

NOTICE OF PENDENCY OF CLASS ACTION

A court authorized this notice. This is not a solicitation from a lawyer.

Wendell Moen, et al., on behalf of themselves and others similarly situated v. The Regents of the University of California, et al.

Alameda County Superior Court Case No. RG-10530492

TO: All University of California Retirees who worked at Lawrence Livermore National Laboratory (LLNL), who were eligible for University of California-sponsored group health plan coverage when they retired, and who retired prior to October 1, 2007 and received University-sponsored group health plan coverage after retiring until November 30, 2007 in connection with transfer of LLNL's management to Lawrence Livermore National Security (LLNS), and Spouses, surviving spouses, or dependents, who were eligible for University-sponsored group health plan coverage as a consequence of a University of California employee's retirement after working at LLNL, or death while working at Lawrence LLNL, and who received University-sponsored group health plan coverage until November 30, 2007 in connection with transfer of LLNL's management to Lawrence Livermore National Security (LLNS).

**If you are a member of the Class, your legal rights will be affected.
Please read this Notice carefully.**

- Retirees of the Lawrence Livermore National Laboratory ("LLNL" or the "Lab") have sued The Regents of the University of California ("The Regents"), alleging that The Regents breached their obligation to provide University of California-sponsored group health care benefits to the Retirees.
- The Court has allowed the lawsuit to proceed as a class action on behalf of Retirees who are in the Class, defined above.
- The Court has not decided that The Regents did anything wrong. This Notice does not express any opinion of the Court.
- Your legal rights are affected and you have a choice to make now.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

DO NOTHING	Stay in this lawsuit. Await the outcome. Give up certain rights. By doing nothing, you keep the possibility of getting money or benefits that may come from a trial or settlement. But, you give up any rights to sue The Regents separately about the same legal claim in this lawsuit.
ASK TO BE EXCLUDED	Get out of this lawsuit. Get no benefits from the lawsuit. Keep the right to file your own lawsuit. If you ask to be excluded and money or benefits are later awarded, you won't share in those. But, you keep any rights to sue The Regents separately about the same legal claim in this lawsuit. IF YOU WANT TO BE EXCLUDED, YOU MUST ACT NO LATER THAN MARCH 7, 2015.

- The Petitioners must prove the claim against The Regents. If you remain a member of the Class and money or benefits are obtained from The Regents, you will be notified about how to ask for a share.
- **Any Questions? Read all of this notice.**

PURPOSE OF THIS NOTICE

This Notice is given pursuant to California Rules of Civil Procedure and an Order of the Court, dated **December 3, 2014**. The purpose of this Notice is to inform you that this class action will affect the rights of all members of the Class (the "Class Members"). This Notice describes your legal rights and what steps you may take in relation to this action. This Notice is not an expression of any opinion by the Court as to the merits of any claims or defenses asserted by Petitioners or The Regents.

BASIC INFORMATION

1. Why did I get this notice?

The Regents' records show that you were employed by the University of California at the Lab and you retired before the management changed from The Regents to LLNS. This notice explains that the Court has allowed, or

“certified,” a class action lawsuit that may affect you. The Court directed that this notice be sent to you because you may be a member of the class, and Class Members have a right to know about the lawsuit and about their options. This Notice describes the lawsuit and the legal rights of all Class Members and the deadlines to exercise these rights.

2. What is this lawsuit about?

Lab retirees Wendell G. Moen, Jay Davis, Donna Ventura, Geores Buttner, Robert Becker, Gregory Bianchini, Alan Hindmarsh, Steve Hornstein, Cal Wood and Sharon Wood filed a lawsuit against The Regents in California Superior Court for the County of Alameda, called *Wendell G. Moen, et al. v. The Regents of the University of California, et al.*, Case No. RG-10530492.¹ Superior Court Judge George C. Hernandez, Jr. is the judge overseeing the case. The persons who filed the lawsuit are called the “Petitioners.” The Regents (and the unidentified “Doe” parties) who are being sued are called the “Respondents.”

This lawsuit is about whether the Regents wrongfully stopped providing University-sponsored group health benefits to Retirees when the management of the Lab was transferred to LLNS in late 2007 or early 2008. The Petitioners allege that The Regents authorized University-sponsored group health insurance coverage for retirees, and then during Retirees' employment at the Lab, The Regents—through various benefit booklets and handbooks published by their authorized representatives—offered to provide Retirees with University-sponsored group health plan coverage when they retired. Retirees allege that they accepted this offer by continuing to work at the Lab and continuing to provide services over time. The booklets and handbooks informed University employees that they could continue their University-sponsored group health insurance coverage after they retired, provided they met certain eligibility criteria. Retirees allege that they met these criteria at all relevant times.

The Regents maintains that it provided University-sponsored group health plan coverage to Laboratory Retirees as a matter of policy, and that it neither offered nor promised Laboratory Retirees a right to lifetime University-sponsored group health plan coverage. Neither did The Regents offer or promise that Laboratory Retirees would receive, in perpetuity, the same University-sponsored group health plan coverage as retirees from other University campuses. University employee and retiree health benefits generally are subject to change and subject to available funding resulting from the state and federal appropriations processes and other funding processes and limitations. Individuals who worked at the Laboratory while the Laboratory was managed by the University of California worked under a specific contract with the federal government, and their continued compensation and benefits depended on the funding related to that contract. When that contract ended in 2007, the new contractor LLNS assumed responsibility for the administration of health plan coverage for Laboratory Retirees.

3. Why is this a class action?

In a class action, one or more people (called “Class Representatives”) sue on behalf of all people who have similar claims. The people who have claims are the “Class” or “Class Members.” The Class Representatives in this case are Wendell G. Moen, Jay Davis, Donna Ventura, Geores Buttner, Robert Becker, Gregory Bianchini, Alan Hindmarsh, Steve Hornstein, Cal Wood and Sharon Wood. Typically, the Court resolves the common issues for all members of the Class—except for those people who choose to exclude themselves from the Class. Class actions are frequently brought when many people have been affected in the same or similar ways, and litigating each claim individually would be impractical.

THE CLAIMS IN THE LAWSUIT

4. What claims have the Petitioners brought?

In the lawsuit, the Petitioners allege that The Regents breached an implied contract, and that The Regents' actions are subject to the legal doctrines of “promissory estoppel” and “equitable estoppel.” The Court granted class certification with respect to the breach of an implied contract claim but not the estoppel claims. You can read the Petitioners' Third Amended Petition at www.MoenvRegents.com.

¹ This lawsuit was originally filed under the name of *Requa v. Regents of University of California*. The name was changed to *Moen v. Regents of University of California* after the Court allowed Joe Requa to withdraw as a named petitioner for medical reasons. There was no change in the claims made by petitioners as a result of Mr. Requa's withdrawing.

5. How do the Regents respond?

The Regents maintains that it provided University-sponsored group health plan coverage to Laboratory Retirees as a matter of policy, and that it neither offered nor promised Laboratory Retirees a right to lifetime University-sponsored group health plan coverage. Neither did The Regents offer or promise that Laboratory Retirees would receive, in perpetuity, the same University-sponsored group health plan coverage as retirees from other University campuses. University employee and retiree health benefits generally are subject to change and subject to available funding resulting from the state and federal appropriations processes and other funding processes and limitations. Individuals who worked at the Laboratory while the Laboratory was managed by the University of California worked under a specific contract with the federal government, and their continued compensation and benefits depended on the funding related to that contract. When that contract ended in 2007, the new contractor LLNS assumed responsibility for the administration of health plan coverage for Laboratory Retirees.

6. Has the Court decided who is right?

The Court has not decided whether the Petitioners or The Regents are correct. By establishing the Class and issuing this Notice, the Court is not suggesting that the Petitioners will win or lose this case. To win, Petitioners must prove their claims at a hearing or trial.

7. What are the Petitioners asking for?

The Petitioners are asking the Court to rule that The Regents breached an implied contract and ordering The Regents to return members of the Class to the University-sponsored group health plan. The Petitioners also want the Class Members to receive damages for the difference between what they paid for Retiree health care benefits while they were excluded from the University-sponsored group health plans and what they would have paid if they had remained part of the University-sponsored group health plan.

8. Is there any money available now?

No money or benefits are available now. The Court has not yet decided whether The Regents did anything wrong and there has been no settlement of the case. There is no guarantee that Petitioners will win or that reinstatement to the University-sponsored group health plan will be ordered by the Court, or that The Regents will be found liable for money or benefits. If benefits and/or damages are obtained, or if the Court orders the Class Members to be reinstated, you will be notified about how to obtain what you are entitled to.

WHO IS IN THE CLASS

9. Am I part of this Class?

If you receive this notice by mail, it is because The Regents' records indicate that you are a member of the Class. You are a part of this class if:

- (a) you were an employee of the University of California who worked at the Lawrence Livermore National Laboratory (LLNL),
- (b) your retirement date was effective prior to October 1, 2007 (i.e., you retired before the contract to manage the Laboratory was transitioned to Lawrence Livermore National Security (LLNS)),
- (c) you were eligible for University-sponsored group health plan coverage when you retired, and
- (d) you received University-sponsored group health plan coverage after retiring until November 30, 2007 in connection with transfer of the Lab's management to LLNS.

You are also a part of this class if:

- (a) you are a spouse, surviving spouse or dependent of a Lab employee, and
- (b) you were eligible for University-sponsored group health plan coverage as a consequence of a UC employee's retirement after working at the Lab, or death while working at Lab, and
- (c) you received University-sponsored group health plan coverage until November 30, 2007 in connection with transfer of the Lab's management to LLNS.

10. What if I am still not sure if I am included in the Class?

If you are still not sure whether you are included, you can get free help by calling or writing to the Petitioners’ lawyers in this case, at one of the phone numbers or addresses listed below:

COUNSEL FOR PETITIONERS:

<p>Andrew Thomas Sinclair Sinclair Law Office 300 Frank H. Ogawa Plaza Rotunda Building, Suite 160 Oakland, CA 94612 Tel: (510) 465-5300 Fax: (510) 465-5356</p>	<p>Dov M. Grunschlag Carter Carter Fries & Grunschlag 44 Montgomery St., Suite 2405 San Francisco, CA 94104 Tel: (415) 989-7694 Fax: (415) 989-4864</p>	<p>William N. Hebert Calvo Fisher & Jacob LLP 555 Montgomery Street, Suite 1155 San Francisco, CA 94111 Tel: (415) 374-8370 Fax: (415) 374-8373</p>
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YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class or ask to be excluded. You have to make this decision on or before **March 7, 2015**.

11. What happens if I do nothing at all?

You do not have to do anything now. By doing nothing, you are staying in the Class. If you stay in the Class and the Petitioners prevail as a result of a trial or if the parties reach a settlement, you will be notified about how to apply for what you are entitled to receive (or how to ask to be excluded from any settlement). If you do nothing now, regardless of whether the Petitioners win or lose, you will not be able to file your own lawsuit, or continue to pursue a lawsuit you have already filed, against, The Regents and the claim for implied contract that has been certified by the Court will be decided by the Court. You will also be legally bound by all of the Orders the Court and any judgment issued by the Court with regard to the implied contract claim. If you stay in the Class, you can be represented by the attorneys for the ten named Petitioners.

12. Why would I ask to be excluded?

If you already have your own lawsuit against The Regents for re-instatement of your University-sponsored group health plan coverage and for damages, or if you plan to file your own lawsuit and you want to continue with it, you must ask to be excluded from the Class (opt-out) now. If you exclude yourself from the Class (opt-out) you will not be entitled to participate in any recovery by the Petitioners. However, you may then be able to sue or continue to sue The Regents for re-instatement of your University-sponsored group health plan coverage and for damages. Also if you exclude yourself from the Class, you will not be legally bound by the Court’s orders and judgments in this Class Action. If you file your own lawsuit after you exclude yourself (opt-out), you may have to hire your own lawyer, and you will have to prove your claims separate and apart from what the Petitioners prove. If you do exclude yourself so you can start or continue your own lawsuit against the Regents, you should get your own lawyer as soon as possible, or file your own claim acting as your own lawyer. Your claims may be subject to a statute of limitations.

13. How do I ask the Court to exclude me from the Class?

To exclude yourself from the Class, you must complete and mail a copy of the enclosed Opt-Out Form, postmarked no later than **March 7, 2015**. Be sure to include your name, address, telephone number, and your signature.

THE LAWYERS IN THE CASE

14. Do I have a lawyer in this case?

The Court decided that (1) Sinclair Law Office, (2) Carter Carter Fries & Grunschlag LLP, and (3) Calvo Fisher & Jacob LLP, will represent all Class Members. Together these law firms are called “Class Counsel.” They are experienced in handling similar cases against other individuals, companies and public agencies. More information about these law firms, their practices, and their lawyers’ experience is available at www.sinclairlawoffice.com, www.carterfries.com and www.calvofisher.com.

15. Should I get my own lawyer?

You do not need to hire your own lawyer. The lawyers for the Class (“Class Counsel”) are working on your behalf. However, if you want your own lawyer, or you want to file a lawsuit acting as your own lawyer, you should do so promptly. You can ask your own lawyer to appear in Court for you if you want to be represented by someone other than Class Counsel, but you will need to make your own financial arrangements with your own lawyer.

16. How will the lawyers be paid?

If Petitioners win and obtain money, benefits or reinstatement for the Class, then Class Counsel may ask the Court to award them attorney’s fees and expenses. You will not have to pay these attorney’s fees and expenses. If the Court grants a request for attorney’s fees, these fees and expenses will be deducted from the judgment or settlement, or would be paid separately by The Regents.

COUNSEL FOR PETITIONERS:

<p>Andrew Thomas Sinclair Sinclair Law Office 300 Frank H. Ogawa Plaza Rotunda Building, Suite 160 Oakland, CA 94612 Tel: (510) 465-5300 Fax: (510) 465-5356</p>	<p>Dov M. Grunschlag Carter Carter Fries & Grunschlag 44 Montgomery St., Suite 2405 San Francisco, CA 94104 Tel: (415) 989-7694 Fax: (415) 989-4864</p>	<p>William N. Hebert Calvo Fisher & Jacob LLP 555 Montgomery Street, Suite 1155 San Francisco, CA 94111 Tel: (415) 374-8370 Fax: (415) 374-8373</p>
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GETTING MORE INFORMATION

If you have any questions about this Class Action or this Notice, contact any of Petitioners’ counsel at their above addresses and telephone numbers.

PLEASE DO NOT CALL THE COURT