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Attorneys for Plaintiff,
VALARIE MURRAY on behalf of herself and all similarly situated employees

SUPERIOR COURT OF CALIFORNIA

COUNTY OF NEVADA

VALARIE MURRAY on behalf of herself
and all similarly situated employees,

Plaintiff,

v.

GRANITE WELLNESS CENTERS;
COMMUNITY RECOVERY RESOURCE
CENTER; and DOES 1 through 50,
inclusive,

Defendants.

Case No. CU20-084680

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT AND
RELEASE**

This Joint Stipulation of Class Action and PAGA Settlement and Release
("Agreement" or "Settlement Agreement") is made and entered into by and between Plaintiff
Valarie Murray ("Plaintiff" or "Class Representative"), individually and on behalf of all others
similarly situated, and Defendant Granite Wellness Centers fka Community Recovery
Resource Center ("Defendant").

This Settlement Agreement shall be binding on Plaintiff and Class Members (as
defined herein) and on Defendant, subject to the terms and conditions hereof and the
approval of the Court.

1 **DEFINITIONS**

2 1. "Action" shall mean the lawsuit filed against Defendant on June 22, 2020,
3 captioned *VALARIE MURRAY on behalf of herself and all similarly situated employees, v.*
4 *GRANITE WELLNESS CENTERS; COMMUNITY RECOVERY RESOURCE CENTER; and*
5 *DOES 1 through 50, inclusive* in the Superior Court of the State of California for the County
6 of Nevada, Case No. CU20-084680, as amended.

7 2. "Agreement" or "Settlement Agreement" means this Joint Stipulation of Class
8 Action and PAGA Settlement and Release.

9 3. "Aggrieved Employee(s)" shall mean all persons who worked for Community
10 Recovery Resource Center as non-exempt, hourly employees in California at any time from
11 April 3, 2019, through April 30, 2021.

12 4. "Class" or "Class Members" shall mean all persons who worked for Community
13 Recovery Resource Center as non-exempt, hourly employees in California at any time from
14 June 22, 2016, through April 30, 2021. Defendant estimates that there are approximately 355
15 individuals that comprise the Class.

16 5. "Class Counsel" shall mean B. James Fitzpatrick and Laura L. Franklin of
17 Fitzpatrick & Swanston, and Larry W. Lee and Mai Tulyathan of Diversity Law Group, P.C.

18 6. "Class Member List" means a complete list of all Class Members that
19 Defendant will diligently and in good faith compile from its records and provide to the
20 Settlement Administrator. The Class Member List will be formatted in a readable Microsoft
21 Office Excel spreadsheet and will include each Class Member's full name, last known
22 mailing address, last known telephone number (if available), Social Security Number, the
23 number of workweeks he or she worked during the Class Period, and the number of
24 workweeks he or she worked during the PAGA Period. The Class Member List provided to
25 the Settlement Administrator will be treated as confidential and will not be disclosed to
26 anyone, except as may be required to applicable tax authorities, pursuant to Defendant's
27 express written consent, by order of the Court, or to carry out the reasonable steps described in
28 this Settlement to locate missing Class Members.

- 1 7. “Class Period” means the period of June 22, 2016, through April 30, 2021.
- 2 8. “Class Representative” or “Plaintiff” shall mean Plaintiff Valarie Murray.
- 3 9. “Court” means the Superior Court of the State of California for the County of
- 4 Nevada.
- 5 10. “Defendant” means Defendant Granite Wellness Centers fka Community
- 6 Recovery Resource Center (named in the Action as Defendants GRANITE WELLNESS
- 7 CENTERS; COMMUNITY RECOVERY RESOURCE CENTER).
- 8 11. “Defendant’s Counsel” shall mean the law firm of Elguindy, Meyer & Koegel,
- 9 APC.
- 10 12. “Effective Date” means the later of: (a) the Court’s final approval of the
- 11 settlement if no objections by or on behalf of Class Members have been filed and not
- 12 withdrawn; (b) the time for appeal has expired if an objection has been filed and no appeal
- 13 has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.
- 14 13. “Final Approval Hearing” shall mean the hearing whereat the Court shall
- 15 consider, without limitations, any timely objections to the Settlement from Class Members,
- 16 testimony from the Parties or their counsel, declarations regarding the claims process from the
- 17 Settlement Administrator, and otherwise make a final determination regarding the fairness of
- 18 the Settlement as set forth herein.
- 19 14. “Final Order and Judgment” means the Final Order Approving Class Action
- 20 Settlement and Judgment in a form to be agreed upon by the Parties and approved by the
- 21 Court.
- 22 15. “Gross Settlement Amount” means the amount of One Million Ninety-Two
- 23 Thousand Five Hundred Seventy Dollars and No Cents (\$1,092,570) to be paid by Defendant
- 24 in full resolution of all Released Claims and the Action. The Gross Settlement Amount
- 25 includes all Individual Settlement Payments to Settlement Class Members, Individual PAGA
- 26 Payments to Aggrieved Employees, the Service Payments to Plaintiff, Settlement
- 27 Administration Costs to the Settlement Administrator, the payment to the California Labor &
- 28

1 Workforce Development Agency (“LWDA”), approved attorneys’ fees and litigation costs,
2 and any other payments provided by this Settlement.

3 16. “Individual PAGA Payment” means the amount payable from the Net PAGA
4 Penalties to each Aggrieved Employee.

5 17. “Individual Settlement Payment” means the portion of the Net Settlement
6 Amount payable to each Settlement Class Member.

7 18. “Net Settlement Amount” means the balance of the Gross Settlement Amount
8 remaining after deduction of the approved Service Payment to Plaintiff, Settlement
9 Administration Costs, the PAGA Payment, and attorneys’ fees and litigation costs. The entire
10 Net Settlement Amount is the maximum amount that will be available for distribution to
11 Settlement Class Members.

12 19. “Notice of Proposed Settlement” or “Notice” means the Notice of Proposed
13 Class Action Settlement in substantially the form attached hereto as Exhibit A, and as
14 approved by the Court.

15 20. “PAGA” shall mean the California Labor Code Private Attorneys General Act,
16 Labor Code § 2698, *et seq.*

17 21. “PAGA Payment” means the portion of the Gross Settlement Amount that the
18 Parties have agreed will be allocated to resolve all Released PAGA Claims in the Action. The
19 amount of the PAGA Payment is subject to Court approval pursuant to California Labor Code
20 section 2699(l). The Parties have agreed that Twenty Thousand Dollars (\$20,000.00) of the
21 Gross Settlement Amount shall be allocated to the resolution of the Aggrieved Employees’
22 claims arising under PAGA. Pursuant to the PAGA, seventy-five percent (75%) of the PAGA
23 Payment, *i.e.* the sum of Fifteen Thousand Dollars (\$15,000.00), shall be paid to the California
24 Labor and Workforce Development Agency (“LWDA”). The remaining twenty-five percent
25 (25%) of the PAGA Payment, *i.e.* the sum of Five Thousand Dollars (\$5,000.00) (“Net PAGA
26 Penalties”), shall be distributed to the Aggrieved Employees.

27 22. “PAGA Period” means the period of April 3, 2019, through April 30, 2021.

28 23. “Parties” shall refer to the Plaintiff and Defendant, each of whom is a “Party.”

1 24. “Released Claims” means the Released Class Claims and Released PAGA
2 Claims, together.

3 25. “Released Class Claims” means all claims that accrued during the Class Period
4 and were alleged, or could have been alleged based on the facts and legal theories pleaded in
5 the First Amended Complaint and amended PAGA notice letter, for violation of Labor Code
6 sections 201, 202, 203, 204, 207, 208, 209, 210, 216, 218, 218.5, 218.6, 221, 223, 225.5, 226,
7 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2802 and the applicable IWC
8 Wage Order.

9 26. “Released PAGA Claims” means all claims that accrued during the PAGA
10 Period and were alleged, or could have been alleged based on the facts and legal theories in the
11 First Amended Complaint and amended PAGA notice letter, for penalties under the California
12 Private Attorneys’ General Act predicated on the violation of Labor Code sections 201, 202,
13 203, 204, 207, 208, 209, 210, 216, 218, 218.5, 218.6, 221, 223, 225.5, 226, 226.7, 510, 512,
14 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802 and the applicable IWC Wage Order.

15 27. “Released Parties” collectively means Defendant and Defendant’s past, present,
16 and future parents, subsidiaries and affiliates, predecessors, successors, assigns, partners,
17 managers, agents, officers, attorneys, and employees.

18 28. “Response Deadline” means forty-five (45) days after the Settlement
19 Administrator initially mails the Class Notice to Class Members, and the last date on which
20 Class Members may submit a written request for exclusion or notice of objection to the
21 Settlement.

22 29. “Service Payment” means the amount that the Court authorizes to be paid to the
23 Class Representative, in addition to her Individual Settlement Payment and Individual PAGA
24 Payment, in recognition of her efforts and risks in assisting with the prosecution of the Action
25 and for Plaintiff’ individual general release of claims. Subject to the Court granting final
26 approval, the Parties agree that the Class Representative shall be paid up to Five Thousand
27 Dollars (\$5,000.00) from the Gross Settlement Amount.

28 30. “Settlement Administrator” means Phoenix Settlement Administrators.

31. "Settlement Administration Costs" means the fees and expenses reasonably incurred by the Settlement Administrator as a result of the procedures and processes expressly required by this Agreement, which are estimated at Eight Thousand, Two Hundred and Fifty Dollars (\$8,250.00). The Settlement Administration Costs are subject to Court approval. Any portion of the Settlement Administration Costs not used or approved by the Court shall be added to the Net Settlement Amount.

32. “Settlement Class Members” means all Class Members who do not submit a valid and timely request for exclusion.

33. “Settlement Payment Check” means the payment of the Individual Settlement Payment to Settlement Class Members and Individual PAGA Settlement Payment to Aggrieved Employees.

RECITALS

34. Plaintiff commenced this Action on June 22, 2020, alleging wage and hour claims against Defendant as both a class action and a representative action under the PAGA. On November 10, 2020, Plaintiff filed her First Amended Complaint (“FAC”), which added three individual causes of action pertaining to Plaintiff’s termination of employment by Defendants. The FAC remains the operative complaint and alleges the following causes of action: (1) violation of Labor Code §§ 226.7 and 1198 regarding meal periods and premiums; (2) violation of Labor Code §§ 226.7 and 1198 regarding rest periods and premiums; (3) violation of Labor Code §§ 1194 and 1198 regarding overtime wages; (4) violation of Labor Code §§ 1194, 1197, and 1199 regarding minimum wages; (5) violation of Labor Code §§ 226, 1174, and 1175 regarding itemized wage statements and records; (6) violation of Labor Code §§ 201, 202, 204, 216, 218, 221, 223, 1194, and 1198 regarding payment of agreed wages; (7) violation of Labor Code §§ 201-203 regarding timely payment of final wages; (8) violation of Labor Code § 204 regarding timely payment of all wages; (9) violation of Labor Code § 2802 regarding reimbursement of work-related expenses; (10) violation of Labor Code § 2698, *et seq.*, the PAGA; (11) violation of Business and Professions Code § 17200, *et seq.* for unfair business practices; (12) an individual cause of action for retaliation in violation of

1 Labor Code § 1102.5; (13) an individual cause of action for wrongful termination in violation
2 of public policy; and (14) an individual cause of action for intentional infliction of emotional
3 distress.

4 35. Since the filing of the original complaint, the Parties have engaged in significant
5 litigation and discovery, including extensive written discovery and the deposition of Plaintiff.
6 Following a *Belaire-West* notice and opt-out process, Defendant produced over 128,000 pages
7 of records, including time and pay records for the Class and policy documents pertaining to the
8 Class Members' class and PAGA claims. The Parties also engaged in settlement discussions,
9 including a mediation with Michael Loeb, Esq., which ultimately led to this Settlement. Prior
10 to mediation, Defendant provided Class Counsel with updated Class Member data and
11 documents. At the mediation, Defendant provided financial documentation reflecting
12 Defendant's ability to pay a settlement and asserted limitations thereof.

13 36. Defendant denies any liability or wrongdoing of any kind whatsoever associated
14 with the claims in the Action, and further denies that, for any purpose other than settling this
15 lawsuit, this Action is appropriate for class action or representative treatment.

16 37. It is the Parties' desire to fully, finally, and forever settle, compromise, and
17 discharge all disputes and claims arising from or related to the allegations of this Action.

18 38. It is the Parties' intention that this Settlement Agreement, together with the
19 Individual Settlement Agreement and Release between Plaintiff and Defendant, shall
20 constitute a full and complete settlement and release of all Class Released Claims and all
21 PAGA Claims against all Released Parties, and a release of each Plaintiff' individual claims
22 pursuant to California Civil Code § 1542 against all Released Parties.

23 39. It is the Parties' intention that this Settlement shall not become effective until the
24 Court's order approving the Settlement is final, and there is no further recourse by any Class
25 Member or other party with standing to contest or appeal the Settlement.

26 40. Class Counsel has conducted a thorough investigation into the facts of this
27 Action, including an extensive review of relevant documents and data, and has diligently
28

1 investigated and analyzed the Class Members' class and PAGA claims against Defendant.
2 Based on its own independent investigation and evaluation, Class Counsel is of the opinion
3 that the Settlement with Defendant is fair, reasonable, and adequate and is in the best interest
4 of the Class Members in light of all known facts and circumstances, including the risks of
5 significant delay, the risks to Plaintiff involved in not prevailing on one or more causes of
6 action, the possibility of non-certification, and the potential for appeals. Defendant and
7 Defendant's Counsel also agree that the Settlement is fair and in the best interests of the Class
8 Members. Counsel for the Parties further agree that the Settlement is fair, reasonable, and
9 adequate with respect to civil penalties sought pursuant to PAGA.

10 41. The Parties agree to cooperate and take all steps necessary and appropriate to
11 consummate this settlement in accordance with the terms of this Settlement Agreement.

12 **TERMS OF SETTLEMENT**

13 42. Settlement Consideration: Defendant shall pay the gross settlement amount
14 totaling the sum of One Million Ninety-Two Thousand Five Hundred Seventy Dollars and No
15 Cents (\$1,092,570.00) as specified in this Agreement in full satisfaction of all claims arising
16 from the Action, which shall be used to pay: (1) the Individual Settlement Payments
17 (excluding any appropriate and lawfully required employer-side payroll taxes owed by
18 Defendant on such payments which Defendant shall be separately responsible for apart from
19 the Gross Settlement Amount); (2) the PAGA Payment; (3) the Service Awards to Plaintiff;
20 (4) Settlement Administration Costs to the Settlement Administrator; and (5) approved
21 attorneys' fees and litigation costs. Except as otherwise specified herein, Defendant shall not
22 be required to pay any additional monies beyond the amount of the Gross Settlement Amount.
23 The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross
24 Settlement Amount shall revert to Defendant.

25 43. Calculation of Gross Settlement Amount: The Gross Settlement Amount was
26 calculated with, and is premised on, Defendant's representation that there are 355 Class
27 Members who collectively worked approximately 36,419 workweeks during the Class Period.
28 If the total number of workweeks collectively worked by the Class Members during the Class

1 Period exceeds 40,000 workweeks, Defendant has the unilateral right to either (i) modify the
2 Class Period to run through the week in which the total workweeks exceeded 40,000 without
3 increase to the Gross Settlement Amount, or (ii) increase the Gross Settlement Amount at a
4 rate of \$30 per workweek for each workweek between 36,419 and the total number of
5 workweeks actually worked by the Class Members during the Class Period.

6 44. Funding the Gross Settlement Amount: The Gross Settlement Amount shall be
7 funded by Defendant in accordance with the following schedule and instructions:

8 a. Fifty percent (50%) of the Gross Settlement Amount (\$546,285.00), shall
9 be paid by Defendant to the Settlement Administrator within 30 days of the Court's Final
10 Order and Judgment.

11 b. The remaining fifty percent (50%) of the Gross Settlement Amount
12 (\$546,285.00) shall be paid by Defendant to the Settlement Administrator one (1) year after
13 Defendant's initial payment or by December 1, 2023, whichever is sooner. Defendant's share
14 of payroll taxes shall be due at this time also.

15 c. In the event that the Court's Final Order and Judgment is entered on or
16 after December 1, 2023, the entire Gross Settlement Amount and Defendant's share of payroll
17 taxes shall be paid within fifteen (15) calendar days of entry of the Final Order and Judgment.

18 45. Employer Payroll Taxes: The Gross Settlement Amount does not include
19 Defendant's share of employer payroll taxes. Defendant shall separately pay its share of
20 employer payroll taxes as calculated and directed by the Settlement Administrator.

21 46. Distribution of Net PAGA Penalties: The Net PAGA Penalties shall be used to
22 satisfy Individual PAGA Payments to Aggrieved Employees in accordance with the terms of
23 this Agreement. The Settlement Administrator will allocate the Individual PAGA Payments
24 by first dividing the Net PAGA Penalties by the total number of workweeks worked by
25 Aggrieved Employees during the PAGA Period. That value will then be multiplied by the
26 number of workweeks worked by each respective Aggrieved Employee during the PAGA
27 Period. Aggrieved Employees are entitled to 100% of the Net PAGA Penalties. Defendant
28 maintains no reversionary right to any portion of the Net PAGA Penalties.

1 47. Distribution of Net Settlement Amount: The Net Settlement Amount shall be
2 used to satisfy Individual Settlement Payments to Settlement Class Members in accordance
3 with the terms of this Agreement. The Settlement Administrator will allocate the Individual
4 Settlement Payments by first dividing the Net Settlement Amount by the total number of
5 workweeks worked by Class Members during the Class Period. That value will then be
6 multiplied by the number of workweeks worked by each respective Class Member during the
7 Class Period. Class Members are entitled to 100% of the Net Settlement Amount. Defendant
8 maintains no reversionary right to any portion of the Net Settlement Amount. If there are any
9 timely submitted requests for exclusion, the Settlement Administrator shall proportionately
10 increase the Individual Settlement Payments for each Settlement Class Member so that the
11 amount actually distributed to Settlement Class Members equals 100% of the Net Settlement
12 Amount.

13 48. Tax Allocation of Individual Settlement Payments. All Individual Settlement
14 Payments shall be allocated as follows: eighty percent (80%) as penalties and interest and
15 reported on an IRS Form 1099; and ten percent (20%) shall be attributed to wages and
16 reported via an IRS Form W-2. Settlement Class Members are responsible for their share of the
17 payroll taxes, which shall be deducted from their Individual Settlement Payments. Defendant
18 is responsible for the employer share of payroll taxes, in addition to the amount of the Gross
19 Settlement Amount, and these taxes will not be deducted from the Gross Settlement Amount.

20 49. Tax Allocation of Individual PAGA Payments. All Individual PAGA Settlement
21 Payments shall be allocated 100% as penalties. The amount of the Individual PAGA Payments
22 shall be reported on an IRS Form 1099 by the Settlement Administrator.

23 50. Distribution of Payments. Within ten (10) calendar days of the transfer to the
24 Settlement Administrator of the final portion of the Gross Settlement Amount, the Settlement
25 Administrator shall pay: (1) the Individual Settlement Payments to Settlement Class Members
26 and Individual PAGA Payments to Aggrieved Employees; (2) the Labor and Workforce
27 Development Agency seventy-five percent (75%) of the PAGA Payment; (4) the approved
28 Service Payments to Plaintiff; and (5) Class Counsel's approved attorneys' fees and litigation

costs. The Settlement Administrator shall also issue a payment to itself for services performed in connection with the Settlement.

51. Non-Negotiated Settlement Checks. Any Settlement Payment Checks shall be negotiable until one hundred and eighty (180) calendar days after mailing to the Settlement Class Members and Aggrieved Employees. Those funds represented by settlement checks returned as undeliverable and the funds which correspond with the settlement checks that are not negotiated within one hundred and eighty (180) calendar days after mailing, shall be paid to the following *cy pres* recipients equally: (1) Watsonville Law Center, a non-profit organization that provides free legal services to low-income individuals in the Central Coast of California, and (2) Legal Services of Northern California, a non-profit organization that provides free civil legal assistance to low-income people and other vulnerable populations in 23 Northern California counties, in accordance with California Code of Civil Procedure § 384.

52. Disputes Regarding Individual Settlement Payments. In the event that Class Members have a dispute as to the data provided by Defendant, Class Members will have the opportunity to provide documentation and/or an explanation. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments or Individual PAGA Payment under the terms of this Agreement, and that determination shall be binding.

53. Individual Settlement Payments Do Not Trigger Additional Benefits: The Individual Settlement Payments made to Settlement Class Members, the Individual PAGA Payments made to Aggrieved Employees, the Enhancement Payment made to Plaintiff, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plans. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions,

1 or amounts to which any Settlement Class Member or Aggrieved Employee may be entitled
2 under any benefit plans.

3 54. Settlement Administrator: The Settlement Administrator shall be paid for the
4 reasonable costs of administration of the Settlement from the Gross Settlement Amount,
5 currently estimated at at approximately Eight Thousand, Two Hundred and Fifty Dollars
6 (\$8,250.00). Any portion of the Settlement Administration Costs not allowed shall be added to
7 the Net Settlement Amount and shall be distributed to Settlement Class Members as provided
8 in this Agreement. The Settlement Administrator shall provide the following services:

- 9 a. Establish and maintain a Qualified Gross Settlement Amount account;
- 10 b. Calculate the amount of the Settlement each Class Member is eligible to
11 receive;
- 12 c. Verify the last known address for each Class Member through a generally
13 utilized, national address update database prior to mailing the Class Notice;
- 14 d. Print and mail the Class Notice (English only);
- 15 e. Establish and maintain a toll-free informational telephone support line to
16 assist Class Members who have questions regarding the Class Notice;
- 17 f. Conduct additional address searches for mailed Class Notices that are
18 returned as undeliverable and, to the extent new and more current addresses are found, also
19 reprint and re-mail Class Notices accordingly;
- 20 g. Field inquiries from Class Members, and administer any requests for
21 exclusion. This service will include settlement proceed calculations, printing and issuance of
22 checks, and preparation of 1099 Forms;
- 23 h. Notify Defendant's Counsel of the wiring instructions to fund the Gross
24 Settlement Amount as approved by the Court;
- 25 i. Distribute and pay the Service Payments, Individual Settlement Payments,
26 Individual PAGA Payments, the LWDA's portion of the PAGA Payment, and fees and costs
27 awarded to Class Counsel; and
- 28 j. Provide declarations and/or other information to the Court as requested.

1 55. Class Counsel Fees and Costs: Subject to the Court's approval, Class Counsel
2 shall be allowed to seek its attorneys' fees up to the amount of up to one-third (1/3) of the
3 Class Settlement Amount or \$364,190.00, plus litigation costs up to the amount of \$10,000.00.
4 Defendant will not object to Class Counsel's application for attorneys' fees and costs in these
5 amounts. The amount set forth above will cover all work performed and all fees and costs
6 incurred to date, and all work to be performed and all fees and costs to be incurred in the
7 future in connection with the approval by the Court of this Settlement Agreement, and the
8 administration of the Settlement. Should Class Counsel request a lesser amount, or should the
9 Court approve a lesser amount of attorneys' fees and/or attorneys' costs, the difference
10 between the lesser amount and the maximum amount set forth above shall be added to the Net
11 Settlement Amount and shall be distributed to Settlement Class Members as provided in this
12 Agreement. For the benefit and convenience of Plaintiffs, one or more attorneys may receive a
13 portion of their fees as periodic payments via a Qualified Settlement Fund (QSF). The QSF is
14 authorized to enter into non-qualified assignment and release agreements in respect of any
15 such periodic payment obligation.

16 56. Service Payment: Subject to the Court's approval, Plaintiff shall be allowed to
17 seek a Service Payment in the amount of Five Thousand Dollars (\$5,000.00) for
18 reimbursement of her service as Class Representative and for her individual general release of
19 claims against Released Parties. Defendant will not object to Class Counsel's application for
20 Court approval of a Service Payment to the Class Representative in the amount of \$5,000.00.
21 It is understood that the Service Payment is in addition to any claimed Individual Settlement
22 Payment or Individual PAGA Payment to which Plaintiff is entitled.

23 57. Tax Forms: The Settlement Administrator shall be responsible for issuing the
24 payments and withholding all required state and federal taxes in accordance with this
25 Settlement Agreement. The Settlement Administrator will issue IRS Form W-2 with respect to
26 the amounts paid as wages to the Settlement Class Members, and IRS Form 1099 with respect
27 to the amounts paid as interest and penalties to the Settlement Class Members and Aggrieved
28 Employees. The Settlement Administrator will also issue IRS Form 1099 to: (1) Plaintiff for

1 the Service Payments for their service as Class Representative; and (2) Class Counsel for the
2 amount paid for approved fees and costs. The Settlement Administrator will be responsible for
3 preparing these forms correctly. The Settlement Administrator shall also be responsible for
4 submitting Defendant's share of payroll taxes to the appropriate government agencies on
5 behalf of Defendant. Plaintiff and Class Counsel will be responsible for correctly
6 characterizing this compensation for tax purposes and for paying any taxes on the amounts
7 received.

8 58. Tax Liability. Defendant, Defendant's Counsel, the Settlement Administrator,
9 and Class Counsel make no representation as to the tax treatment or legal effect of the
10 payments called for hereunder, and Plaintiff and Class Members are not relying on any
11 statement, representation, or calculation by Defendant, Defendant's Counsel, Class Counsel,
12 or by the Settlement Administrator in this regard. Plaintiff and Class Members understand and
13 agree that they will be solely responsible for the payment of any and all taxes and penalties
14 assessed on their respective payments described herein and will defend, indemnify, and hold
15 Defendant, Defendant's Counsel, Class Counsel and the Settlement Administrator free and
16 harmless from and against any claims resulting from treatment of such payments as non-
17 taxable penalties/damages.

18 **NOTICE TO THE SETTLEMENT CLASS**

19 59. Delivery of the Class Member List: Within fourteen (14) calendar days of
20 preliminary approval of this Settlement by the Court, Defendant shall provide to the
21 Settlement Administrator the Class Member List.

22 60. Protection of Personally Identifiable Information: The Settlement Administrator
23 (along with any of its agents) shall represent and warrant that it will: (1) provide reasonable
24 and appropriate administrative, physical and technical safeguards for any personally
25 identifiable information ("PII"), which it receives from Defendant's Counsel and/or Class
26 Counsel; (2) not disclose the PII to third parties, including agents or subcontractors, without
27 Defendant's consent; (3) not disclose or otherwise use the PII other than to carry out its duties
28 as set forth herein; and (4) promptly provide Defendant with notice if PII is subject to

1 unauthorized access, use, disclosure, modification, or destruction. The Settlement
2 Administrator may provide notice to both parties if the PII is subject to unauthorized access,
3 use, disclosure, modification, or destruction; however, all additional communications from the
4 Settlement Administrator regarding the scope, circumstances, and substance shall be
5 communicated solely to Defendant.

6 61. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving
7 the Class Member List from Defendant, the Settlement Administrator shall mail a Class Notice
8 to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing
9 addresses identified in the Class List and Data.

10 62. Confirmation of Contact Information in the Class List. Prior to mailing, the
11 Settlement Administrator shall perform a search based on the National Change of Address
12 Database for information to update and correct for any known or identifiable address changes.

13 63. Re-Mailing of Returned Notices. Any Class Notices returned to the Settlement
14 Administrator as non-deliverable on or before the Response Deadline shall be re-sent promptly
15 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
16 Administrator shall indicate the date of such re-mailing on the Class Notice. If no forwarding
17 address is provided, the Settlement Administrator shall promptly attempt to determine the
18 correct address using a skip-trace, or other search using the name, address and/or Social
19 Security Number of the Class Member involved and shall then perform a re-mailing. Those
20 Class Members who receive a re-mailed Class Notice shall have their Response Deadline
21 extended fifteen (15) days from the original Response Deadline. The Settlement Administrator
22 shall provide to the Court, concurrently with Plaintiff' Motion for Final Approval, a
23 declaration of due diligence and proof of mailing with regard to the mailing of the Notices.

24 64. Class Notices: All Class Members will be mailed a Class Notice in English.
25 Each Class Notice will provide: (1) information regarding the nature of the Action; (2) a
26 summary of the Settlement's principal terms; (3) the Class definition; (4) each Class
27 Member's estimated Individual Settlement Payment and the formula for calculating Individual
28 Settlement Payments, if they do not request to be excluded; (5) each Class Member's

1 estimated Individual PAGA Payment and the formula for calculating Individual PAGA
2 Settlement Payments; (6) the dates that comprise the Class Period and PAGA Period; (7)
3 instructions on how to submit a valid request for exclusion or written objection; (8) the
4 deadlines by which the Class Member must submit a request for exclusion or written
5 objection; (9) the date for the final approval hearing; and (10) the claims to be released. The
6 Class Notice will also inform Class Members that, in order to receive the Individual
7 Settlement Payment and Individual PAGA Settlement Payment, they do not need to do
8 anything except keep the Settlement Administrator apprised of their current mailing addresses.

9 **REQUESTS FOR EXCLUSION**

10 65. Request for Exclusion Procedures: Any Class Member, other than Plaintiff, may
11 opt-out from the Settlement by submitting a written request for exclusion to the Settlement
12 Administrator postmarked by the Response Deadline. The request need not be in any particular
13 form and will be considered a valid request for exclusion so long as it communicates a clear
14 desire by the Class Member not to be included in the Settlement and/or Settlement Class,
15 identifies his/her full name and current address along with his/her signature. No requests for
16 exclusion shall be accepted if postmarked after the Response Deadline. Class Members are
17 responsible to maintain a photocopy of their request for exclusion, reflecting that it was
18 submitted in a timely manner. Any disputes regarding the timeliness of a request for exclusion
19 or whether a written communication constitutes a valid request that cannot be resolved
20 between the Parties shall be determined by the Court, whose determination shall be final.

21 66. No Right to Opt-Out of PAGA Settlement: By submitting such a timely request
22 for exclusion, an Aggrieved Employee shall be deemed to have exercised his or her option to
23 opt out of the Settlement and not be bound by this Agreement, except that in light of the
24 binding nature of a PAGA judgment on non-party employees, Aggrieved Employees who
25 exclude themselves from this Settlement shall still be bound by the PAGA Released Claims.

26 67. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Any Class
27 Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely
28 request for exclusion shall be bound by all terms of the Settlement to the fullest possible

1 extent, including those pertaining to the Released Claims, as well as any Judgment that may be
2 entered by the Court. Additionally, Aggrieved Employees shall be bound by the PAGA
3 Released Claims, as well as any Judgment that may be entered by the Court thereon,
4 regardless of whether they opt-out of the Settlement.

5 68. No Interference: The Parties and their respective counsel agree that they will not
6 attempt to encourage or discourage Class Members from filing requests for exclusion.

7 69. Defendant's Right to Rescind: If ten percent (10%) or more of the Class
8 Members opt out of the Settlement by submitting valid and timely requests for exclusion,
9 Defendant shall have the right in its sole discretion to rescind and void the Settlement at any
10 time before final approval by the Court, by providing written notice to Class Counsel at least
11 twenty (20) business days prior to the final fairness hearing, provided the Settlement
12 Administrator has previously furnished Defendant with the number and percentage of valid
13 and timely requests for exclusion. If Defendant exercises this option, Defendant shall pay all
14 costs of administration incurred up to that date.

15 **OBJECTIONS TO THE SETTLEMENT**

16 70. Objection Procedures: Any Class Member who does not opt-out of this
17 Settlement shall be entitled to object to the Settlement. To object to the Settlement, a Class
18 Member must return by mail a written statement of objection to the Settlement Administrator
19 at the specified address by the Response Deadline. The objection must include: (1) the
20 objector's full name, signature, address, and telephone number; (2) a written statement of the
21 basis for the objection; and (3) any copies of papers, briefs, or documents upon which the
22 objection is based. At no time shall any of the Parties or their counsel seek to solicit or
23 otherwise encourage Class Members to submit written objections to the Settlement or appeal
24 from the Order and Judgment. Class Counsel shall not represent any Class Members with
25 respect to any such objections to this Settlement. Any Class Member who submits a valid
26 request for exclusion shall not be allowed to object to this Settlement.

27 71. No Right to Object to PAGA Settlement: Any Class Member who fails to timely
28 submit an objection shall be foreclosed from making any objection to this settlement or from

1 filing an appeal to the Court's Final Order and Judgment unless otherwise ordered by the
2 Court. Class Members shall have no right to object to the PAGA release or PAGA Payment.

3 72. Reporting Objections/Exclusions: The Settlement Administrator shall provide
4 Defendant's Counsel and Class Counsel a weekly report which certifies the number of Class
5 Members who have submitted valid request for exclusion. The Settlement Administrator shall
6 also forward to Defendant's Counsel and Class Counsel any written objections received
7 immediately upon receipt. Further, the Settlement Administrator shall immediately forward
8 any requests for exclusions to the Parties' counsel so that they can determine whether the
9 request is valid and timely.

10 **RELEASE BY THE SETTLEMENT CLASS MEMBERS, AGGRIEVED**
11 **EMPLOYEES, AND CLASS REPRESENTATIVE**

12 73. Release of Claims by Settlement Class Members: Upon the full payment of the
13 Gross Settlement Amount, Plaintiff and all Settlement Class Members, as well as their
14 spouses, heirs, executors, administrators, trustees, and/or permitted assigns, hereby do and
15 shall be deemed to have fully, finally and forever released, settled, compromised, relinquished
16 and discharged, to the fullest extent possible, any and all of the Released Parties of and from
17 any and all Released Class Claims that accrued during the Class Period.

18 74. Release of Claims by Aggrieved Employees: Upon the full payment of the Gross
19 Settlement Amount, the LWDA, Plaintiff and all Aggrieved Employees, as well as their
20 spouses, heirs, executors, administrators, trustees, and/or permitted assigns, hereby do and
21 shall be deemed to have fully, finally and forever released, settled, compromised, relinquished
22 and discharged, to the fullest extent possible, any and all of the Released Parties of and from
23 any and all Released PAGA Claims that accrued during the PAGA Period.

24 75. Release of Claims by Plaintiff and 1542 Waiver: As of the Effective Date, in
25 exchange for the consideration set forth in this Agreement, and upon Defendant's satisfaction
26 of its obligations as set forth in the Individual Settlement Agreement and Release between
27 Plaintiff and Defendant, Plaintiff also agrees to a general release of any and all claims against
28 Defendant and the Released Parties—which shall include without limitation any and all claims
which in any way relate to her employment with Defendant, under State or Federal law, in tort,

1 common law, statute, contract, or equity, whether pled in the FAC or not, including but not
2 limited to any claims under the FLSA, Title VII, ADA, FEHA, ADEA, PAGA, California
3 Labor Code, or any Industrial Welfare Commission Wage Order—now existing or arising in
4 the future, based on any act, omission, event, occurrence, or nonoccurrence from the beginning
5 of time to the date of execution hereof. Plaintiff further expressly waive and relinquish, to the
6 fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the
7 California Civil Code, which provides: “**A general release does not extend to claims that**
8 **the creditor or releasing party does not know or suspect to exist in his or her favor at the**
9 **time of executing the release and that, if known by him or her, would have materially**
10 **affected his or her settlement with the debtor or released party.**” Notwithstanding the
11 provisions of section 1542, and for the purpose of implementing a complete release and
12 discharge of the claims in the General Release, Plaintiff expressly acknowledge that this
13 Agreement is intended to include in its effect all claims they do not know of or suspect to exist
14 in their favor at the time of execution hereof and that this Agreement contemplates the
15 extinguishment of all such claims.

16 **PRELIMINARY AND FINAL APPROVAL**

17 76. Preliminary Approval Hearing: Plaintiff shall obtain a hearing before the Court
18 to request the Preliminary Approval of the Settlement, conditional certification of the Class,
19 and the entry of a Preliminary Approval Order: (i) approving of the proposed Settlement, and
20 (ii) setting a date for a Final Settlement Approval Hearing. The Preliminary Approval Order
21 shall provide for the Class Notice to be sent to all Class Members as specified herein. In
22 conjunction with the Preliminary Approval hearing, Plaintiff shall submit this Agreement,
23 which sets forth the terms of this Settlement, and will include the proposed Class Notice,
24 attached to this Agreement as Exhibit A.

25 77. Final Settlement Approval Hearing: Upon expiration of the deadlines to submit
26 requests for exclusion or notices of objection to the Settlement, and with the Court’s
27 permission, a Final Settlement Approval Hearing shall be conducted to determine the final
28 approval of the Settlement along with the amounts properly payable for (i) Individual

1 Settlement Payments; (ii) the PAGA Payment; (ii) the Class Counsel Award; (iii) the
2 Enhancement Payment; and (iv) Settlement Administration Costs. Class Counsel will be
3 responsible for drafting all documents necessary to obtain final approval. Class Counsel will
4 also be responsible for drafting the attorneys' fees and costs application to be heard at the
5 Final Settlement Approval Hearing.

6 78. Notice to LWDA. Pursuant to California Labor Code § 2699(k)(2), Plaintiff
7 shall submit to the LWDA a copy of this Agreement at the same time Plaintiff submits it to the
8 Court.

9 79. Entry of Judgment and Continued Jurisdiction of the Court: Concurrent with the
10 Motion for Final Approval, the Parties shall also jointly seek the entry of Judgment consistent
11 with the terms of this Agreement. After entry of the Judgment, the Court shall have continuing
12 jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the
13 terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment
14 matters as may be appropriate under court rules or as set forth in this Agreement.

15 80. Nullification of Settlement: In the event that the Settlement does not become
16 final for any reason, then this Agreement, and any documents generated to bring it into effect,
17 shall be null and void. Any order or judgment entered by the Court in furtherance of this
18 Agreement shall likewise be treated as void from the beginning.

19 **CLASS CERTIFICATION**

20 81. Class Action Certification: The Parties are agreeing to class certification for
21 settlement purposes only. This Agreement shall not constitute, in this or any other proceeding,
22 an admission of any kind by Defendant, including without limitation, that certification of a
23 class for trial or any other purpose is appropriate or proper or that Plaintiff or any Class
24 Member can establish any of the requisite elements for class treatment of any of the claims in
25 this Action. If, for any reason, the Settlement is not finally approved, this Agreement will be
26 void and the Parties will be restored to their respective positions in the lawsuit as if they had
27 not entered into this Agreement. The Parties further agree that this Agreement or any
28 documents or orders issued related to this Settlement will not be admissible, other than

1 according to the Settlement's terms, in this or any other proceeding as evidence that either: (i)
2 a class action should be certified, or (ii) Defendants are liable to Plaintiff or any Class
3 Member.

4 82. Non-Admission of Liability: The Parties enter into this Agreement to resolve the
5 dispute that has arisen between them and to avoid the burden, expense and risk of continued
6 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies,
7 that its has violated any federal, state, or local law; violated any regulations or guidelines
8 promulgated pursuant to any statute or any other applicable laws, regulations or legal
9 requirements; breached any contract; violated or breached any duty; engaged in any
10 misrepresentation or deception; or engaged in any other unlawful conduct with respect to its
11 employees. Neither this Agreement, nor any of its terms or provisions, nor any of the
12 negotiations connected with it, shall be construed as an admission or concession by Defendant
13 of any such violations or failures to comply with any applicable law, regulation, or legal
14 requirement. Except as necessary in a proceeding to enforce the terms of this Agreement, this
15 Agreement and its terms and provisions shall not be offered or received as evidence in any
16 action or proceeding to establish any liability or admission of any nature on the part of
17 Defendant, or to establish the existence of any condition constituting a violation of, or a non-
18 compliance with, federal, state, local or other applicable law.

19 MISCELLANEOUS TERMS

20 83. Disputes Regarding Administration of Settlement: Any disputes not resolved by
21 the Settlement Administrator concerning the administration of the Settlement will be resolved
22 by the Court under the laws of the State of California. Prior to any such involvement of the
23 Court, counsel for the Parties will confer in good faith to resolve the disputes without the
24 necessity of involving the Court.

25 84. Parties' Authority: The signatories hereto hereby represent that they are fully
26 authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and
27 conditions thereof.
28

1 85. Mutual Full Cooperation: The Parties agree to fully cooperate with each other to
2 accomplish the terms of this Settlement Agreement, including, but not limited to, execution of
3 such documents and taking of such action as reasonable may be necessary to implement the
4 terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their
5 best efforts, including all efforts contemplated by this Settlement Agreement and any other
6 efforts that may become necessary by order of the Court, or otherwise, to effectuate this
7 Settlement Agreement and the terms set forth herein. As soon as practicable after execution of
8 this Settlement Agreement, Class Counsel shall take all necessary steps to secure the Court's
9 final approval of this Settlement Agreement.

10 86. No Prior Assignments: The Parties and their respective counsel represent,
11 covenant, and warrant that they have not directly or indirectly, assigned, transferred,
12 encumbered, or purported to assign, transfer, or encumber to any person or entity any portion
13 of any liability, claim, demand, action, cause of action, or right herein released and discharged
14 except as set forth herein.

15 87. Breach and Enforcement Action: The Parties will jointly request that the Court
16 to retain jurisdiction pursuant to California Code of Civil Procedure § 664.6 to retain
17 jurisdiction to oversee and enforce the terms of this Settlement. In the event of a breach of this
18 Settlement, the non-breaching Party shall provide notice to the breaching party and request
19 that the breaching party cure any alleged breach. If the breach is not cured within thirty (30)
20 days of said notice, the non-breaching party may pursue legal action or other proceeding
21 against any other breaching party or parties to enforce the provisions of this Settlement
22 Agreement or to declare rights or obligations under this Settlement Agreement. In the event of
23 such enforcement actions, the successful party or parties shall be entitled to recover from the
24 unsuccessful party or parties reasonable attorneys' fees and costs, including expert witness
25 fees incurred in connection with any enforcement actions. All such disputes shall be resolved
26 by the Court.

27 88. Notices: Unless otherwise specifically provided herein, all notices, demands, or
28 other communications given hereunder shall be in writing and shall be deemed to have been

1 duly given as of the third business day after mailing by United States registered or certified
2 mail, return receipt requested, addressed as follows:

3 To Plaintiff, the Settlement Class, and Class Counsel:

4 B. James Fitzpatrick
5 FITZPATRICK & SWANSTON
6 555 South Main Street
7 Salinas, CA 93901
8 Telephone: (831) 755-1311

9 Larry W. Lee
10 DIVERSITY LAW GROUP
11 515 S. Figueroa Street, Suite 1250
12 Los Angeles, CA 90071
13 Telephone: (213) 488-6555

14 To Defendant and Defendant's Counsel:

15 David M. Daniels
16 ELGUINDY, MEYER & KOEGEL, APC
17 2990 Lava Ridge Court, Suite 205
18 Roseville, CA 95661
19 Telephone: (916) 778-3310

20 89. Construction: The Parties hereto agree that the terms and conditions of this
21 Settlement Agreement are the result of lengthy, intensive arm's-length negotiations between
22 the Parties, and this Settlement Agreement shall not be construed in favor of or against any
23 party by reason of the extent to which any Party or his, her or its counsel participated in the
24 drafting of this Settlement Agreement.

25 90. Captions and Interpretations: Paragraph titles or captions contained herein are
26 inserted as a matter of convenience and for reference, and in no way define, limit, extend or
27 describe the scope of this Settlement Agreement or any provision of it. Each term of this
28 Settlement Agreement is contractual and not merely a recital.

91. Modification: This Settlement Agreement may not be changed, altered, or
modified, except in writing and signed by counsel for the Parties hereto and approved by the
Court. This Settlement Agreement may not be discharged except by performance in
accordance with its terms or by a writing signed by the Parties hereto.

1 92. Integration Clause: This Settlement Agreement and the Exhibit attached hereto
2 and incorporated herein by reference, together with the Individual Settlement Agreement and
3 Release between Plaintiff and Defendant, contain the entire agreement between the Parties
4 relating to the settlement and transaction contemplated hereby, and all prior or
5 contemporaneous agreements, understandings, representations, and statements, whether oral or
6 written and whether by a Party or such Party's legal counsel, are merged herein. No rights
7 hereunder may be waived except in writing.

8 93. Binding on Assigns This Settlement Agreement shall be binding upon and inure
9 to the benefit of the Parties hereto and their respective heirs, trustees, executors,
10 administrators, successors, and assigns.

11 94. Class Member Signatories: It is agreed that because the Settlement Class
12 Members are so numerous, it is impossible or impractical to have each member execute this
13 Settlement Agreement. The Notice of Pendency of Class Action and Proposed Settlement,
14 Exhibit A hereto, will advise the Settlement Class of the binding nature of the release, and the
15 release shall have the same force and effect as if this Settlement Agreement were executed by
16 each member.

17 95. Counterparts: This Settlement Agreement may be executed in counterparts by
18 one or more of the Parties on any number of separate counterparts and delivered electronically.
19 All executed counterparts and each of them, including electronic signatures (i.e. DocuSign),
20 facsimile, and scanned copies of the signature pages, will be deemed an original and, when
21 taken together with other signed counterparts, shall constitute one Settlement Agreement
22 binding upon and effective as to all parties.

23 //

24 //

25 //

26 //

27

28

1 IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this
2 Joint Settlement Agreement and Release between Plaintiff and Defendant as of the date(s) set
3 forth below:

4 Dated: Sep 13, 2022



Valarie Murray, Plaintiff and Class
Representative

7 Dated: _____

Defendant Granite Wellness Center

11 Dated: September 12, 2022

By: Victoria Blacksmith
Its: Chief Executive Officer

FITZPATRICK & SWANSTON
DIVERSITY LAW GROUP, P.C.

13 By: /s/ B. James Fitzpatrick
14 B. James Fitzpatrick, Esq.
15 Larry W. Lee, Esq.
Attorneys for Plaintiff,
Valarie Murray and the Class

16 Dated: September 12, 2022

ELGUINDY, MEYER & KOEGEL, APC

19 By: /s/ David M. Daniels
20 David M. Daniels
21 Attorneys for Defendant,
Granite Wellness Centers

1 IN WITNESS HEREOF, the Parties hereto knowingly and voluntarily executed this
2 Joint Settlement Agreement and Release between Plaintiff and Defendant as of the date(s) set
3 forth below:

4 Dated: _____

Valarie Murray, Plaintiff and Class
Representative

7 Dated: 9/13/2022

Defendant Granite Wellness Center



By: Victoria Blacksmith
Its: Chief Executive Officer

11 Dated: September 12, 2022

FITZPATRICK & SWANSTON
DIVERSITY LAW GROUP, P.C.

13 By: /s/ B. James Fitzpatrick
14 B. James Fitzpatrick, Esq.
15 Larry W. Lee, Esq.
Attorneys for Plaintiff,
Valarie Murray and the Class

16 Dated: September 12, 2022

ELGUINDY, MEYER & KOEGEL, APC

19 By: /s/ David M. Daniels
20 David M. Daniels
Attorneys for Defendant,
Granite Wellness Centers

EXHIBIT A

Valarie Murray v. Granite Wellness Centers, et al.
Superior Court of California, County of Nevada
(Case No. CU20-084680)

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

IF YOU WORKED FOR GRANITE WELLNESS CENTERS (FORMERLY KNOWN AS COMMUNITY RECOVERY RESOURCE CENTER) AS A NON-EXEMPT, HOURLY EMPLOYEE IN CALIFORNIA AT ANY TIME FROM JUNE 22, 2016, THROUGH APRIL 30, 2021, YOU MAY BE ABLE TO COLLECT MONEY FROM A CLASS ACTION SETTLEMENT.

The Nevada County Superior Court (“Court”) authorized this Notice to be sent by Phoenix Class Action Administration Solutions (the “Settlement Administrator”).

This is not an advertisement. This is not a solicitation from a lawyer.

PLEASE KEEP THE SETTLEMENT ADMINISTRATOR INFORMED OF YOUR ADDRESS IF YOU MOVE AFTER RECEIVING THIS NOTICE

«BarcodeString»
SIMID «SIMID»
ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

**YOU ARE ESTIMATED TO
RECEIVE APPROXIMATELY
\$«MERGED_EstSettAmnt_CALC»
THROUGH THIS CLASS ACTION
SETTLEMENT**

- Former employee Valarie Murray (“Plaintiff”) has sued Granite Wellness Centers, formerly known as Community Recovery Resource Center (“Defendant”) on behalf of herself and all other similarly situated employees.
- The parties to the lawsuit have reached a tentative settlement, and the Court has preliminarily approved it.
- The settlement resolves the lawsuit.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

You Can DO NOTHING

You will receive a payment from the settlement. If you do nothing, you continue your participation in this lawsuit, and you will be impacted by the outcome of this case. You will receive a settlement payment; however, you will **lose** any rights to sue Defendant separately for the same legal claims made in the lawsuit. The estimated amount of your settlement payment is shown above. To receive your settlement payment, all you need to do is keep the Settlement Administrator informed of your current mailing address. Once the Court grants final approval of the settlement, the Settlement Administrator will mail your check to the address on file for you. Defendant has approved this Settlement and will not retaliate against you for participating in the Settlement.

You Can ASK TO BE EXCLUDED FROM THE CLASS SETTLEMENT (Deadline: , 2022)	If you ask to be excluded from the class settlement, you will get no payment from the class settlement amount, but you will keep any rights to sue Defendant separately for the same legal claims made in this lawsuit. However, you may not request exclusion from the settlement of the PAGA claim. Important: You cannot ask to be excluded <u>and</u> still get a settlement payment.
You Can OBJECT TO THE CLASS SETTLEMENT	If you do not like the class settlement, you can send a written objection to the Settlement Administrator by the deadline, or you can appear at the Final Approval Hearing to make your objection in person. If your objection is overruled, you will still be bound by the terms of the settlement and will receive a settlement payment. Important: If you object to the settlement, you cannot also ask to be excluded.

THESE RIGHTS AND OPTIONS—AND THE DEADLINES TO EXERCISE THEM—ARE EXPLAINED IN THIS NOTICE.

The Court is in charge of this lawsuit and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. **Please be patient.**

1. Why Should You Read This Notice?

You should read this Notice because you may be entitled to money from a class action settlement.

2. What is this Lawsuit About?

In the lawsuit, Plaintiff asserted class-wide claims for: (1) violation of Labor Code §§ 226.7 and 11198 regarding meal periods and premiums; (2) violation of Labor Code §§ 226.7 and 1198 regarding rest periods and premiums; (3) violation of Labor Code §§ 1194 and 1198 regarding overtime wages; (4) violation of Labor Code §§ 1194, 1197, and 1199 regarding minimum wages; (5) violation of Labor Code §§ 226, 1174, and 1175 regarding itemized wage statements and records; (6) violation of Labor Code §§ 201, 202, 204, 216, 218, 221, 223, 1194, and 1198 regarding payment of agreed wages; (7) violation of Labor Code §§ 201-203 regarding timely payment of final wages; (8) violation of Labor Code § 204 regarding timely payment of all wages; (9) violation of Labor Code § 2802 regarding reimbursement of work-related expenses; and (10) violation of Business and Professions Code § 17200, *et seq.* for unfair business practices. Plaintiff also asserted a representative claim under the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) predicated on Defendant’s alleged violations of the Labor Code.

Defendant denies the allegations in the lawsuit. Defendant asserts compliance with all legal requirements and is resolving this action in order to avoid the risk and costs of further legal proceedings.

3. Why is this a Class Action?

This lawsuit is a class action. In a class action, one or more persons, called a class representative (in this case, the Plaintiff), sue on behalf of people who allegedly have similar claims. All these people are a class or class members. One case resolves the issues for all class members, except for those who exclude themselves from the class. The Nevada County Superior Court is in charge of the case. The lawsuit is known as *Murray v. Granite Wellness*

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Plaintiff thinks she could have won at trial. Defendant thinks that it would have won at trial. But there was no trial. Instead, both parties agreed to a settlement. That way, they avoid the risks and cost of litigation, and the individuals potentially affected will get compensation. The class representatives and the attorneys think the settlement is best for Class Members.

5. How Do I Know If I Am Part of the Settlement?

The Court has decided that all persons who worked for Community Recovery Resource Center as non-exempt, hourly employees in California at any time from June 22, 2016, through April 30, 2021 (the “Class Period”), are Class Members.

6. What Does the Settlement Provide?

The proposed settlement provides for a cash payment by Defendant of \$1,092,570 to fully and finally resolve all claims in the lawsuit (referred to as the “Gross Settlement Amount”). The total amount to be distributed to Class Members who can be located and who do not exclude themselves from the settlement will be the value of the Gross Settlement Amount after deducting the following (the “Net Settlement Amount”): (a) settlement administration costs not to exceed \$8,250; (b) service payment to the Plaintiff not to exceed \$5,000 for her work and efforts in prosecuting this case, providing a general release, and for undertaking the risks of costs (in the event the outcome of this lawsuit was not favorable); (c) Class Counsel’s attorneys’ fees not to exceed \$364,190; (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$10,000; and (f) PAGA Payment of \$20,000 for alleged civil penalties owed pursuant to the California Private Attorneys’ General Act. **Class Counsel’s attorneys’ fees and costs and Plaintiff’s service payment remain subject to Court approval.**

By statute, the Labor and Workforce Development Agency will receive seventy-five percent of the PAGA Payment —*i.e.* the amount of \$15,000. Class Members who worked during the period from April 3, 2019, through April 30, 2021 (the “PAGA Period”) will receive a portion of the remaining twenty-five percent of the PAGA Payment (“Net PAGA Penalties”).

No portion of the Net Settlement Amount will be returned to Defendant under any circumstances. Instead, any unclaimed portions will be paid to the following *cy pres* recipients equally: (1) Watsonville Law Center, a non-profit organization that provides free legal services to low-income individuals in the Central Coast of California, and (2) Legal Services of Northern California, a non-profit organization that provides free civil legal assistance to low-income people and other vulnerable populations in 23 Northern California counties, in accordance with California Code of Civil Procedure § 384.

7. How Much Will My Payment Be?

Your estimated share of the class settlement is [INSERT AMOUNT] and is based on the number of workweeks you worked for Defendant during the Class Period, as compared to the total number of workweeks worked by all Class Members during the Class Period. Based upon Defendant’s records, the number of workweeks you worked during the Class Period is determined to be **.

Your estimated share of the Net PAGA Penalties is [INSERT AMOUNT] (“Individual PAGA Payment”) and is

based on the number of workweeks you worked for Defendant during the PAGA Period, as compared to the total number of workweeks worked by all Class Members during the PAGA Period. Based upon Defendant's records, the number of workweeks you worked during the PAGA Period is determined to be **.

If this information appears correct, you do not need to do anything further to receive your settlement payment. If you disagree with the number of workweeks identified, see below (Question 9).

8. How Do I Get a Payment?

To qualify for payment, you need not do anything. Following the Effective Date of final approval of the settlement, Defendant will submit the Gross Settlement Amount to the Settlement Administrator. The Settlement Administrator will mail you a check after Defendant submit payment of the Gross Settlement Amount to the Settlement Administrator.

9. What If I Believe the Information is Inaccurate?

If you believe the number of workweeks that you worked for Defendant during the Class Period and/or PAGA Period is inaccurate, you may dispute it by sending a letter to Phoenix Class Action Administration Solutions, [INSERT ADDRESS] no later than [RESPONSE DEADLINE]. Be sure to include your name, address, telephone number, last four digits of your Social Security Number, and a statement as to what and why you are disputing. Also attach a copy of any documentation you want to include to support your dispute.

10. What Am I Giving Up to Get a Settlement Payment?

Unless you request to be excluded from the settlement, you remain a Class Member, and part of the Settlement Class. If you are a member of the Settlement Class, that means you will be giving up or "releasing" Defendant and the Released Parties from the following:

All claims that were and could have been pled in the operative Second Amended Complaint based on facts and allegations made therein for violation of Labor Code sections 201, 202, 203, 204, 207, 208, 209, 210, 216, 218, 218.5, 218.6, 221, 223, 225.5, 226, 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2802 and the applicable IWC Wage Order, that accrued during the period of June 22, 2016, through April 30, 2021 [Class Period].

Additionally, if you worked during the PAGA Period, you will be giving up or "releasing" Defendant and the Released Parties from the following:

All claims that were and could have been pled in the Second Amended Complaint based on facts and allegations made therein for penalties under the California Private Attorneys' General Act predicated on the violation of Labor Code sections 201, 202, 203, 204, 207, 208, 209, 210, 216, 218, 218.5, 218.6, 221, 223, 225.5, 226, 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2800, 2802 and the applicable IWC Wage Order, that accrued during the period of April 3, 2019, through April 30, 2021 [PAGA Period].

11. How Do I Exclude Myself from the Settlement?

To exclude yourself from the class settlement (also referred to as "opt-out"), you must mail a letter to the

Settlement Administrator saying that you want to be excluded from the *Murray v. Granite Wellness Centers, et al.* settlement.

Be sure to include your name, address, telephone number, last four digits of your Social Security Number, and your signature. You must mail your exclusion letter postmarked no later than [RESPONSE DEADLINE], to the Settlement Administrator at [INSERT ADDRESS].

If you submit a timely and valid “opt-out” request, you will no longer be a member of the class and you will not receive any money from the class settlement, or be able to object to the settlement, but you will not be legally bound by anything that happens regarding the class action portion of this lawsuit. You will keep any rights to sue (or continue to sue) Defendant in the future for the same class claims made in this lawsuit, at your own expense.

If you worked during the PAGA Period, you may not opt-out, or request to be excluded, from the settlement of the PAGA claim. Thus, even if you submit a timely and valid “opt-out” request, you will still receive an Individual PAGA Payment and will be deemed to have released the PAGA claims.

12. If I Don’t Exclude Myself, Can I Sue Defendant or Get Money from the Settlement?

If you do not exclude yourself from the settlement, you cannot sue Defendant for any of the claims that this settlement resolves. If you have a pending lawsuit against Defendant, speak to your lawyer in that case immediately. You may have to exclude yourself from this case to continue on with your own lawsuit. Remember, the exclusion deadline is [RESPONSE DEADLINE].

Again, if you exclude yourself from this settlement, you cannot get money from this settlement.

13. How Do I Tell the Court that I Don’t Believe that the Settlement is Fair?

If you are a Class Member and you do not exclude yourself from the class settlement, you can object to the class settlement if you believe that the settlement is unfair or inadequate. You can give reasons why you think the Court should not approve the class settlement. If you object and follow the procedures set out in this section, your objection will be considered.

If you decide to object to the proposed settlement, you can do so in writing. All objections must be signed by you and must include: (1) your full name and current address, and contact information for any attorney representing you for the purposes of your objection; (2) a written statement of the basis for your objection; and (3) any copies of papers, briefs, or documents upon which the objection is based. You must mail your written objection postmarked no later than [RESPONSE DEADLINE], to the Settlement Administrator at [REDACTED ADDRESS]. If you do not follow these procedures, you will be deemed not to have objected.

There is no right to object to the settlement of the PAGA claim.

14. What is the Difference Between Objecting and Excluding?

Objecting is simply telling the Court that you don’t like something about the class settlement. You can object only if you stay in the class. Excluding yourself, on the other hand, is telling the Court that you don’t want to be part of the class. If you exclude yourself, you have no basis to object because the case no longer affects you. However, if you file an objection, you will still receive settlement benefits under the settlement if it is approved by the Court.

15. Do I Have a Lawyer in this Case?

In connection with the Preliminary Approval of the Settlement, the Court decided that the law firms of Diversity Law Group and Fitzpatrick & Swanston, which represent the Plaintiff, are also qualified to represent you and all Class Members. You will not be charged for these lawyers. These law firms are referred to as “Class Counsel.” If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How Will the Attorneys for the Class and the Class Representative Be Paid?

The attorneys for the Plaintiff and the class will be paid from the Gross Settlement Amount. Class Counsel will ask the Court to approve up to \$364,190 in attorneys’ fees and for actual litigation costs incurred up to a maximum of \$10,000 the actual amount of which will be determined by the Court at the final approval hearing (see section 17 below for details as to when this hearing will take place). Class Members (like you) do not have to pay the fees and costs of Class Counsel. **If you elect, however, to hire your own lawyer, you have to make your own arrangements to compensate your lawyer.**

If approved by the Court, a service payment for the Plaintiff in an amount up to \$5,000.00 will be paid from the Gross Settlement Amount for her work and efforts in prosecuting this case, providing a general release, and for undertaking the risks of costs (in the event the outcome of this lawsuit was not favorable).

17. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

The Court has preliminarily approved the settlement and will hold a final approval hearing to decide whether to give final approval to the settlement. This hearing will be held before the Honorable **** on ****, 2022, at __:00 a.m., in Department **** of the Superior Court of California for the County of Nevada, located at 201 Church Street, Nevada City, California 95959, to determine whether the proposed settlement is fair, reasonable, and adequate, and whether it should be finally approved by the Court. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The final approval hearing may be continued without further notice. The Court may adjourn or continue the hearing from time to time, without further notification, as the Court may direct. You may also be able to attend the final approval via Zoom or other remote means.

Once final approval is granted by the Court, the Court will enter judgment against Defendant, and all Class Members who have not requested exclusion from the class will be deemed to have waived the Released Claims set forth above.

18. How Do I Get More Information?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by contacting Class Counsel.

19. What is the Contact Information for the Court, Class Counsel, and Defendant’s Counsel?

The contact information for Class Counsel are below:

FITZPATRICK & SWANSTON B. James Fitzpatrick bjfitzpatrick@fandslegal.com	DIVERSITY LAW GROUP, P.C. Larry W. Lee lwlee@diversitylaw.com
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Laura L. Franklin lfranklin@fandslegal.com 555 S. Main Street Salinas, CA 93901 Telephone: (831) 755-1311	Mai Tulyathan ktulyathan@diversitylaw.com 515 S. Figueroa Street, Suite 1250 Los Angeles, CA 90071 Telephone: (213) 488-6555
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WHAT IF I HAVE QUESTIONS?

If you have any questions about the settlement, you may contact the Settlement Administrator:

Murray v. Granite Wellness Centers, et al.
c/o Phoenix Class Action Administration Solutions

Toll-Free Phone Number: [insert]

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE COURT CLERK FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.

PLEASE DO NOT CONTACT DEFENDANTS, THEIR MANAGERS, OR ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.