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Attorneys for Plaintiff La Tanya Carr-Oyesile, individually,
and on behalf of all others similarly situated.

[Additional counsel listed on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF KERN

LA TANYA CARR-OYESILE, individually and
on behalf of all others similarly situated,

Plaintiff,

vs.

REHABCARE GROUP OF CALIFORNIA, LLC;
REHABCARE GROUP EAST, LLC;
REHABCARE GROUP MANAGEMENT
SERVICES, LLC; KINDRED REHAB
SERVICES, LLC; KINDRED HEALTHCARE
OPERATING, LLC; and DOES 1 through 20,
inclusive,

Defendants.

Case No. BCV-20-100866

*Assigned for all Purposes to:
Hon. Thomas S. Clark
Dept. 17*

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT OF CLASS
ACTION AND REPRESENTATIVE
CLAIMS**

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9 Attorneys for Defendants
REHABCARE GROUP OF CALIFORNIA, LLC;
10 REHABCARE GROUP EAST, LLC;
REHABCARE GROUP MANAGEMENT SERVICES, LLC;
11 KINDRED REHAB SERVICES, LLC; and
KINDRED HEALTHCARE OPERATING, LLC

1 It is stipulated and agreed by and among the undersigned Parties, subject to the approval of
2 the Court pursuant to the California Rules of Court, that the Settlement of this Action shall be
3 effectuated upon and subject to the following terms and conditions. Capitalized terms used herein
4 shall have the meanings set forth in Article I or as defined elsewhere in this Joint Stipulation and
5 Settlement of Class Action and Representative Action Claims (“Agreement” or “Settlement”).

6 This Agreement is made by and between Named Plaintiff LA TANYA CARR-OYESILE
7 (“Named Plaintiff”) and the Class Members (as defined below), on the one hand, and Defendants
8 REHABCARE GROUP OF CALIFORNIA, LLC; KINDRED REHAB GROUP OF CALIFORNIA,
9 LLC, LIFEPOINT REHABILITATION OF CALIFORNIA, LLC; REHABCARE GROUP EAST,
10 LLC; REHABCARE GROUP MANAGEMENT SERVICES, LLC; KINDRED REHAB GROUP
11 MANAGEMENT SERVICES, LLC; LIFEPOINT REHABILITATION, LLC; KINDRED REHAB
12 SERVICES, LLC; LIFEPOINT REHABILITATION SERVICES, LLC; KINDRED
13 HEALTHCARE OPERATING, LLC; and LIFEPOINT HEALTH, INC. (“Defendants”), on the
14 other hand. Named Plaintiff and Defendants collectively are referred to in this Agreement as “the
15 Parties.”

16 The Parties agree that the Action (as defined below) shall be, and hereby is, ended, settled,
17 resolved, and concluded by agreement of Defendants to pay the settlement amount of One Million
18 Two Hundred Forty Thousand Dollars (\$1,240,000.00) as provided in Section 3.06(a) below (“Gross
19 Settlement Amount”) pursuant to the terms and conditions of this Agreement and for the
20 consideration set forth herein, including but not limited to, a release of all claims by Named Plaintiff
21 and the Class Members as set forth herein.

22 THE PARTIES STIPULATE AND AGREE as follows:

23 ARTICLE I

24 DEFINITIONS

25 Unless otherwise defined herein, the following terms used in this Agreement shall have the
26 meanings ascribed to them as set forth below:

27 1. “Action” means the action bearing the title *LA TONYA CARR-OYESILE, individually*
28 *and on behalf of all others similarly situated v. REHABCARE GROUP OF CALIFORNIA, LLC;*

1 *REHABCARE GROUP EAST, LLC; REHABCARE GROUP MANAGEMENT SERVICES, LLC;*
 2 *KINDRED REHAB SERVICES, LLC; KINDRED HEALTHCARE OPERATING, LLC; and DOES I*
 3 *through 20, inclusive,”* Case No. BCV-20-100866, commenced on March 27, 2020, in the Superior
 4 Court of the State of California for the County of Kern.

5 2. “Agreement” means this Joint Stipulation and Settlement of Class Action and
 6 Representative Action Claims, including the attached Exhibit(s).

7 3. “Class” means all current and former non-exempt, hourly-paid employees of
 8 Defendants Rehabcare Group Of California, LLC; Kindred Rehab Group Of California, LLC,
 9 Lifepoint Rehabilitation Of California, LLC; Rehabcare Group East, LLC; Rehabcare Group
 10 Management Services, LLC; Kindred Rehab Group Management Services, LLC; Lifepoint
 11 Rehabilitation, LLC; Kindred Rehab Services, LLC; Lifepoint Rehabilitation Services, LLC;
 12 Kindred Healthcare Operating, LLC; and Lifepoint Health, Inc. who worked at skilled nursing
 13 facilities or hospitals, inclusive of long term acute care hospitals and inpatient and acute rehabilitation
 14 facilities, at any time during the Class Period, except for those Skilled Clinicians who released their
 15 claims in *Stonehocker*, and did not work after September 1, 2020 (“*Stonehocker* Settlement Class”
 16 and “*Stonehocker* Settlement Class Members”). Notwithstanding the foregoing, the Class does not
 17 include any non-exempt employees at skilled nursing facilities after the business line was sold in
 18 December 2020.

19 4. “Class Counsel” means the attorneys for the Class and the Class Members, who are:

20 AEGIS LAW FIRM, PC
 21 Kashif Haque
 22 Samuel A. Wong
 23 Jessica L. Campbell
 24 Joseph M. Szilagyi
 25 9811 Irvine Center Drive, Suite 100
 26 Irvine, California 92618
 27 Telephone: (949) 379-6250
 28 Facsimile: (949) 379-6251

25 5. “Class List” means a list based on Defendants’ business records that identifies each
 26 Class Member’s name, last known home or mailing address, Social Security number or, as applicable,
 27 other taxpayer identification number, dates of employment, and the number of Qualifying
 28 Workweeks worked during the Class Period.

6. “Class Member(s)” means all members of the Class.

7. “Class Period” means from March 27, 2016, through the date Preliminary Approval of the Settlement is granted, or when the total number of Qualifying Workweeks worked by Class Members reach 3% more than 124,000 (*i.e.*, 127,720 workweeks), whichever is sooner.

8. “Court” means the Superior Court of the State of California for the County of Kern, and the judicial officer presiding over this Action.

9. “Effective Date” shall have the meaning ascribed to it in Paragraph 47 below.

10. “Defendants” means Defendants Rehabcare Group Of California, LLC; Kindred Rehab Group Of California, LLC, Lifepoint Rehabilitation Of California, LLC; Rehabcare Group East, LLC; Rehabcare Group Management Services, LLC; Kindred Rehab Group Management Services, LLC; Lifepoint Rehabilitation, LLC; Kindred Rehab Services, LLC; Lifepoint Rehabilitation Services, LLC; Kindred Healthcare Operating, LLC; and Lifepoint Health, Inc.

11. “Defense Counsel” means counsel for Defendants:

LITTLER MENDELSON, P.C.

Elizabeth Staggs Wilson

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12. “Final Approval Hearing” shall mean the hearing whereat the Court shall consider, without limitations, any timely objections to the Settlement from Class Members, testimony from the Parties or their counsel, declarations regarding the claims process from the Settlement Administrator, and otherwise make a final determination regarding the fairness, reasonableness, and adequacy of the Settlement as set forth herein.

13. “Final Order and Judgment” shall mean the Court’s Order Approving Class Action and PAGA Settlement and Judgment, substantially in the form attached as **Exhibit B**, to be agreed

1 upon by the Parties and approved by the Court.

2 14. "Gross Settlement Amount" is One Million Two Hundred Forty Thousand Dollars
3 (\$1,240,000.00) to be paid by Defendants as provided by this Agreement to settle this Action. All
4 payments to the Class, administration costs, attorneys' fees and costs, and Incentive Award, pursuant
5 to Section 3.06(a) below, shall be paid out of the Gross Settlement Amount. The employer's share
6 of payroll taxes arising from the payments made under this settlement shall be paid by Defendants
7 separate from and in addition to the Gross Settlement Amount. No part of the Gross Settlement
8 Amount shall revert to Defendants. Defendants shall owe no more under the Agreement other than
9 the Gross Settlement Amount and the employer share of payroll taxes.

10 15. "Incentive Award" means a monetary amount of up to Ten Thousand Dollars
11 (\$10,000.00) for the Named Plaintiff, subject to Court approval and payable from the Gross
12 Settlement Amount and due to Plaintiff separate from any Individual Settlement Payments or
13 Individual PAGA Payments, in recognition of Plaintiff's effort and work in prosecuting the Action
14 on behalf of Class Members, and for her general release of claims. If the Court finally approves
15 lesser amounts, then the difference shall remain part of the Net Settlement Amount.

16 16. "Individual Settlement Payment(s)" means each Participating Class Member's
17 respective share of the Net Settlement Amount. Individual Settlement Payments will be determined
18 by the calculations provided in this Agreement.

19 17. "LWDA" means The State of California Labor and Workforce Development Agency.

20 18. "LWDA Payment" means 75% of the \$60,000 allocated to the settlement of PAGA
21 claims which, subject to Court approval, will be paid to the LWDA pursuant to Section 3.06(e) of
22 this Agreement, as provided for below.

23 19. "Motion for Final Approval" means Plaintiff's submission of a written motion,
24 including any evidence as may be required for the Court to conduct an inquiry into the fairness of
25 the Settlement as set forth in this Agreement, to conduct a Final Approval Hearing, and to enter a
26 Final Order in this Action.

27 20. "Motion for Preliminary Approval" means Plaintiff's submission of a written motion,
28 including any evidence as may be required for the Court to grant preliminary approval of the

1 Settlement as required by Rule 3.769 of the California Rules of Court.

2 21. "Named Plaintiff" means La Tanya Carr-Oyesile.

3 22. "Net Settlement Amount" shall have the meaning ascribed to it in Paragraph 51 below.

4 23. "Non-Participating Class Member(s)" means any Class Member(s) who submit to the
5 Settlement Administrator a valid and timely written request to be excluded from the Class pursuant
6 to Section 3.04(b) below.

7 24. "Notice Packet" means the Notice of Proposed Class Action Settlement in a form
8 substantially similar to the Notice Packet attached hereto as **Exhibit A**, subject to Court approval.

9 25. "Operative Complaint" shall mean and refer to the Third Amended Complaint.

10 26. "PAGA" means the California Private Attorneys General Act of 2004, which is
11 codified in California Labor Code §§ 2698 *et seq.*

12 27. "PAGA Employee Payments" means the payment issued to each PAGA Group
13 Member for his/her/their share of the PAGA Payment.

14 28. "PAGA Group Members" means all Class Members employed by Defendants at any
15 time between March 27, 2019, through the date Preliminary Approval of the Settlement is granted
16 ("PAGA Period").

17 29. "PAGA Payment" means the payment to the State of California Labor and Workforce
18 Development Agency ("LWDA") and the PAGA Group Members in settlement of all claims for
19 PAGA penalties.

20 30. "PAGA Pay Period" means each pay period worked by a PAGA Employee during the
21 PAGA Period.

22 31. "PAGA Period" shall mean the time period from March 27, 2019 through the end date
23 of the Class Period.

24 32. "PAGA Settlement Amount" means the portion of the Gross Settlement Amount
25 allocated to the resolution of PAGA Group Members' claims arising under PAGA. The Parties have
26 agreed that the PAGA Settlement Amount is Sixty Thousand Dollars (\$60,000.00), subject to Court
27 approval. Of the PAGA Settlement Amount, 75% will be considered the LWDA Payment, and the
28 remaining 25% will be added to the Net Settlement Amount and distributed to PAGA Group

1 Members.

2 33. "Participating Class Member(s)" is defined as a Class Member who does not timely
3 exclude himself or herself from the Settlement and will therefore receive his or her share of the Net
4 Settlement Amount automatically without the need to return a claim form. Each Participating Class
5 Member will be paid his/her Individual Settlement Payment.

6 34. "Qualifying Workweeks" means the number of weeks that Class Members worked
7 for Defendants during the Class Period that was not work for a skilled nursing facility after December
8 1, 2020, and excluding the *Stonehocker* Released Workweeks. Defendants estimate that Class
9 Members worked 124,000 Qualifying Workweeks during the Class Period.

10 35. "Released Claims" shall have the meaning ascribed to it in Paragraph 76 below.

11 36. "Released Parties" means Defendants and any of their past or present direct or indirect
12 parents, subsidiaries, predecessors, successors and affiliates, including but not limited to Rehabcare
13 Group Of California, LLC; Kindred Rehab Group Of California, LLC, Lifepoint Rehabilitation Of
14 California, LLC; Rehabcare Group East, LLC; Rehabcare Group Management Services, LLC;
15 Kindred Rehab Group Management Services, LLC; Lifepoint Rehabilitation, LLC; Kindred Rehab
16 Services, LLC; Lifepoint Rehabilitation Services, LLC; Kindred Healthcare Operating, LLC; and
17 Lifepoint Health, Inc. as well as each of their past and present officers, directors, employees, partners,
18 members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity who
19 could be jointly liable with Defendants.

20 37. "Settlement Administrator" means Phoenix Settlement Administrators, which the
21 Parties have agreed will be responsible for the administration of the Individual Settlement Payments
22 to be made by Defendants from the Gross Settlement Amount and related matters under this
23 Agreement.

24 38. "*Stonehocker* Class Action Lawsuit" shall mean the action entitled *Stonehocker v.*
25 *Kindred Healthcare Operating, LLC, et al.*, which was pending in the United States District Court
26 for the Northern District of California, Case No. 19-cv-2494-YGR, and resulted in a finally adjudged
27 settlement (1) covering all skilled clinicians employed by Defendants at skilled nursing facilities in
28 California, in pertinent part, between March 27, 2016, and September 1, 2020, and (2) releasing all

1 claims pertaining to: (a) failure to pay for all hours worked; minimum and overtime wages; (b) failure
2 to provide accurate wage statements; (c) failure to provide complaint meal periods; (d) failure to
3 provide compliance rest periods; (e) failure to pay wages when due; (f) failure to keep accurate
4 employment records; (g) violations of California's unfair competition law, and (h) PAGA penalties,
5 and those claims for the period at issue in *Stonehocker* have been carved out of any settlement herein
6 for those who settled their claims in *Stonehocker* ("*Stonehocker* Released Workweeks").

7 **ARTICLE II**

8 **RECITALS**

9 39. On January 3, 2023, following exchange and extensive review of relevant documents
10 and class data, the Parties (except for Defendant Kindred Healthcare Operating, LLC ("KHO") and
11 Defendant Rehabcare Group East, LLC), which gave settlement authority to their co-Defendants to
12 settle on their behalf) engaged in a full-day mediation with experienced wage and hour class action
13 mediator Eve Wagner, which resulted in a settlement.

14 40. Defendants deny any liability or wrongdoing of any kind whatsoever associated with
15 the claims in the Action, and further deny that, for any purpose other than settling the Action, class
16 action or representative treatment is appropriate for the Action.

17 41. It is the Parties' desire to fully, finally, and forever settle, compromise, and discharge
18 all disputes and claims arising from or related to the allegations in the Action.

19 42. It is the Parties' intent that this Settlement Agreement shall constitute a full and
20 complete settlement and release of all Released Claims and PAGA Claims (as defined in Paragraphs
21 76 and 78) against all Released Parties.

22 43. It is the Parties' intention that this Settlement shall not become effective until the
23 Effective Date.

24 44. Plaintiff and Class Counsel have conducted a thorough investigation into the facts of
25 the Action, including an extensive review of relevant documents and data, and have diligently
26 pursued an investigation of the Class Members' claims against Defendants. Based on its and their
27 own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement
28 with Defendants is fair, reasonable, and adequate and is in the best interest of the Class Members in

light of all known facts and circumstances, including the risks of significant delay, the class not being certified, and the defenses asserted by Defendants. Defendants and Defendants' Counsel also agree that the Settlement is in the best interests of the Class Members. Counsel for the Parties further agree that the Settlement is fair, reasonable, and adequate with respect to civil penalties sought pursuant to PAGA.

45. The Parties agree to work diligently and cooperatively to present this Agreement to the Court and to take all steps necessary and appropriate to consummate this Settlement in accordance with the terms of this Agreement.

ARTICLE III

TERMS OF SETTLEMENT

46. In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, to the terms herein.

47. Effective Date: The Settlement embodied in this Settlement Agreement shall become effective when all of the following events have occurred ("Effective Date"): (i) this Settlement Agreement has been executed by Plaintiff, Defendants, Class Counsel, and Defendants' Counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the Notice has been sent to the Class Members, providing them the opportunity to object to the Settlement, and the opportunity to opt out of the Settlement; (iv) the Notice has been sent to the LWDA; (v) the Court has held a formal fairness hearing and entered the Court's Final Order and Judgment; and (vi) the later of the following events: five (5) calendar days after the period for filing any appeal, writ, or other appellate proceeding opposing the Final Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed, i.e., 65 days from the date the Court grants final approval and enters judgment; or, if any appeal, writ, or other appellate proceeding opposing final approval has been filed within that timeframe, five business days after any appeal, writ, or other appellate proceedings opposing the Settlement has finally and conclusively dismissed with no right to pursue further remedies or relief. If the Court declines to approve the Settlement, the entire Settlement Agreement is deemed void and unenforceable as if no settlement of any claim was ever reached. All negotiations, statements and proceedings and data relating thereto shall be protected by California Evidence Code

§1152 and shall be without prejudice to the rights of any of the Parties.

48. **Gross Settlement Amount.** To implement the terms of this Settlement, Defendants agree to pay a maximum total payment of One Million Two Hundred Forty Thousand Dollars (\$1,240,000.00), which includes payments to Participating Class Members (excluding any appropriate and lawfully required employer-side payroll taxes owed by Defendants on such payments which Defendants shall be separately responsible for apart from the Gross Settlement Amount), Incentive Awards to the Named Plaintiff, the PAGA Payment, the Settlement Administrator's fees and costs, approved attorneys' fees and litigation costs, and any other payments provided by this Settlement. Except as otherwise specified herein, Defendants shall not be required to pay any additional monies beyond the amount of the Gross Settlement Amount plus the employer-side payroll taxes. Further, no portion of the Gross Settlement Amount shall revert to Defendants, and any amount of the Gross Settlement Amount not required to pay the above-referenced amounts shall be paid to the Participating Class Members on a pro rata basis according to the formula contained herein.

49. **Tax Treatment of the Gross Settlement Amount.** The Parties agree that the Gross Settlement Amount will qualify as a settlement fund pursuant to the requirements of section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and section 1.468B-1 et seq. of the income tax regulations. Furthermore, the Settlement Administrator is hereby designated as the "Administrator" of the qualified settlement funds for purposes of section 1.46B-2(k) of the income tax regulations. As such, all taxes imposed on the gross income of the Gross Settlement Amount and any tax-related expenses arising from any income tax return or other reporting document that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Gross Settlement Amount, except all employer's share of payroll taxes.

50. **Funding of Gross Settlement Amount.** Within ten (10) calendar days of the Effective Date, Defendants shall transfer to the Settlement Administrator an amount equal to the Gross Settlement Amount plus the employer's share of payroll taxes. The delivery of the Gross Settlement Amount and the employer's share of payroll taxes to the Settlement Administrator shall constitute full and complete discharge of the entire obligation of Defendants under this Settlement Agreement. Once Defendants have made such payments, they will be deemed to have satisfied all

terms and conditions under this Settlement Agreement, shall be entitled to all protections afforded to Defendants under this Settlement Agreement, and shall have no further obligations under the terms of the Settlement Agreement regardless of what occurs with respect to those sums.

51. **Allocation of the Gross Settlement Amount.** Subject to Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth herein, the Parties agree the Gross Settlement Amount shall encompass the following: (1) Class Counsel's fees and expenses approved by the Court; (2) the Named Plaintiff's Incentive Award; (3) the Settlement Administrator's costs; (4) the PAGA Payment (including both the PAGA payment to the LWDA and the PAGA Employees); and (5) the Net Settlement Amount. After the deduction of the amounts approved for the Incentive Award to the Named Plaintiff, the PAGA Payment, the Settlement Administrator's costs, Class Counsel's fees and expenses, the remainder shall be referred to as the Net Settlement Amount.

a. The Net Settlement Amount shall be divided among the Participating Class Members on a pro-rata basis, based upon the following:

i. Each Participating Class Member's workweek count;

ii. Divided by the combined sum of all Participating Class Members' workweek counts; and

iii. Multiplied by the value of the Net Settlement Amount.

b. The Parties agree that if any Participating Class Member disputes the basis for determining their share of the Settlement, Defendants' records shall presumptively control unless the Participating Class Member can produce documentation evidence of other workweeks worked during the relevant time period. The Parties further agree that any dispute that cannot be resolved by Class Counsel and Defendants' Counsel may be brought before the Court before final approval of the Class Settlement.

c. To the extent that amounts in Paragraphs 56 and 57 below are not approved by the Court, such amounts will be reallocated to the Net Settlement Amount unless allocated otherwise by agreement of the Parties, with approval of the Court.

d. The Parties agree that all of the Net Settlement Amount distributed to each Participating

1 Class Member will be allocated as follows: twenty percent (20%) as alleged unpaid wages
2 and eighty percent (80%) as alleged penalties and unpaid interest. The Settlement
3 Administrator will issue an IRS W-2 to each Participating Class Member for the portion
4 of each Individual Settlement Payment allocated as alleged unpaid wages and subject to
5 applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099-
6 MISC to each Participating Class Member for the portion of each Individual Settlement
7 Payment allocated as alleged unpaid non-wage penalties and interest and not subject to
8 payroll tax withholdings. The Parties further agree that the PAGA Payment distributed to
9 each PAGA Employee will be treated entirely as civil penalties and will be reported as
10 such to each PAGA Employee on an IRS Form 1099-MISC, if applicable.

11 e. Within ten (10) calendar days of the transfer of the Gross Settlement Amount to the
12 Settlement Administrator the Settlement Administrator shall disburse: (1) the Net
13 Settlement Amount to be paid to Participating Class Members; (2) the Attorney Fee
14 Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the
15 Court; (3) the Incentive Award paid to the Named Plaintiff, as approved by the Court; (4)
16 Administrative Costs, as approved by the Court; and (5) the PAGA Payment to the
17 LWDA and PAGA Employees, as approved by the Court.

18 f. Participating Class Members and PAGA Employees must cash or deposit their Individual
19 Settlement Payment and PAGA Employee Payment checks within one hundred eighty
20 (180) days from the date of issuance of the check. If any checks are not redeemed or
21 deposited within ninety (90) calendar days after mailing, the Settlement Administrator
22 will send a reminder postcard indicating that unless the check is redeemed or deposited
23 in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace
24 the check if it was lost or misplaced. If any checks remain uncashed or not deposited by
25 the expiration of the day period after mailing the reminder notice, the Settlement
26 Administrator will, within two hundred (200) calendar days after the checks are mailed,
27 cancel the checks. All funds associated with the Individual Settlement Payment checks
28 and PAGA Employee Payment checks returned as undeliverable and funds associated

with those Individual Settlement Payment checks and PAGA Employee Payment checks remaining uncashed, shall be delivered to the State of California's State Controller Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each Participating Class Member and PAGA Employee.

52. PAGA Payment: Subject to the Court's Approval, up to a maximum of Sixty Thousand Dollars and Zero Cents (\$60,000.00) shall be allocated as the PAGA Payment. Forty Five Thousand Dollars and Zero Cents (\$45,000.00), representing 75% of the PAGA Payment, shall be paid to the LWDA. Fifteen Thousand Dollars and Zero Cents (\$15,000.00), representing 25% of the penalties paid pursuant to PAGA, shall be distributed to the PAGA Employees as PAGA Employee Payments. The PAGA Employees shall release their PAGA claims in their entirety and may not opt out of or object to the PAGA release. To arrive at the PAGA Employee Payments, the portion of the PAGA Payment allocated to the PAGA Employees shall be divided among the PAGA Employees on a pro-rata basis, based upon the following:

- a. Each PAGA Employee's pay period count, which shall be the sum of the total number of pay periods the PAGA Employee worked during the PAGA Period;
- b. Divided by the combined sum of all PAGA Employees' pay period counts; and
- c. Multiplied by the value of the portion of the PAGA Payment allocated to the PAGA Employees.

53. **Individual Settlement Payments Do Not Trigger Additional Benefits.**

54. All Individual Settlement Payments, PAGA Employee Payments, and the Incentive Award shall not be utilized to calculate any additional benefits under any benefit plans to which any Plaintiff, Participating Class Members and/or PAGA Employees may be eligible including, but not limited to: retirement plans, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, paid time off, sick leave plans, PTO plans, pension plans, or any other benefit plan. It is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which Plaintiff, Participating Class Members and PAGA Employees may be entitled under any benefit plans.

55. **Settlement Administrator.** The Settlement Administrator shall be Phoenix

Settlement Administrators (the “Settlement Administrator”). The Settlement Administrator will maintain acceptable electronic and physical security protocols to adequately protect and safeguard the private employee information it will have access to as a result of the claims process. The fees and expenses of the Settlement Administrator, which is currently estimated at approximately Twenty Thousand Dollars and Zero Cents (\$20,000.00), shall be paid through the Gross Settlement Amount.

56. **Attorneys’ Fees and Attorneys’ Costs.** Subject to the Court’s approval, Class Counsel may petition the Court for attorneys’ fees, which collectively shall not exceed thirty-five percent of the Gross Settlement Amount, plus reasonable costs/expenses not to exceed Twenty Five Thousand Dollars and Zero Cents (\$25,000.00), subject to approval by the Court. Defendants will not object to Class Counsel’s application for attorneys’ fees and costs in these amounts. The amount set forth above will cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees and costs to be incurred in the future in connection with the approval by the Court of this Settlement Agreement, and the administration of the Settlement. Should Class Counsel collectively request a lesser amount, or should the Court approve a lesser amount of attorneys’ fees and/or attorneys’ costs, the difference between the lesser amount and the maximum amount set forth above shall be added to the Net Settlement Amount. No Class Counsel shall be entitled to further fees or costs from Defendants if they elect to appeal any reduction in the requested fee or cost award. Any reduction by the Court of Class Counsel’s claimed attorneys’ fees and/or reasonable costs/expenses shall not be sufficient grounds to void the Settlement. Plaintiff and Defendants shall bear their own attorneys’ fees and costs, except as provided herein.

57. **Named Plaintiff’s Incentive Award.** Subject to the Court’s approval, the Named Plaintiff will each be paid an Enhancement Award in an amount up to a maximum of Ten Thousand Dollars and Zero Cents (\$10,000.00) in recognition for her service as class representative, which shall be paid from the Gross Settlement Amount. Defendants will not object to Class Counsel’s application for Court approval of the Incentive Award in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) to Named Plaintiff. It is understood that the Enhancement Award is in addition to any claimed Individual Settlement Payment or PAGA Employee Payment to which Named Plaintiff is entitled. The Incentive shall not be deemed wages and will be reported on an IRS

6 59. **Indemnification.** Plaintiff and Class Counsel acknowledge and agree that they are
7 and will be responsible for the payment of any and all Federal, State, and Local taxes or penalties
8 associated with their respective allocated portions of the payments described herein, and agree to
9 indemnify, defend, and hold the Released Parties harmless from any and all claims by any Federal,
10 State, or Local taxing authority that Plaintiff or Class Counsel failed to pay or underpaid their or her
11 or his share of taxes associated with the payments set forth in this Settlement. The Parties
12 acknowledge and agree that Class Counsel is not responsible for the payment of any Federal, State,
13 and Local taxes or penalties associated with payments to Plaintiff and Participating Class Members.

NOTICE TO THE CLASS

14

1 a. The full name, last known address, last known telephone number, and full social
2 security number of all Class Members; and

3 b. The information necessary to determine the estimated settlement allocation to each
4 Class Member, including without limitation, the total number of workweeks worked, and the
5 total number of pay periods worked by each PAGA Employee within the relevant Class
6 Period and PAGA Period.

7 61. The Settlement Administrator (along with any of its agents) shall represent and
8 warrant that it will: (1) provide reasonable and appropriate administrative, physical and technical
9 safeguards, including a reasonable security protocol, for any personally identifiable information
10 (“PII”), which it receives from Defendants’ Counsel and/or Class Counsel; (2) not disclose the PII
11 to third parties, including agents or subcontractors, without Defendants’ consent; (3) not disclose or
12 otherwise use the PII other than to carry out its duties as set forth herein; and (4) promptly provide
13 Defendants with notice if PII is subject to unauthorized access, use, disclosure, modification, or
14 destruction. The Settlement Administrator may provide notice to all Parties if the PII is subject to
15 unauthorized access, use, disclosure, modification or destruction; however, all additional
16 communications from the Settlement Administrator regarding the scope, circumstances, and
17 substance shall be communicated solely to Defendants.

18 62. The Settlement Administrator shall send a Notice to each Class Member by first-class
19 mail within fourteen (14) calendar days of receipt of the Class Member List. Prior to mailing the
20 Notice, the Settlement Administrator shall update the addresses of the Class Members by reference
21 to the National Change of Address Database maintained by the United States Postal Service. If a
22 Notice is returned as nondeliverable but with a forwarding address, the Settlement Administrator
23 shall resend the Notice to the forwarding address. If a Notice is returned as nondeliverable with no
24 forwarding address, the Settlement Administrator shall conduct an advanced skip trace to locate the
25 most current address of the person to whom the Notice was addressed, and shall resend the Notice to
26 any updated address within five (5) calendar days. Upon completion of these steps, the Parties shall
27 be deemed to have satisfied their obligations to provide the Notice to the affected Class Members.

28 63. The Settlement Administrator shall provide to the Court, concurrently with Plaintiff’s

1 Motion for Final Approval, a declaration of due diligence and proof of mailing with regard to the
2 mailing of the Notices.

3 64. The Settlement Administrator shall also be responsible for:

- 4 g. Mailing the Notice as directed by the Court;
- 5 h. Consulting with counsel for the Parties concerning any relevant issue, including (without
6 limitation) the estimated amounts of approximate Individual Settlement Payments, PAGA
7 Employee Payments, and the acceptance of any late or deficient disputes;
- 8 i. Keeping track of timely and proper requests for exclusion;
- 9 j. Calculation of the Individual Settlement Payments, PAGA Employee Payments, and the
10 PAGA Payment to the LWDA;
- 11 k. Providing weekly status reports to counsel for the Parties, including: (a) the number of
12 Notices mailed (including information regarding undeliverable and/or emailed Notices);
13 (b) the number of disputes received (and sending copies of said disputes); (c) the number
14 of objections received; and (d) the number of requests for exclusion received;
- 15 l. Notifying Defendants' Counsel of the wiring instructions to fund the Gross Settlement
16 Amount as approved by the Court;
- 17 m. Preparing the checks containing the Individual Settlement Payments;
- 18 n. Distributing and paying the Incentive Award, Individual Settlement Payments, PAGA
19 Employee Payments, the PAGA Payment to the LWDA, and fees and costs awarded to
20 Class Counsel;
- 21 o. Issuing tax forms and addressing employer and employee-side payroll taxes; and
- 22 p. Such other tasks as the Parties mutually agree or the Court orders the Settlement
23 Administrator to perform, including responding to questions from Class Members.

24 **REQUESTS FOR EXCLUSION**

25 65. Each Class Member shall have forty-five (45) calendar days from the mailing of the
26 Notice within which to complete and postmark a written request for exclusion, for return to the
27 Settlement Administrator. The written request for exclusion must: (1) state the Class Member's
28 name, address, telephone number, and social security number or employee identification number; (2)

1 state the Class Member's intention to exclude themselves from or opt-out of the Settlement (e.g. "I
2 want to exclude myself from this settlement. I also understand that I retain all rights to sue the
3 Defendants for the claims asserted in this lawsuit."); (3) be addressed to the Settlement
4 Administrator; (4) be signed by the Class Member or their or his or her lawful representative; and
5 (5) be postmarked no later than forty-five (45) calendar days from the mailing of the Notice (or the
6 fifteen (15) day extension referenced below for eligible Class Members). No requests for exclusion
7 shall be accepted if postmarked after the forty-five (45) calendar day period for the filing of
8 exclusions. Class Members whose Notices are returned as undeliverable and who are sent a re-
9 mailed Settlement Notice shall be given an extension of fifteen (15) calendar days from their original
10 deadline to postmark a request for exclusion. Class Members are responsible for maintaining a
11 photocopy of their request for exclusion, reflecting that it was submitted in a timely manner. Any
12 disputes regarding the timeliness of a request for exclusion or whether a written communication
13 constitutes a valid request that cannot be resolved between the Parties shall be determined by the
14 Court, whose determination shall be final.

15 66. Any Class Member who validly excludes himself/herself/themselves from this
16 Settlement shall not be bound by this Settlement Agreement, except as to the PAGA Employees who
17 shall release their PAGA claims in their entirety and may not opt out of or object to the PAGA
18 release, and any Class Member who validly excludes himself/herself/themselves shall not be entitled
19 to any portion of the Net Settlement Amount.

20 67. If more than ten percent (10%) of the Class Members opt out of the Settlement by
21 submitting valid and timely requests for exclusion, Defendants shall have the sole and absolute
22 discretion to rescind/void the Settlement Agreement within fifteen (15) calendar days after the
23 Administrator notifies Defendants of the final number of valid Requests for Exclusion. Defendants
24 agree to meet and confer in good faith with Class Counsel before rescinding or voiding the Settlement
25 Agreement. In the event that Defendants elect to rescind/void the Settlement Agreement, Defendants
26 shall provide written notice of such rescission to Class Counsel. Such rescission shall have the same
27 effect as a termination of the Settlement Agreement for failure to satisfy a condition of settlement,
28 and the Settlement Agreement shall become null and void and have no further force or effect. The

Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means. In the event Defendants rescind the settlement, Defendants shall be solely responsible for any fees and costs incurred by the Settlement Administrator.

OBJECTIONS TO THE SETTLEMENT

68. Each Class Member shall have forty-five (45) calendar days from the mailing of the Notice, or such number of days as the Court shall specify, within which to postmark an objection, for return to the Settlement Administrator. Class Members whose Notices are returned as undeliverable and who are sent a re-mailed Settlement Notice shall be given an extension of fifteen (15) days from their original deadline to postmark an objection. Any Class Member, who does not affirmatively opt-out of the Settlement by submitting a valid and timely request for exclusion, may object to the approval of class action settlement ("Objecting Class Member"). Any Class Member who makes a timely request for exclusion has waived their right to object. The Objecting Class Member shall inform the Settlement Administrator in writing and (1) state the Objecting Class Member's name, address, telephone number, and social security number or employee identification number; (2) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (3) list identifying witness(es) the objector may call to testify at the Final Approval Hearing; (4) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval Hearing; (5) state whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class; (6) be addressed to the Settlement Administrator; (7) be signed by the Objecting Class Member or their or his or her lawful representative; and (8) be postmarked no later than forty-five (45) calendar days from the mailing of the Notice (or the fifteen (15) day extension referenced above for eligible Class Members). Regardless of whether a Class Member timely submitted a written objection, a Class Member who wishes to appear at the Final Approval Hearing and be heard orally in support of, or in opposition to the class action settlement, may do so. Class Members shall have no right to object to the PAGA release or PAGA Payment.

69. Any Class Member who fails to timely submit an objection shall be foreclosed from making any objection to this Settlement or from filing an appeal of the Court's Final Order and Judgment unless otherwise ordered by the Court.

72. On the date set forth in the Order for Preliminary Approval and Notice Packet, a Final Approval Hearing shall be held before the Court in order to (1) review this Agreement and determine whether the Court should give it final approval, and (2) consider any objections made and all responses by the Parties to such objections. At the Final Approval Hearing, the Parties shall ask the Court to grant final approval to this Agreement and shall submit to the Court a Proposed Final Order Approving Settlement of Class Action.

LIMITATIONS ON USE OF THIS SETTLEMENT

74. **Nullification.** The Parties have agreed to the certification of the Class encompassing all claims alleged in the Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason fail to certify this Class for settlement, or (b) the Court should for any reason fail to approve this Settlement, or (c) the Court should for any reason fail to enter the Final Order, or

(d) the Final Order is reversed, or declared or rendered void, or if the Court should for any reason fail to dispose of the Action in its entirety, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to stipulate to class certification of all causes of action pled in the Action as part of the Settlement will have no bearing on, and will not be admissible in connection with, the issue of whether the Class should be certified by the Court in a non-settlement context in this Action or any other action, and in any of those events, Defendants expressly reserve the right to oppose certification of the Class.

75. In the event of a timely appeal from the Final Order, the Final Order shall be stayed and the Gross Settlement Amount shall not be distributed pending the completion of the appeal.

ARTICLE VI

RELEASE OF CLAIMS BY NAMED PLAINTIFF, PARTICIPATING CLASS MEMBERS

AND PAGA GROUP MEMBERS

76. **Released Claims by Participating Class Members.** Upon the date Defendants transfer the Gross Settlement Amount to the Settlement Administrator, Named Plaintiff and Participating Class Members release the Released Parties from any and all claims alleged in Named Plaintiff's Operative Complaint, during the Class Period, including but not limited to: (1) Failure to pay minimum and regular wages; (2) Failure to pay overtime wages; (3) Failure to provide meal periods or provide premiums in lieu thereof; (4) Failure to provide rest periods or provide premiums in lieu thereof; (5) Failure to pay timely wages at termination; (6) Failure to provide accurate itemized wage statements; (7) Violation of Business and Professions Code § 17200, *et seq.*; and (8) Violation of the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *et seq.*), and those claims predicated on the same or similar facts and/or claims alleged in the Action and/or any PAGA letter sent to the LWDA by Named Plaintiff in or prior to the Action, as well as any claims that could have been pled which arise from the same or similar facts concerning the Named Plaintiff or the putative class, and claims for interest, penalties (including but not limited to waiting time penalties),

as well as any claims under the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, and 2698 *et seq.*, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*; or which could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Action; any claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the complaint filed as part of the Action; and any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Action and based on the alleged Labor Code violations (“Released Claims”).

77. The Released Claims shall apply only to the Qualifying Workweeks in the Class Period.

78. Upon the date Defendants transfer the Gross Settlement Amount to the Settlement Administrator, the State of California and PAGA Group Members, including Plaintiff, shall release hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from any and all claims for violation of the California Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.*), (“PAGA Claims”) as alleged in the Operative Complaint which includes those alleged in the PAGA letter(s) sent to the LWDA by Named Plaintiff in or prior to the lawsuit, as well as any claims that could have been pled which arise from the same or similar facts alleged in the Operative Complaint or the PAGA letter(s). The PAGA Group Members shall be issued a check for their share of the PAGA Payment and shall not have the opportunity to opt out of, or object to, the PAGA Payment and release of the PAGA Claims set forth in this Paragraph. The PAGA Group Members shall, furthermore, be bound by the release of the PAGA Claims regardless of whether they cash or deposit their PAGA Payment.

79. Upon the date Defendants transfer the Gross Settlement Amount to the Settlement Administrator and in addition to Named Plaintiff’s releases of the Released Claims, Named Plaintiff

1 waives, releases, acquits, and forever discharges the Released Parties from any and all claims,
2 actions, charges, complaints, grievances, and causes of action, of any nature arising from Named
3 Plaintiff's employment with Defendants, whether known or unknown, which exist or may exist as
4 against Defendants up to the time Named Plaintiff executes this Settlement Agreement including,
5 without limitation, any and all claims whatsoever regarding Named Plaintiff's respective
6 employment and/or the termination of employment including, but not limited to, any claims for
7 wages, bonuses, severance pay, vacation pay, penalties, employment benefits, stock options,
8 violation of any personnel policy, any claims based on discrimination, harassment, unlawful
9 retaliation, violation of public policy, or damages of any kind whatsoever, arising out of any common
10 law torts, contracts, express or implied, any covenant of good faith and fair dealing, any theory of
11 wrongful discharge, any theory of negligence, any theory of retaliation, any legal restriction on any
12 Defendants' right to terminate the employment relationship, or any federal, state, or other
13 governmental statute, executive order, regulation or ordinance, or common law, or any other basis
14 whatsoever, to the fullest extent provided by law. Named Plaintiff shall be deemed to have up to the
15 time Named Plaintiff executes this Agreement, and by operation of Final Judgment shall have,
16 expressly waived and relinquished to the fullest extent permitted by law the provisions, rights, and
17 benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or
18 state law that purports to limit the scope of a general release..

19 Named Plaintiff, for herself, has read Section 1542 of the California Civil Code, which
20 provides as follows:

21 *"A general release does not extend to claims that the creditor or releasing*
22 *party does not know or suspect to exist in his or her favor at the time of*
23 *executing the release and that, if known by him or her, would have*
24 *materially affected his or her settlement with the debtor or released party."*

25 Named Plaintiff understands that Section 1542 gives the right not to release existing claims
26 of which they are not now aware, unless Named Plaintiff voluntarily chooses to waive this right.
27 Having been so apprised, Named Plaintiff nevertheless voluntarily waives the rights described in
28 Section 1542, and elects to assume all risks for claims that now exist in her favor, known or unknown.

1 The release of the claims of Named Plaintiff as set forth in this Paragraph is a condition precedent to
2 enforcement of the Memorandum of Understanding entered into by the Parties on January 3, 2023,
3 and the Agreement.

4 **ARTICLE VII**

5 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL/CLASS CERTIFICATION**

6 80. For settlement purposes only, the Parties agree that the Class as defined in Paragraph
7 3 above, may be certified in the Action. The Parties are not certifying any PAGA claims. In support
8 of this Agreement, Named Plaintiff will request that the Court certify for settlement purposes the
9 Class as to all non-PAGA claims that have been asserted, which Defendants shall not oppose or
10 object to.

11 81. Class Counsel shall promptly submit this Settlement Agreement to the Court in
12 support of Named Plaintiff's Motion for Preliminary Approval and for determination by the Court as
13 to whether the proposed Settlement is within the range of possible judicial approval. Promptly upon
14 execution of this Settlement Agreement, Class Counsel shall apply to the Court for the entry of an
15 order substantially in the following form:

- 16 a. Scheduling of the Final Approval Hearing on the question of whether the proposed
17 Settlement, including payment of attorneys' fees and costs, administration costs, and the
18 Incentive Award should be finally approved as fair, reasonable and adequate as to the
19 Class Members and for approval of the PAGA Settlement;
- 20 b. Certifying the Class;
- 21 c. Approving the Class Notice attached hereto as **Exhibit A**;
- 22 d. Directing the mailing of the Notice by first-class mail to the Class Members and PAGA
23 Employees; and
- 24 e. Preliminarily approving the Settlement subject only to the objections of the Class
25 Members and final review by the Court.

26 82. The Parties will work cooperatively to mutually agree upon the form and content of
27 the Notice, as well as the Proposed Order Granting Preliminary Approval.

28 83. Named Plaintiff and Class Counsel will not make any public disclosure of the

Settlement until after the filing of the motion for preliminary approval of the Settlement. Named Plaintiff and their counsel represent that they have not made any such disclosure. Named Plaintiff, Defendants, Defendants' Counsel and Class Counsel shall not encourage members of the Class to opt-out. Class Counsel will take all steps necessary to ensure that Named Plaintiff is aware of, and will encourage them to adhere to, the restriction against any public disclosure of the Settlement until after the Settlement is preliminarily approved by the Court. Thereafter, Class Counsel and Plaintiffs agree not to publicize the terms of this Settlement with the media, including but not limited to, any newspaper, journal, magazine, website and/or online reporter of settlements or on any website. Nothing in this Agreement shall preclude Class Counsel from communicating with members of the Class, nor from including publicly-available information in their declarations describing their qualifications as counsel in other cases.

DUTIES OF THE PARTIES FOLLOWING FINAL APPROVAL

84. Following final approval by the Court of the Settlement provided for in this Settlement Agreement, Class Counsel shall submit a proposed Final Order and Judgment in approximately the following form and with input from Defendants' Counsel: Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions including the approval of Class Counsel's application for an award of attorneys' fees and costs, administration costs, and the Incentive Award to the Named Plaintiff. The Parties will work cooperatively to mutually agree upon the form and content of the Proposed Order Granting Final Approval of the Class Settlement and Approval of the PAGA Settlement and Judgment.

VOIDING OF AGREEMENT IF SETTLEMENT NOT FINALIZED

85. Subject to the obligations of mutual full cooperation set forth herein, either Named Plaintiff or Defendants may terminate this Settlement if after submitting the settlement for approval to the Court, the Court declines to enter the preliminary approval order, the final approval order, or judgment in substantially the form submitted by the Parties, or if the Settlement Agreement as agreed does not become final because of appellate court action. If the Court declines to enter the preliminary and/or final approval order, the Parties agree that prior to seeking termination of the Settlement a

1 representative of Class Counsel and a representative of Defense Counsel shall meet and confer to
2 resolve the Court's concerns. The Parties agree to meet and confer within 10 business days of the
3 preliminary and/or final approval order. The terminating Party shall give to the other Party (through
4 counsel) written notice of its decision to terminate no later than fourteen (14) calendar days after the
5 Parties initially meet and confer. Termination shall have the following effects:

6 a. The Settlement Agreement shall be terminated and shall have no force or effect, and
7 no Party shall be bound by any of its terms.

8 b. In the event the Settlement Agreement is terminated, Defendants shall have no
9 obligation to make any payments to any party, Class Member, PAGA Employee or attorney. If there
10 are any fees incurred by the Settlement Administrator and the settlement is terminated by Defendants,
11 Defendants shall solely be responsible for any costs and fees incurred by the Settlement
12 Administrator.

13 c. The preliminary approval order, final approval order and judgment shall be vacated.

14 d. The Settlement Agreement and all negotiations, statements and proceedings relating
15 thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to
16 their respective positions prior to the Settlement.

17 e. Except as otherwise discoverable, neither this Settlement Agreement nor any ancillary
18 documents, actions, statements or filings in furtherance of settlement (including all matters
19 associated with the mediation) shall be admissible or offered into evidence in the Lawsuits or any
20 other action for any purpose whatsoever, except that Plaintiff may reveal information that Defendants
21 may have marked as confidential under the mediation privilege including the data, documents, and
22 sampling exchanged for mediation purposes for the purpose of presenting the Court with information
23 supporting the fairness, reasonableness or adequacy of the Settlement.

24 ARTICLE VIII

25 MISCELLANEOUS PROVISIONS

26 86. Amendments or Modifications. The terms and provisions of this Agreement may
27 be amended or modified only by an express written agreement that is signed by all the Parties (or
28 their successors-in-interest) and their counsel, and approved by the Court.

1 87. **Assignment.** None of the rights, commitments, or obligations recognized under this
2 Agreement may be assigned by any Party, Class Member, Class Counsel, or Defense Counsel without
3 the express written consent of each other Party and their respective counsel. The representations,
4 warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the
5 Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to
6 any other person

7 88. The Parties and their respective counsel represent, covenant and warrant that they
8 have not, directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
9 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
10 or right herein released and discharged except as set forth herein.

11 89. **Governing Law.** This Agreement shall be governed, construed, and interpreted, and
12 the rights of the Parties shall be determined, in accordance with the laws of the State of California,
13 without regard to conflicts of laws.

14 90. **Entire Agreement.** This Agreement, including the Exhibits referred to herein, which
15 form an integral part hereof, contains the entire understanding of the Parties with respect to the
16 subject matter contained herein. In case of any conflict between text contained in Articles I through
17 __ of this Agreement and text contained in the Exhibits to this Agreement, the former (*i.e.*, Articles
18 I through __) shall be controlling, unless the Exhibits are changed by or in response to a Court order.
19 There are no restrictions, promises, representations, warranties, covenants, or undertakings
20 governing the subject matter of this Agreement other than those expressly set forth or referred to
21 herein. This Agreement supersedes all prior agreements and understandings among the Parties with
22 respect to the settlement of the Action, including correspondence between Class Counsel and Defense
23 Counsel and drafts of prior agreements or proposals.

24 91. **Waiver of Compliance.** Any failure of any Party, Defense Counsel, or Class Counsel
25 hereto to comply with any obligation, covenant, agreement, or condition set forth in this Agreement
26 may be expressly waived in writing, to the extent permitted under applicable law, by the Party or
27 Parties and their respective counsel entitled to the benefit of such obligation, covenant, agreement,
28 or condition. A waiver or failure to insist upon strict compliance with any representation, warranty,

1 covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any
2 subsequent or other failure.

3 92. **Counterparts and Fax/PDF Signatures.** This Agreement, and any amendments
4 hereto, may be executed in any number of counterparts and any Party and/or their respective counsel
5 may execute any such counterpart, each of which when executed and delivered shall be deemed to
6 be an original. All counterparts taken together shall constitute one instrument. A fax or PDF signature
7 on this Agreement shall be as valid as an original signature.

8 93. **Meet and Confer Regarding Disputes.** Should any dispute arise among the Parties
9 or their respective counsel regarding the implementation or interpretation of this Agreement, a
10 representative of Class Counsel and a representative of Defense Counsel shall meet and confer in an
11 attempt to resolve such disputes prior to submitting such disputes to the Court.

12 94. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure
13 to the benefit of, the successors in interest of each of the Parties.

14 95. **Cooperation in Drafting.** The Parties have cooperated in the negotiation and
15 preparation of this Agreement. This Agreement will not be construed against any Party on the basis
16 that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

17 96. **Fair and Reasonable Settlement.** The Parties believe that this Agreement reflects a
18 fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through
19 arm's-length negotiation and in the context of adversarial litigation, taking into account all relevant
20 factors, current and potential. The Parties further believe that the Settlement is and is consistent with
21 public policy, and fully complies with applicable law.

22 97. **Headings.** The descriptive heading of any section or paragraph of this Agreement is
23 inserted for convenience of reference only and does not constitute a part of this Agreement and shall
24 not be considered in interpreting this Agreement.

25 98. **Notice.** Except as otherwise expressly provided in the Agreement, all notices,
26 demands, and other communications under this Agreement must be in writing and addressed as
27 follows:
28

To Named Plaintiff and the Class:

Kashif Haque (khaque@aegislawfirm.com)
 Samuel A. Wong (swong@aegislawfirm.com)
 Jessica L. Campbell (jcampbell@aegislawfirm.com)
 Joseph M. Szilagyi (jszilagyi@aegislawfirm.com)
 AEGIS LAW FIRM, PC
 9811 Irvine Center Drive, Suite 100
 Irvine, California 92618
 Telephone: (949) 379-6250
 Facsimile: (949) 379-6251

And

To Defendants:

LITTLER MENDELSON, P.C.

Elizabeth Staggs Wilson (estaggs-wilson@littler.com)
 633 West 5th Street, 63rd Floor
 Los Angeles, CA 90071
 Tel No.: 213.443.4300
 Fax No.: 213.443.4299

99. **Enforcement of Settlement and Continuing Court Jurisdiction.** To the extent consistent with class action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

100. **Mutual Full Cooperation.** The Parties agree fully to cooperate with each other to accomplish the terms of this Agreement, including but not limited to the execution of such documents, and the taking of such other action, as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, to effectuate and

1 implement this Agreement and its terms. In the event the Parties are unable to reach agreement on
2 the form or content of any document needed to implement the Settlement, or on any supplemental
3 provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to
4 seek the assistance of the Court.

5 101. **Parties' Authority.** The signatories hereto hereby represent that they are fully
6 authorized to enter into this Agreement and bind the Parties hereto to the terms and conditions
7 thereof.

8 102. **No Reliance on Representations.** The Parties have made such investigation of the
9 facts and the law pertaining to the matters described herein and to this Agreement as they deem
10 necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact
11 or law, made by any of the other parties, or any of their agents, employees, attorneys, or
12 representatives, with regard to any of their rights or asserted rights, or with regard to the advisability
13 of entering into and executing this Agreement, or with respect to any other matters. No
14 representations, warranties, or inducements, except as expressly set forth herein, have been made to
15 any party concerning this Agreement.

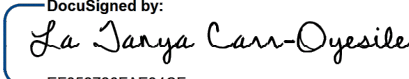
16 103. **Class Member Signatories.** It is agreed that because the Class Members are so
17 numerous, it is impossible or impractical to have each member execute this Agreement. The Class
18 Notice, substantially in the form attached as **Exhibit A** hereto, shall advise the Class Members of the
19 binding nature of the release, and the release shall have the same force and effect as if this Agreement
20 were executed by each Class Member.

21 EXECUTION BY PARTIES AND COUNSEL

22 The Parties and their counsel hereby execute this Agreement.

23
24 Dated: 07/24/2023 _____

LA TANYA CARR-OYESILE

25 By: 
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27 Named Plaintiff
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Dated: _____

REHABCARE GROUP OF CALIFORNIA, LLC

By: _____
(Signature)

Joseph Fuller

Senior Vice President and Chief Financial Officer

Dated: July 17, 2023

REHABCARE GROUP EAST, LLC

By: Anna Gardina Wolfe
(Signature)

Anna Gardina Wolfe

Anna Gardina Wolfe

CEO

Chief Executive Officer

Dated: _____

REHABCARE GROUP MANAGEMENT SERVICES, LLC

By: _____
(Signature)

Joseph Fuller

Senior Vice President and Chief Financial Officer

Dated: _____

KINDRED REHAB SERVICES, LLC

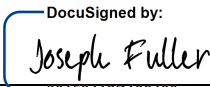
By: _____
(Signature)

Joseph Fuller

Senior Vice President and Chief Financial Officer

1 Dated: 7/25/2023

REHABCARE GROUP OF CALIFORNIA, LLC

By: 
(Signature)

Joseph Fuller
Joseph Fuller
Senior Vice President and Chief Financial Officer
Senior Vice President and Chief Financial Officer

8 Dated:

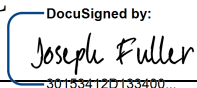
REHABCARE GROUP EAST, LLC

By:
(Signature)

Anna Gardina Wolfe
Chief Executive Officer

15 Dated: 7/25/2023

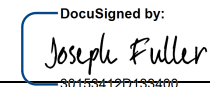
REHABCARE GROUP MANAGEMENT SERVICES, LLC

By: 
(Signature)

Joseph Fuller
Joseph Fuller
Senior Vice President and Chief Financial Officer
Senior Vice President and Chief Financial Officer

22 Dated: 7/25/2023

KINDRED REHAB SERVICES, LLC

By: 
(Signature)

Joseph Fuller
Joseph Fuller
Senior Vice President and Chief Financial Officer
Senior Vice President and Chief Financial Officer

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Dated: _____

KINDRED HEALTHCARE OPERATING, LLC

By:  _____
(Signature) DocuSigned by: 6D07D41B401C4AE...

Kathy Teague

Vice President and Corporate Secretary

Dated: _____

KINDRED REHAB GROUP OF CALIFORNIA, LLC

By: _____
(Signature)

Joseph Fuller

Senior Vice President and Chief Financial Officer

Dated: _____

LIFEPOINT REHABILITATION OF CALIFORNIA, LLC

By: _____
(Signature)

Joseph Fuller

Senior Vice President and Chief Financial Officer

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Dated: _____

KINDRED HEALTHCARE OPERATING, LLC

By: _____
(Signature)

Kathy Teague

Vice President and Corporate Secretary

Dated: 7/25/2023

KINDRED REHAB GROUP OF CALIFORNIA, LLC

By: _____
(Signature)

Joseph Fuller

Joseph Fuller

Senior Vice President and Chief Financial Officer

Senior Vice President and Chief Financial Officer

Dated: 7/25/2023

LIFEPOINT REHABILITATION OF CALIFORNIA, LLC

By: _____
(Signature)

Joseph Fuller

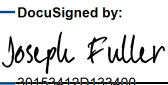
Joseph Fuller

Senior Vice President and Chief Financial Officer

Senior Vice President and Chief Financial Officer

1 Dated: 7/25/2023
2 _____

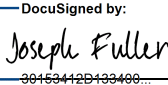
KINDRED REHAB GROUP MANAGEMENT
SERVICES, LLC

By: 
30153412D133400...
(Signature)

Joseph Fuller
Joseph Fuller
Senior Vice President and Chief Financial Officer
Senior Vice President and Chief Financial
Officer

9 Dated: 7/25/2023
10 _____

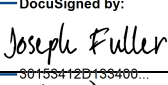
LIFEPOINT REHABILITATION, LLC

By: 
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(Signature)

Joseph Fuller
Joseph Fuller
Senior Vice President and Chief Financial Officer
Senior Vice President and Chief Financial
Officer

17 Dated: 7/25/2023
18 _____

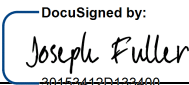
LIFEPOINT REHABILITATION SERVICES,
LLC

By: 
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(Signature)

Joseph Fuller
Joseph Fuller
Senior Vice President and Chief Financial Officer
Senior Vice President and Chief Financial
Officer

1 Dated: 7/25/2023
2 _____

LIFEPOINT HEALTH, INC.

By: 
30463412D133480...
(Signature)
Joseph Fuller
Joseph Fuller
Senior Vice President and Chief Financial Officer
Senior Vice President and Chief Financial Officer

8 **APPROVED AS TO FORM ONLY:**

9 Dated: _____
10

AEGIS LAW FIRM, PC

By: _____
Kashif Haque
Jessica L. Campbell
Joseph M. Szilagyi
Attorneys for Named Plaintiff
La Tanya Carr-Oyesile

16 Dated: _____
17

LITTLER MENDELSON, P.C.

By: _____
Elizabeth Staggs Wilson
James Payer
Jyoti Mittal
Attorneys for Defendants
REHABCARE GROUP OF CALIFORNIA, LLC;
KINDRED REHAB GROUP OF CALIFORNIA, LLC;
LIFEPOINT REHABILITATION OF CALIFORNIA, LLC;
REHABCARE GROUP EAST, LLC;
REHABCARE GROUP MANAGEMENT SERVICES, LLC;
KINDRED REHAB GROUP MANAGEMENT SERVICES, LLC;
LIFEPOINT REHABILITATION, LLC;
KINDRED REHAB SERVICES, LLC;
LIFEPOINT REHABILITATION SERVICES, LLC;
KINDRED HEALTHCARE OPERATING, LLC; and
LIFEPOINT HEALTH, INC.

1 Dated: _____
2

LIFEPOINT HEALTH, INC.

3 By: _____
4 (Signature)

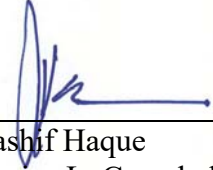
5 _____
6 Joseph Fuller

7 _____
8 Senior Vice President and Chief Financial
9 Officer

10 **APPROVED AS TO FORM ONLY:**

11 Dated: 7/24/2023

AEGIS LAW FIRM, PC

12 By:  _____
13 Kashif Haque
14 Jessica L. Campbell
15 Joseph M. Szilagyi
16 Attorneys for Named Plaintiff
17 La Tanya Carr-Oyesile

18 Dated: 7/26/23

LITTLER MENDELSON, P.C.

19 By:  _____
20 Elizabeth Staggs Wilson
21 James Payer
22 Jyoti Mittal

23 Attorneys for Defendants
24 REHABCARE GROUP OF CALIFORNIA,
25 LLC; KINDRED REHAB GROUP OF
26 CALIFORNIA, LLC, LIFEPOINT
27 REHABILITATION OF CALIFORNIA,
28 LLC; REHABCARE GROUP EAST, LLC;
REHABCARE GROUP MANAGEMENT
SERVICES, LLC; KINDRED REHAB
GROUP MANAGEMENT SERVICES, LLC;
LIFEPOINT REHABILITATION, LLC;
KINDRED REHAB SERVICES, LLC;
LIFEPOINT REHABILITATION
SERVICES, LLC; KINDRED
HEALTHCARE OPERATING, LLC; and
LIFEPOINT HEALTH, INC.

EXHIBIT A

THIS IS AN IMPORTANT COURT APPROVED NOTICE. READ CAREFULLY.

La Tonya Carr-Oyesile v. Rehabcare Group of California, LLC, et al.
Kern County Superior Court
Case No. BCV-20-100866

**If you worked for Rehabcare Group Of California, LLC; Kindred Rehab Group Of California, LLC, Lifepoint Rehabilitation Of California, LLC; Rehabcare Group East, LLC; Rehabcare Group Management Services, LLC; Kindred Rehab Group Management Services, LLC; Lifepoint Rehabilitation, LLC; Kindred Rehab Services, LLC; Lifepoint Rehabilitation Services, LLC; Kindred Healthcare Operating, LLC; and Lifepoint Health, Inc. as a non-exempt employee in California at any time from March 27, 2016 through [DATE],
a settlement of a class action lawsuit may affect your rights.**

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

- A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *La Tonya Carr-Oyesile v. Rehabcare Group Of California, LLC; Kindred Rehab Group Of California, LLC, Lifepoint Rehabilitation Of California, LLC; Rehabcare Group East, LLC; Rehabcare Group Management Services, LLC; Kindred Rehab Group Management Services, LLC; Lifepoint Rehabilitation, LLC; Kindred Rehab Services, LLC; Lifepoint Rehabilitation Services, LLC; Kindred Healthcare Operating, LLC; and Lifepoint Health, Inc.*, Case No. BCV-20-100866 (Kern County 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 Rehabcare Group Of California, LLC; Kindred Rehab Group Of California, LLC, Lifepoint Rehabilitation Of California, LLC; Rehabcare Group East, LLC; Rehabcare Group Management Services, LLC; Kindred Rehab Group Management Services, LLC; Lifepoint Rehabilitation, LLC; Kindred Rehab Services, LLC; Lifepoint Rehabilitation Services, LLC; Kindred Healthcare Operating, LLC; and Lifepoint Health, Inc. (collectively “Defendants”), which will affect all individuals who worked for Defendants as non-exempt employees at skilled nursing facilities or hospitals, including long term acute care hospitals and inpatient and acute rehabilitation facilities, in California at any time between March 27, 2016 through [DATE]. Notwithstanding the foregoing, the Class does not include any non-exempt employees at skilled nursing facilities after the business line was sold in December 2020. (the “Class”).
- If the Court grants final approval of the Settlement, there may 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. Cannot pursue your own lawsuit. 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 Defendants for wage and hour violations that relate to the claims brought in this Lawsuit. Your estimated Individual Settlement Payment is: \$<< >>. See the explanation in Section 8 below.

OBJECT TO THE SETTLEMENT	Stay in this Lawsuit. Receive a payment. Object. 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.
ASK TO BE EXCLUDED	Get out of this Lawsuit. Receive a smaller or no payment from it. Keep your right to pursue your own lawsuit for damages. If you ask to be excluded from the Settlement, you keep your right to sue the Defendants separately about the legal claims in this Lawsuit, except as to the claim under the California Private Attorneys General Act (“<u>PAGA</u>”). 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 PAGA Group Member, which is a subset of the Class.

- **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 [DATE].
- **Any questions?** Read on or contact the Settlement Administrator listed below at 1-XXX-XXX-XXXX.

BASIC INFORMATION

1. Why did I get this notice?

Defendants’ records show that you worked for Defendants in California as a non-exempt employee at skilled nursing facilities or hospitals, inclusive of long term acute care hospitals and inpatient and acute rehabilitation facilities, at some point between March 27, 2016 and [DATE].

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 approval hearing. You have legal rights and options that you may exercise as part of this settlement.

2. What is this lawsuit about?

In this Lawsuit, Plaintiff La Tonya Carr-Oyesile (“Plaintiff”) claims that the Defendants: (1) failed to pay minimum wages; (2) failed to pay overtime wages; (3) failed to provide meal periods or provide premiums in lieu thereof; (4) failed to provide rest periods or provide premiums in lieu thereof; (5) failed to pay timely wages at termination; (6) failed to provide accurate itemized wage statements; and (7) Plaintiff argued that these claimed violations were unfair and unlawful business practices under California’s Unfair Competition Laws, and that they entitled Plaintiff to recover civil penalties to be split 75% to the State of California and 25% to certain employees pursuant to PAGA. 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 [settlement administrator website].

Throughout the litigation, Defendants have denied—and continues to deny—the factual and legal allegations in the case. Defendants do not believe that they violated any law or regulation relating to how they paid employees, when they paid employees, how much they paid employees, or how wage statements displayed information. Defendants deny any wrongdoing and assert that their conduct at all times complied with the law. Defendants further deny that they owe the monies claimed in the Lawsuit. However, Defendants have 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 companies sued are called the defendants. 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.

This class action also includes a “Private Attorney General” (PAGA) claim where Plaintiff is attempting to recover 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 in the Lawsuit during the period of [DATE] and non-exempt employees 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 the Defendants agreed that this case can proceed as a class 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 the 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. Defendants have agreed to pay \$1,240,000.00 to settle the claims made in this lawsuit. This amount is also known as the “Gross Settlement Amount.”
2. Plaintiff has agreed to release all of her claims in this lawsuit against the Defendants.
3. Class Settlement Payments: Plaintiff seek the following deductions from the Gross Settlement Amount:
 - a. Up to thirty-five percent (35%) of the Gross Settlement Amount (currently equal to \$434,000.00) for Class Counsel’s attorneys’ fees.
 - b. Up to \$30,000.00 for reimbursement of Class Counsel’s litigation costs.

- c. An Incentive Award of up to \$10,000.00 to Plaintiff 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 Settlement Administrator.
- e. Payment of \$60,000.00 to the California Labor and Workforce Development Agency and PAGA Group Members for release of PAGA claims.

If the Court approves the requested deductions, there will be approximately \$[INSERT] remaining, before deducting for taxes, to be distributed. These remaining funds will be referred to as the “Net Settlement Amount.” Any amounts not requested or awarded by the Court will be included in the Net Settlement Amount. The Net Settlement Amount will be distributed to Class Members who do not request exclusion (the “Participating Class Members”) on a pro rata basis according to the number of number of weeks that Class Members worked for Defendants during the Class Period that was not worked for a skilled nursing facility after December 1, 2020 and was not covered by the previous settlement in the class action lawsuit *Stonehocker v. Kindred Healthcare Operating, LLC, et al.*, which was pending in the United States District Court for the Northern District of California as Case No. 19-cv-2494-YGR (the “*Stonehocker Class Action Lawsuit*”). .

PAGA Settlement Payments. A portion of the Gross Settlement Amount, in the amount of \$15,000, will be set aside for Class Members who worked for the Defendants in California at some point between [DATE] (the “PAGA Group Members”). If you are a PAGA Group Member, you will receive a pro rata share of the PAGA Payment, regardless of whether you opt-out of the class settlement. You will not be able to pursue any claim on behalf of the State for such penalties.

Settlement Payments Generally. If a settlement check remains uncashed after 180 days from issuance, the check will become void and a stop payment will be placed on the uncashed check and the amount will be held with the Controller of the State of California to be held under the Unclaimed Property Law where you may claim the funds

Your estimated settlement payment is listed in Section 8 of this Notice. Applicable taxes will be withheld from your payment.

WHO IS IN THE CLASS?

6. Am I part of this Class?

The “Class” includes: All non-exempt employees who worked for the Defendants in California at skilled nursing facilities or hospitals, inclusive of long term acute care hospitals and inpatient and acute rehabilitation facilities, at any time between [DATE] (the “Class Period”). Notwithstanding the foregoing, the Class does not include any non-exempt employees at skilled nursing facilities after the business line was sold in December 2020.

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 [INSERT], the “Settlement Administrator,” at the designated phone number for this matter at (800)

XXX-XXXX 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.

8. What is my approximate Individual Settlement Payment?

According to payroll records maintained by the Defendants, the total number of weeks you worked in California for the Defendants during the Class Period, excluding any workweeks for a skilled nursing facility after December 1, 2020, and excluding the workweeks covered by the *Stonehocker* Class Action Lawsuit is [REDACTED] (“Qualifying Workweeks”).

Based on information provided above and anticipated court-approved deductions, your share of the settlement is estimated to be \$ [REDACTED], less applicable taxes and withholdings.

You do not need to do anything further 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 16, below, of any changes to your mailing address for timely payment.

Disputing Your Payment Amount

If you believe your Qualifying Workweeks shown above are not correct, you may send a letter to the Settlement Administrator indicating what you believe is correct by no later than [DATE]. You should also send any documents or other information that supports your belief. The Settlement Administrator will attempt to resolve any dispute based on the Defendants’ records and any information you provide. Any disputes not resolved by the Settlement Administrator will be resolved by the Court.

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 the Defendants (the “Released Parties”) from any and all claims alleged in Plaintiff’s operative complaint during the Class Period, including but not limited to (1) Failure to pay minimum wages; (2) Failure to pay overtime wages; (3) Failure to provide meal periods or provide premiums in lieu thereof; (4) Failure to provide rest periods or provide premiums in lieu thereof; (5) Failure to pay timely wages at termination; (6) Failure to provide accurate itemized wage statements; (7) Violation of Business and Professions Code § 17200, *et seq.*; and (8) Violation of the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, *et seq.*), and those claims predicated on the same or similar facts and/or claims alleged in the Action and/or any PAGA letter sent to the LWDA by Plaintiff in or prior to the Action, as well as any claims that could have been pled which arise from the same or similar facts concerning the Plaintiff or the putative class, and claims for interest, penalties (including but not limited to waiting time penalties), as well as any claims under the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, and 2698 *et seq.*, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*; or which could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Lawsuit; any claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the complaint filed as part of the Lawsuit; and any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Lawsuit and based on

the alleged Labor Code violations (“Released Claims”). All Class Members shall be bound by the Released Claims, unless they formally opt out.

If the Court grants final approval of the Settlement and regardless of whether PAGA Group Members opt out of the Settlement, the State of California and all PAGA Group Members shall release hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from any and all claims for violation of the California Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.*), as alleged in the operative complaint which includes those alleged in the PAGA letter(s) sent to the LWDA by Plaintiff in or prior to the lawsuit, as well as any claims that could have been pled which arise from the same or similar facts alleged in the operative complaint or the PAGA letter(s).

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 Settlement Administrator at the address in Section 16 below. To be valid, your objection must: (1) state your full name and the last four digits of your Social Security Number; (2) state the grounds for the objection; (3) be signed by you; and (4) indicate whether you intend to appear at the Final Approval Hearing. You can also hire an attorney at your own expense to represent you in your objection. Your written objection to the Settlement Administrator must be postmarked on or before [DATE]. 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 written objection.

11. Why would I ask to be excluded?

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 won't get any money or benefits from the class settlement. However, you may then be able to sue or continue to sue the Defendants 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 release by PAGA Group Members, as explained above. Whether or not you submit a Request for Exclusion, you will still receive a small PAGA Employee Payment if you are determined to be a PAGA Group Member.

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

If you are a Class Member 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 Settlement Administrator at the address in Section 16 below. The statement must be signed and dated by you or your authorized representative and must be postmarked on or before [DATE]. To be valid, your request for exclusion must: (1) state your full name, address, and telephone number and the last four digits of your Social Security Number; (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in the *Carr v. Rehabcare Group* action; and (3) be signed by you.

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 on the Settlement, except for the release by PAGA Group Members, as explained above. Class Members who fail to submit a valid and timely request for exclusion will be bound by all terms of the Settlement and any ruling from the Court to give final approval of the Settlement. But Class Members cannot opt out of releasing PAGA claims, as those claims belong to the State of California and Plaintiff has agreed to release those claims by acting as a proxy for the State.

THE LAWYERS REPRESENTING YOU

13. Who are the attorneys representing the Parties?

Lawyers for the Class

Kashif Haque
 Samuel A. Wong
 Jessica L. Campbell
 Joseph M. Szilagyi
 AEGIS LAW FIRM, PC
 9811 Irvine Center Drive, Suite 100
 Irvine, CA 92618
 Tel: 949-379-6250

Defendants' Lawyers

Elizabeth Staggs Wilson
 James Payer
 Jyoti Mittal
 LITTLER MENDELSON, P.C.
 633 West 5th Street, 63rd Floor
 Los Angeles, CA 90071
 Tel No.: 213.443.4300

The Court has preliminarily decided that Aegis Law Firm, PC is qualified to represent you and all Class Members. 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 (email: jszilagyi@aegislawfirm.com).

14. How will the lawyers be paid?

As part of the Settlement with the Defendants, Class Counsel has requested thirty-five percent (35%) of the Gross Settlement Amount (currently equal to \$434,000.00) in attorneys' fees, plus costs not to exceed \$25,000, 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 Plaintiff be paid?

As part of the Settlement with the Defendants, Class Counsel has requested an enhancement payment of up to \$10,000.00 to be paid to Plaintiff for her efforts in this matter while serving as the 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?

Phoenix Settlement Administrators

[ADDRESS]

[PHONE NUMBER]

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 [DATE], at [TIME] in Department 17 of the Kern County Superior Court for the State of California, located at the Hall of Justice at 1415 Truxtun Avenue, Bakersfield, California 93301. 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. Make sure you check the Court's website before attempting to come to Court in person. You may be required to appear only by phone or video, depending on the current safety requirements due to the pandemic.

18. When will I get money after the hearing?

The Court will hold a hearing on [DATE], to decide whether to approve the settlement. If the Court approves the settlement, then 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 after the Defendants make payment to the Settlement Administrator. If there are no objections or appeals, Defendants will transfer the settlement funds and the Administrator will then distribute the funds. If there are objections or appeals, the payment can be delayed by at least 60 days, or even over a year. To check on the progress of the Settlement, contact the Settlement Administrator or Class Counsel at the phone number or address listed below in Section 19.

GETTING MORE INFORMATION

19. Are more details available?

For more information, the pleadings and other records in this litigation may be examined at any time during regular business hours at the records department office for the Superior Court of the State of California for Kern, located at the Hall of Justice at 1415 Truxtun Avenue, Bakersfield, California 93301. You can also view the schedule of events and register of actions for the Lawsuit at the court's website: <https://www.kern.courts.ca.gov/online-services/case-information-search>.

Any questions regarding this Class Notice or the Lawsuit may be directed to the Settlement 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 the Class Counsel at the address, telephone number or email address set forth above. If your address changes, or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

Settlement Administrator:

Phoenix Settlement Administrators

[ADDRESS]

[PHONE NUMBER]

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

EXHIBIT B

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

LA TANYA CARR-OYESILE, individually
and on behalf of all others similarly situated,

Plaintiff,

vs.

RehabCare Group of California, LLC;
RehabCare Group East, LLC; RehabCare
Group Management Services, LLC; Kindred
Rehab Services, LLC; Kindred Healthcare
Operating, LLC; and DOES 1 through 20,
inclusive,

Defendants.

Case No. BCV-20-100866

*Assigned for all Purposes to:
Hon. Thomas S. Clark
Dept. 17*

**[PROPOSED] ORDER GRANTING FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT AND ENTERING
JUDGMENT**

1 This matter came on for hearing on [DATE], in Department 17 of the above-captioned
2 Court on Plaintiff's Motion for Final Approval of Class Action Settlement pursuant to California
3 Rule of Court 3.769, following this Court's Order granting preliminary approval of the Parties'
4 Amended Stipulation and Settlement of Class and Representative Action Claims ("Settlement
5 Agreement"), a copy of which was filed in conjunction with the Plaintiff's Motion for Final
6 Approval of Class Action Settlement.

7 Having received and considered the Settlement Agreement, the supporting papers filed
8 by the Parties, the evidence and argument received by the Court in conjunction with the Motion
9 for Preliminary Approval of Class Action Settlement, and the instant Motion for Final Approval,
10 the Court grants final approval of the Settlement and HEREBY ORDERS AND MAKES THE
11 FOLLOWING DETERMINATIONS:

12 1. Pursuant to the Order Granting Preliminary Approval, a Notice Packet was sent to
13 each Settlement Class Member by first-class mail. These papers informed the Settlement Class
14 of the terms of the Settlement, their right to receive an Individual Settlement Payment, their right
15 (a) to comment on or object to the Settlement, (b) to request exclusion from the Settlement and
16 pursue their own remedies, and (c) of their right to appear in person or by counsel at the final
17 approval hearing and to be heard regarding approval of the Settlement. Adequate periods of time
18 were provided by each of these procedures.

19 2. The Court finds and determines that this notice procedure afforded adequate
20 protections to Settlement Class Members and provides the basis for the Court to make an
21 informed decision regarding approval of the Settlement based on the responses of the Settlement
22 Class. The Court finds and determines that the notice provided in this case was the best notice
23 practicable, which satisfied the requirements of law and due process.

24 3. With respect to the Settlement Class and for purposes of approving this
25 Settlement only, this Court finds and concludes that: (a) the members of the Settlement Class
26 are ascertainable and so numerous that joinder of all members is impracticable; (b) there are
27 questions of law or fact common to the Settlement Class, and there is a well-defined community
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1 of interest among members of the Settlement Class with respect to the subject matter of the
2 Action; (c) the claims of Class Representative La Tanya Carr-Oyesile are typical of the claims of
3 the members of the Settlement Class; (d) the Class Representative has fairly and adequately
4 protected the interests of the members of the Settlement Class; (e) a class action is superior to
5 other available methods for an efficient adjudication of this controversy; and (f) the counsel of
6 record for the Class Representative, *i.e.*, Class Counsel, is qualified to serve as counsel for
7 Plaintiff in her individual and representative capacity for the Class.

8 4. The Court has certified a Settlement Class, as that term is defined in and by the
9 terms of the Settlement Agreement as all current and former non-exempt, hourly-paid employees
10 of Defendants Rehabcare Group Of California, LLC; Kindred Rehab Group Of California, LLC,
11 Lifepoint Rehabilitation Of California, LLC; Rehabcare Group East, LLC; Rehabcare Group
12 Management Services, LLC; Kindred Rehab Group Management Services, LLC; Lifepoint
13 Rehabilitation, LLC; Kindred Rehab Services, LLC; Lifepoint Rehabilitation Services, LLC;
14 Kindred Healthcare Operating, LLC; and Lifepoint Health, Inc. who worked at skilled nursing
15 facilities or hospitals, inclusive of long term acute care hospitals and inpatient and acute
16 rehabilitation facilities, at any time during the Class Period, except for those Skilled Clinicians
17 who released their claims in Stonehocker, and did not work after September 1, 2020
18 (“Stonehocker Settlement Class” and “Stonehocker Settlement Class Members”).
19 Notwithstanding the foregoing, the Class does not include any non-exempt employees at skilled
20 nursing facilities after the business line was sold in December 2020. The Court deems this
21 definition sufficient for purposes of California Rule of Court 3.765(a).

22 5. The Court hereby confirms Aegis Law Firm, PC as Class Counsel.

23 6. The Court hereby confirms Plaintiff La Tanya Carr-Oyesile as the Class
24 Representative in this Action.

25 7. The Court finds and determines that the terms set forth in the Settlement
26 Agreement are fair, reasonable, and adequate and directs the Parties to effectuate the Settlement
27 according to its terms, having found that the Settlement was reached as a result of informed and
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1 non-collusive arm's-length negotiations facilitated by a neutral mediator. The Court further finds
2 that the Parties conducted extensive investigation, research, and discovery and that their
3 attorneys were able to reasonably evaluate their respective positions. The Court also finds that
4 the Settlement will enable the Parties to avoid additional and potentially substantial litigation
5 costs, as well as delay and risks if the Parties were to continue to litigate the case. The Court has
6 reviewed the monetary recovery provided as part of the Settlement and recognizes the significant
7 value accorded to the Class.

8 8. The Court further finds and determines that the terms of the Settlement are fair,
9 reasonable and adequate to the Settlement Class and to each Settlement Class Member and that
10 the Settlement is ordered finally approved, and that all terms and provisions of the Settlement
11 should be and hereby are ordered to be consummated.

12 9. The Court hereby approves the Gross Settlement Amount of \$1,240,000.00.

13 10. The Court finds and determines that the Individual Settlement Payments to be
14 paid to participating Settlement Class Members as provided for by the Settlement are fair and
15 reasonable. The Court hereby gives final approval to and orders the payment of those amounts
16 be made to the participating Settlement Class Members in accordance with the Settlement
17 Agreement.

18 11. The Court finds and determines that payment to the California Labor and
19 Workforce Development Agency of \$45,000.00 as its share of the settlement of civil penalties in
20 this case is fair, reasonable, and appropriate. The Court hereby gives final approval to and
21 orders that the payment of that amount be paid in accordance with the Settlement Agreement.

22 12. The Court finds and determines that the fees and expenses in administering the
23 Settlement incurred by Phoenix Settlement Administrators in the amount of \$20,000.00, are fair
24 and reasonable. The Court hereby gives final approval to and orders that the payment of that
25 amount in accordance with the Settlement.

26 13. The Court finds and determines the Class Representative Enhancement Award of
27 up to \$10,000 for Plaintiff is fair and reasonable. The Court hereby orders the Administrator to
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1 make this payment to the Plaintiff/Class Representative in accordance with the terms of the
2 Settlement Agreement.

3 14. Pursuant to the terms of the Settlement, and the authorities, evidence and
4 argument submitted by Class Counsel, the Court hereby awards Class Counsel attorneys' fees in
5 the sum of \$[INSERT] and reimbursement of litigation actual costs of \$[INSERT]. The Court
6 finds such amounts to be fair and reasonable. The Court hereby orders the Settlement
7 Administrator to make these payments in accordance with the terms of the Settlement
8 Agreement.

9 15. Without affecting the finality of this order or the entry of judgment in any way,
10 the Court retains jurisdiction of all matters relating to the interpretation, administration,
11 implementation, effectuation, and enforcement of this order and the Settlement.

12 16. Neither Defendants nor any related persons or entities shall have any further
13 liability for costs, expenses, interest, attorneys' fees, or for any other charge, expense, or
14 liability, except as provided for by the Settlement Agreement.

15 17. Neither the making of the Settlement Agreement nor the entry into the Settlement
16 Agreement constitutes an admission by Defendants, nor is this order a finding of the validity of
17 any claims in this case or of any other wrongdoing. Further, the Settlement Agreement is not a
18 concession, and shall not be used as an admission of any wrongdoing, fault, or omission of any
19 entity or persons; nor may any action taken to carry out the terms of the Settlement Agreement
20 be construed as an admission or concession by or against Defendants or any related person or
21 entity.

22 18. Nothing in this order shall preclude any action to enforce the Parties' obligations
23 under the Settlement or under this order, including the requirement that Defendants makes
24 payment to the participating Settlement Class Members in accordance with the Settlement.

25 19. Upon completion of administration of the Settlement, the Settlement
26 Administrator will provide written certification of such completion to the Court and counsel for
27 the Parties which shall be filed with the Court five (5) court days before the non-appearance
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1 compliance hearing scheduled for _____, in Department 17 of this
2 Court.

3 20. The Court hereby enters final judgment in accordance with the terms of the
4 Settlement Agreement, the Order Granting Preliminary Approval of Class Action Settlement,
5 and this Order.

6 21. The Parties will bear their own costs and attorneys' fees except as otherwise
7 provided by this Court's Order awarding Class Counsels' Award for attorneys' fees and
8 litigation costs.

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11 DATED: _____, 2023

Honorable Thomas S. Clark
JUDGE OF THE SUPERIOR COURT