffs' claims fail as a matter of law.

After good-faith negotiations in which both sides recognized the substantial risk of an uncertain outcome in litigation, Plaintiffs and World Financial Group agreed to settle the Action pursuant to the terms and conditions of the Settlement. The Parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation.

The Settlement represents a compromise of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by World Financial Group that Plaintiffs' claims in the Action have merit or that World Financial Group has any liability to Plaintiffs or Class Members. On the contrary, World Financial Group denies any and all such liability.

### C. SUMMARY OF THE SETTLEMENT PAYMENTS

1. **Gross Settlement Amount:** World Financial Group will pay \$65,000,000 as the Gross Settlement Amount. The Gross Settlement Amount will fund all payments to be made under the Settlement, which shall include all amounts paid for the Individual Class Payments to Participating Class Members, the Service Payments to Plaintiffs, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Administration Expenses Payment, and the PAGA Penalties to resolve Plaintiffs' claim for civil penalties.
2. **Plaintiffs' Service Payment:** Plaintiffs will seek approval from the Court for a payment of up to \$40,000 each for current Plaintiff(s), and up to \$20,000 for former Plaintiff(s) in recognition of their work in prosecuting the Action, in undertaking the risk of liability for attorneys' fees and expenses in the event they were unsuccessful in the prosecution of the Action, and for the Complete and General Release that Plaintiffs are providing to World Financial Group and the Released Parties as part of the Settlement. The total combined amount, which may be requested for the current and former Plaintiffs as a whole, is \$260,000. The Court will make the final determination as to the amount(s) actually awarded, and may choose to award less than the maximum amount that may be requested. If awarded by the Court, these Service Awards will be paid out of the Gross Settlement Amount.
3. **Class Counsel Fees Payment:** The attorneys prosecuting the Action, Marlin & Saltzman, LLP, Farnaes & Lucio, APC, and Rosenberg, Shpall & Zeigen, APLC (collectively, "**Class Counsel**"), will request up to \$21,666,666.70 (representing 33-1/3% of the Gross Settlement Amount) for their attorneys' fees incurred in connection with their work in the Action. World Financial Group's payment of the Class Counsel Fees Payment constitutes full and complete compensation for all legal fees of all attorneys representing Plaintiffs in the Action and all work done through the completion of the Action, whatever date that may be. Class Members are not required to pay Class Counsel for any other attorneys' fees under the Settlement. The Court will make the final determination as to the total amount of attorney fees awarded, and may choose to award less than the maximum amount that may be requested. If awarded by the Court, the Class Counsel Fees Payment will be paid out of the Gross Settlement Amount.
4. **Class Counsel Litigation Expenses Payment:** Class Counsel will also request up to \$400,000 for litigation costs and expenses incurred in connection with their work in the Action. World Financial Group's payment of the Class Counsel Litigation Expenses Payment constitutes full and complete compensation for all costs and expenses of all attorneys representing Plaintiffs in the Action. Class Members are not required to separately pay Class Counsel for any costs or expenses under the Settlement. If awarded by the Court, the Class Counsel Litigation Expenses Payment will be paid out of the Gross Settlement Amount.
5. **Administration Expenses Payment:** The reasonable costs of administering the Settlement, up to a maximum of \$900,000, will be paid out of the Gross Settlement Amount. The Court has appointed Verita Global, Inc. to act as an independent Settlement Administrator for purposes of administering this Settlement.
6. **PAGA Penalties:** \$3,250,000 of the Gross Settlement Amount has been allocated to PAGA civil penalties, of which 75% will be paid to the California Labor & Workforce Development Agency ("LWDA") and 25% will be paid to the Aggrieved Group Members pursuant to the PAGA.
7. **Net Settlement Amount:** The Net Settlement Amount shall be what remains of the Gross Settlement Amount after deductions are made for the Plaintiffs' Service Payments, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Administration Expenses Payment, and the PAGA Penalties. Assuming the Class Representative Service Payments are \$260,000 combined, the Class Counsel Fees Payment is \$21,666,666.70, the Class Counsel Litigation Expenses Payment is \$400,000, the Administration Expenses Payment is \$900,000, and the PAGA Penalties is \$3,250,000, then the Net Settlement Amount will be \$38,523,333.30.

8. **Allocation of Net Settlement Funds:** Due to the nature of the claims asserted in this action, including the allegations of misclassification, and Plaintiffs' evaluation of the strength, weaknesses, and potential damages recoverable on behalf of the Class Members, the Net Settlement funds shall be allocated as follows:
- Reimbursement Claims:** Forty-six percent (46%) of the Net Settlement Funds shall be allocated to claims for Reimbursement of Business Expenses and Unlawful Deductions from Wages.
  - Unpaid Wage & Derivative Claims:** Fifty-four percent (54%) of the Net Settlement Funds shall be allocated to all other claims asserted (i.e., the "Unpaid Wage & Derivative Claims").
9. **Individual Class Payments:** The Settlement Administrator will calculate each Individual Class Payment based on the following proposed distribution formulas:
- Reimbursement Claims:** All Participating Class Members will be eligible to receive an individual share of the portion of Net Settlement Funds allocated to the Reimbursement Claims. The individual share amount will be calculated by dividing the total funds allocated to the Reimbursement Claims by the number of Participating Class Members.
  - Unpaid Wage & Derivative Claims:** Only Participating Class Members who performed services and received at least one payment from Defendants during the Class Period shall be eligible to receive a pro rata share of the Net Settlement Funds allocated to the Unpaid Wage and Derivative Claims. Pro rata shares shall be calculated by dividing the number of weeks paid to those individual Class Members who performed services and received at least one payment from Defendants during the Class Period, by the total number of paid weeks during the Class Period by all Participating Class Members who performed services and received at least one payment from Defendants during the Class Period, and then multiplying the resulting percentage by the total funds allocated to the Unpaid Wage & Derivative Claims.
10. The Individual Class Payments will be allocated 100% penalties and interest and will be subject to IRS Form-1099 reporting.
11. The Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administration Expenses Payment, PAGA Penalties, and Individual Class Payments will be paid after the Court enters a Final Approval Order and Judgment, all time to appeal or challenge the Final Approval Order and Judgment has lapsed, and the Final Approval Order and Judgment remains enforceable (i.e., the "**Effective Date**").
12. If the Court does not grant final approval of the Settlement or if the Settlement does not become final and binding for any reason, then the Settlement will become null and void; if that occurs, neither Plaintiffs nor World Financial Group will have further obligations under the Settlement, including any obligation by World Financial Group to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Settlement. An award by the Court of a lesser amount than that sought by Plaintiffs and Class Counsel for the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Administration Expenses Payment will not render the Settlement null and void.

#### **E. WHAT CLAIMS ARE RELEASED?**

If you do not request to be excluded from the class action aspects of the Settlement, you will be a Participating Class Member and be unable to sue, continue to sue, or be a part of any other lawsuit against the Released Parties regarding the "Released Class Claims" in this Settlement. "Released Parties" means Defendants World Financial Group Insurance Agency, Inc. (n.k.a. World Financial Group Insurance Agency, LLC) and World Financial Group, Inc., and their past, present, and/or future, direct and/or indirect, officers, directors, members, managers, agents, contractors, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, related companies, divisions, predecessors, successors, assigns, and joint venturers. If you are an Aggrieved Group Member, you will still receive an Individual PAGA Payment and be bound by the release of the PAGA Claims described below, even if you request to be excluded from the class action aspects of the Settlement. You cannot request exclusion from the PAGA portion of the Settlement.

**Released Class Claims:** Upon the Effective Date and World Financial Group's funding of the Gross Settlement Amount, Participating Class Members, including Plaintiffs, will fully and irrevocably release the Released Parties from the Released Class Claims, as defined below, in exchange for the consideration provided by this Settlement.

"Released Class Claims" means all causes of action and factual or legal theories that were alleged in the operative Third Amended Complaint ("TAC") in the Action, or reasonably could have been alleged based on the facts and legal theories contained in the TAC, including all of the following claims for relief: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide proper meal periods, and to properly provide premium pay in lieu thereof; (d) failure to provide proper rest periods, and to properly provide premium pay in lieu thereof; (e) failure to maintain adequate records; (e) failure to reimburse all reasonable and necessary business expenses; (f) failure to provide complete, accurate, and/or properly formatted wage statements; (g) unlawful deduction from wages; (h) waiting time penalties; (i) quantum meruit/unjust enrichment; and (j) unfair business practices that could have been premised on the claims, causes of action, or legal theories of relief described above or on any of the claims, causes of action, or legal theories of relief pleaded in the TAC (collectively, the "Released Claims"), including, but not limited to, the allegation that Defendants misclassified Settlement Class Members as independent contractors in relation to or arising out of the released claims. The period of the Released Class Claims shall extend to the limits of the Class Period.

Plaintiffs and Participating Class Members may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Class Claims, but upon World Financial Group's funding of the Gross Settlement Amount, shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and forever settled and released any and all of the Released Class Claims. It is the intent of the Parties that the Final Approval Order and Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Participating Class Members regarding the Released Class Claims. **All Released Class Claims are released for the Class Period (from December 28, 2014 through December 31, 2023).**

**Released PAGA Claims:** Upon the Effective Date and World Financial Group's funding of the Gross Settlement Amount, Plaintiffs—on behalf of themselves, the State of California, and Aggrieved Group Members—will fully and irrevocably release the Released Parties from the Released PAGA Claims, as defined below, in exchange for the PAGA Penalties provided by this Settlement.

**"Released PAGA Claims"** means all claims for civil penalties under the Private Attorneys General Act of 2004, PAGA, as set forth in Plaintiffs' PAGA Notices to the LWDA that could have been premised on the claims, causes of action, or legal theories described above or any of the claims, causes of action, or legal theories of relief pleaded in the TAC, including, but not limited to, the allegation that Defendants misclassified Aggrieved Group Members as independent contractors in relation to or arising out of the released claims. The period of the Released PAGA Claims shall extend to the limits of the PAGA Period.

Plaintiffs, the State of California, and Aggrieved Group Members may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released PAGA Claims, but upon World Financial Group's funding of the Gross Settlement Amount, shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and forever settled and released any and all of the Released PAGA Claims. It is the intent of the Parties that the Final Approval Order and Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Aggrieved Group Members regarding the Released PAGA Claims. **All Released PAGA Claims are released for the PAGA Period (October 24, 2017 through December 31, 2023).**

#### **F. WHAT ARE MY RIGHTS AS A CLASS MEMBER?**

1. **Participating in the Settlement:** You do not need to do anything to participate in this Settlement. Unless you submit a valid and timely Request for Exclusion from the class action aspects of the Settlement, you will be bound by the terms of the Settlement and any final judgment that may be entered by the Court, and you will be deemed to have released the Released Class Claims against the Released Parties described above. You will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses. If you are an Aggrieved Group Member, you will still receive an Individual PAGA Payment and be bound by the release of the Released PAGA Claims described above, even if you request to be excluded from the class action aspect of the Settlement.
2. **Objecting to the Settlement:** You may object to the settlement of the Class Claims by mailing a written Notice of Objection to the Settlement Administrator postmarked no later than July 28, 2025 (the **"Response Deadline"**).

#### **MAIL YOUR OBJECTION TO:**

*World Financial Group Settlement Administrator*  
P.O. Box 301172  
Los Angeles, CA 90030-1172

To be valid, any written objection must: (a) contain your full name, address and last four digits of your social security number; (b) state the case name and number, *Tricia Yeomans, et al. v. World Financial Group Insurance Agency, Inc., et al.*, San Francisco Superior Court Case No. CGC-18-572397; the basis for the objection; and whether you intend to appear at the Final Approval Hearing; and (c) be signed by you. If the Notice of Objection does not contain the information listed in (a)-(c), or is not mailed to the Settlement Administrator by the Response Deadline, it will not be deemed a timely and valid Notice of Objection. The date of the postmark on the service mailing envelope for the Settlement Administrator shall be the exclusive means used to determine whether a Notice of Objection has been timely served on the Settlement Administrator. You will have a right to appear at the Final Approval Hearing to have your objections heard orally by the Court whether or not you submit a written objection.

3. **Excluding Yourself from the Settlement:** If you do not wish to participate in settlement of the Class Claims, you must submit a Request for Exclusion which must be completed, dated, signed by you, and returned to the Settlement Administrator by mail postmarked by the Response Deadline. Any Request for Exclusion must: (a) contain your full name, address, and last four digits of your social security number; (b) be signed by you; and (c) state in substance: "I wish to exclude myself from the Settlement in the *Tricia Yeomans, et al. v. World Financial Group Insurance Agency, Inc., et al.*, San Francisco Superior Court Case No. CGC-18-572397". If the Request for Exclusion does not contain the information listed in (a)-(c), or is not postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address, it will not be deemed a timely and valid Request for Exclusion. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. If you submit a timely and valid Request for Exclusion you will not be entitled to an Individual Class Payment and will not be bound by the release of the Released Class Claims. If you submit a timely and valid Request for Exclusion you will not have any right to object to, appeal, or comment on the Settlement.

If you choose to submit a Request for Exclusion, send your Request for Exclusion to the Settlement Administrator at the following address:

*World Financial Group Settlement Administrator*  
P.O. Box 301172  
Los Angeles, CA 90030-1172

If you do not submit a timely and valid Request for Exclusion on or before the Response Deadline, you shall be deemed a Participating Class Member and will be bound by all terms of the Settlement and the Final Approval Order and Judgment entered in this Action. There will be no retaliation or adverse action taken against any Class Member who participates in the Settlement or elects not to participate in the Settlement.

If you are an Aggrieved Group Member, you will still receive an Individual PAGA Payment and be bound by the release of the PAGA Claims described above, even if you request to be excluded from the class action aspects of the Settlement.

## **G. FINAL SETTLEMENT APPROVAL HEARING**

The Court will hold a Final Approval Hearing on August 13, 2025, at 9 a.m., in Department 301 at the Superior Court of California for the County of San Francisco, Civic Center Courthouse, 400 McAllister Street, San Francisco, CA 94102, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the requests for the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, PAGA Penalties, and Administration Expenses Payment.

The Final Approval Hearing may be postponed without further notice to Class Members. **It is not necessary for you to appear at this hearing, but you may appear at the hearing and be heard.** Class Members are advised to contact the Settlement Administrator or check the Court's online Case Query at <https://sf.courts.ca.gov/online-services/case-information> to confirm the hearing date has not been changed.

Any changes to the date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website [www.WFGsettlement.com](http://www.WFGsettlement.com). Notice of the Court's final judgment will also be posted on the Settlement Administrator's website.

## **H. GETTING MORE INFORMATION**

This is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may examine the full Settlement Agreement by visiting the Settlement Administrator's website at [www.WFGsettlement.com](http://www.WFGsettlement.com); accessing the Court's docket in the Action through the Court's online Case Query at <https://sf.courts.ca.gov/online-services/case-information>; contacting the Settlement Administrator at Tel.: 1-855-766-2620; or contacting Class Counsel at:

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**PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT OR THE SETTLEMENT PROCESS.**

By Order of the Court